

Statistical bulletin

# Annual Survey of Hours and Earnings Pension Tables: 2015 Provisional and 2014 Revised Results

Membership and contributions to workplace pension arrangements for UK employees by type, age, industry, public/private sector, occupation and size of company.

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# 1 . Main points

Workplace pension scheme membership has increased to 64% in 2015, from 59% in 2014, caused by increases in membership of occupational defined contribution and group personal and group stakeholder schemes.

In 2015, 87% of employees in the public sector had a workplace pension compared with 55% of private sector employees.

Occupational defined benefit pensions schemes represented less than half (45%) of total workplace pension membership in 2015, down from a high of 83% in 1997.

Pension membership increased in most age groups in 2015 compared with 2014, with the largest increase (7 percentage points, to 61%) in the age group 22 to 29.

In the private sector, 40% of employees with workplace pensions made contributions of greater than zero but under 2% of pensionable earnings in 2015, compared with 33% of employees in 2014. The increase is likely to be driven by current minimum contribution levels for automatic enrolment.

Half (50%) of employees in the private sector received employer contributions of greater than zero and under 4% of pensionable earnings in 2015, compared with 43% in 2014. The increase may be explained by new members who have been automatically enrolled into a workplace pension with lower initial employer contributions until the phasing of contributions is completed in 2019.

## 2 . Background

The Annual Survey of Hours and Earnings (ASHE) is a main source of information on workplace pensions in the UK 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 to analyse pension participation and to monitor the impacts of pension reforms.

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 bulletin as "employees". For further information on ASHE please see the "Background notes" section.

The main content of this bulletin relates to 2015 and has a reference date of 22 April 2015. Statistics contained in this bulletin for 2014 relate to revised 2014 data, tables for which are published as part of this release (see Appendix).

## 3 . Workplace pension reforms

The Pensions Act 2008 put in place a framework for workplace pension reform designed to increase private pension saving in the UK. This framework was amended slightly by the Pensions Act 2011 and 2014. One of the main reforms was that, from October 2012, all eligible employees are to be automatically enrolled into a qualifying workplace pension scheme.

Automatic enrolment applies to eligible employees who are not already participating in a workplace pension scheme. When automatic enrolment was introduced in October 2012, eligible employees were those earning more than £8,105 per year (£10,000 from April 2015). Eligible employees are those aged between 22 and state pension age.<sup>1</sup>

Automatic enrolment is being introduced in stages, based on the size of the employers' PAYE scheme on 1 April 2012. Automatic enrolment started in October 2012 for employers with over 120,000 employees, with staged roll-out to all employers by 2018.<sup>2</sup>

Under automatic enrolment employers select a pension scheme for their employees. Employers have a duty to enrol all eligible employees into a pension scheme meeting the qualifying requirements set out within the [Pensions Act 2008](#) and [Pensions Act 2011](#) and to make contributions to this scheme on their employees' behalf. Workers are able to opt out of their employer's scheme if they wish but, if they are still eligible, they will be re-enrolled after a 3 year period.

In order to be considered a qualifying pension scheme, schemes will eventually have to receive minimum contributions of 8% of an employee's qualifying earnings, of which at least 3% must come from the employer by April 2019. However, there is [a phasing in period](#), during which lower contributions are allowed. From October 2012 to April 2018, the minimum contribution is 2% of an employee's qualifying earnings of which at least 1% must come from the employer.

The Pensions Act 2008 created the National Employment Savings Trust (NEST), a new, trust-based defined contribution (DC) pension scheme, to assist employers with pension provision. Other separate trust-based arrangements, known as master trusts (see [Glossary](#)), have also been set up to facilitate automatic enrolment. Examples of these include [NOW: Pensions](#) and [The People's Pension](#).

The Pensions Act 2011 introduced: an annual review of the automatic enrolment earnings trigger; an annual review of the upper or lower limits of the qualifying earnings band; and an optional waiting period of up to 3 months before an employee must be automatically enrolled into a workplace pension.

These reforms represented a major change in the UK private pension system, aiming to extend coverage to the millions of employees without a private pension, in particular those in the target market of moderate to low earners.

## Notes:

1. For more information about automatic enrolment see: [Department for Work and Pensions Automatic Enrolment Evaluation report 2015](#).
2. The reference date for the 2015 data in this bulletin is 22 April 2015. Automatic enrolment is being introduced in stages, based on the size of the employers' PAYE scheme on 1 April 2012. Employers with 50 or more employees should have enrolled eligible employees before the 2015 data was collected. It is possible for employers to postpone or bring forward their staging date. For a timetable of staging dates see: [automatic enrolment timetable of starting dates](#).

## 4 . Workplace pension scheme membership

Figure 1 shows membership by pension type between 1997 and 2015. In 2015, 64% of employees<sup>1</sup> belonged to a workplace pension, the highest percentage since 1997 when the series began. In 1997, 55% of employees belonged to a workplace pension scheme. In 2012, prior to the implementation of workplace pension reforms, 47% of employees belonged to a workplace pension scheme.

Although membership was 64% overall in 2015, there were differences between sectors:

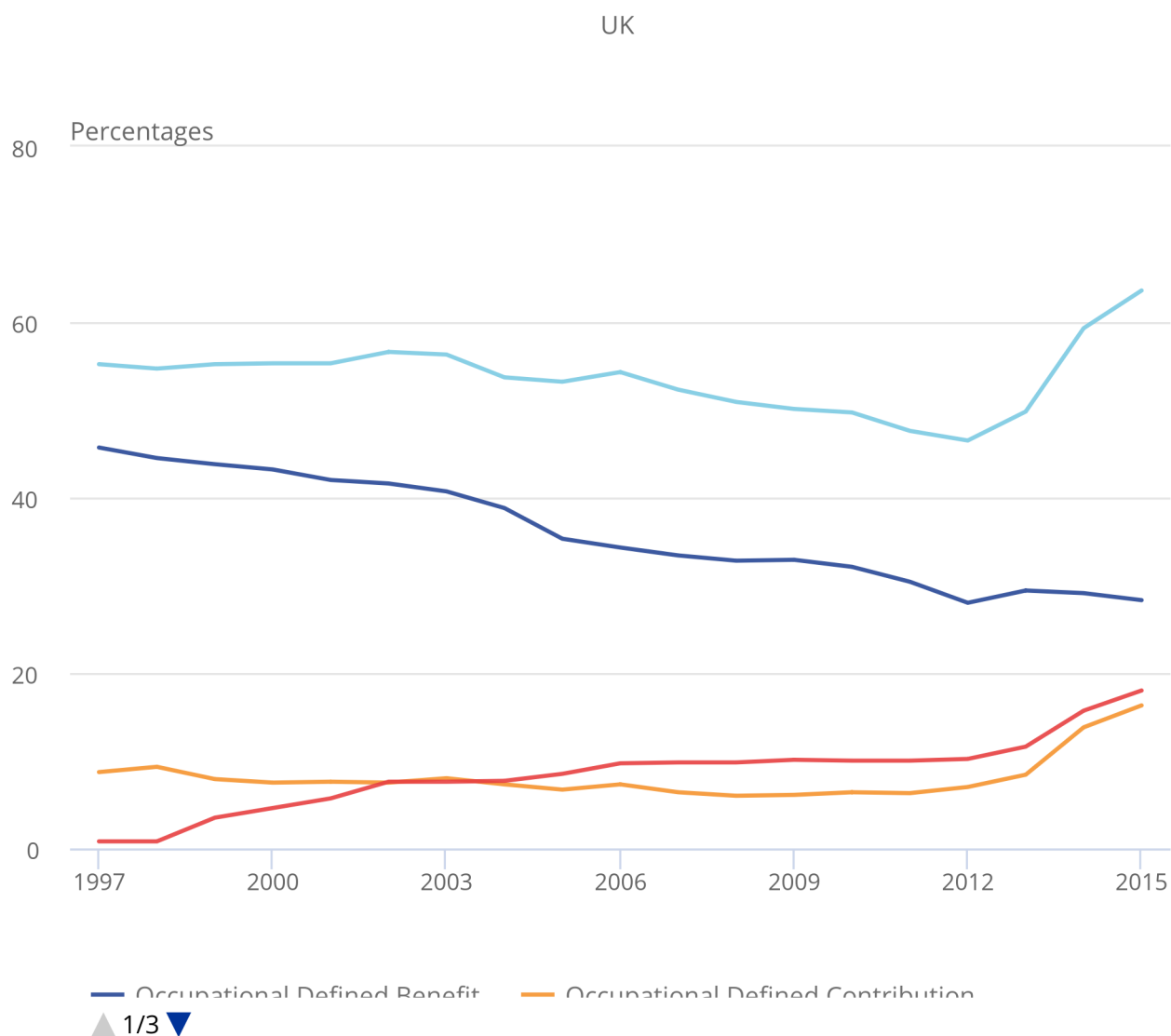
- 87% of public sector employees were members of a workplace pension scheme, the same as in 2014
- 55% of private sector employees were members of a workplace pension scheme, up from 49% in 2014

The overall increase in workplace pension membership between 2014 and 2015 is driven by increases in occupational defined contribution (DC) and group personal<sup>2</sup> pension schemes in the private sector. In 2014 and 2015, membership of occupational defined benefit (DB) pension schemes was almost the same, at 29% to 28% respectively. Membership of occupational DC pension schemes increased by 2 percentage points from 14% in 2014 to 16% in 2015. Membership of group personal and stakeholder pension schemes<sup>2</sup> was 18% in 2015, compared with 16% in 2014.

**Figure 1: Proportion of employees with workplace pensions: by type of pension, 1997 to 2015**

UK

Figure 1: Proportion of employees with workplace pensions: by type of pension, 1997 to 2015



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

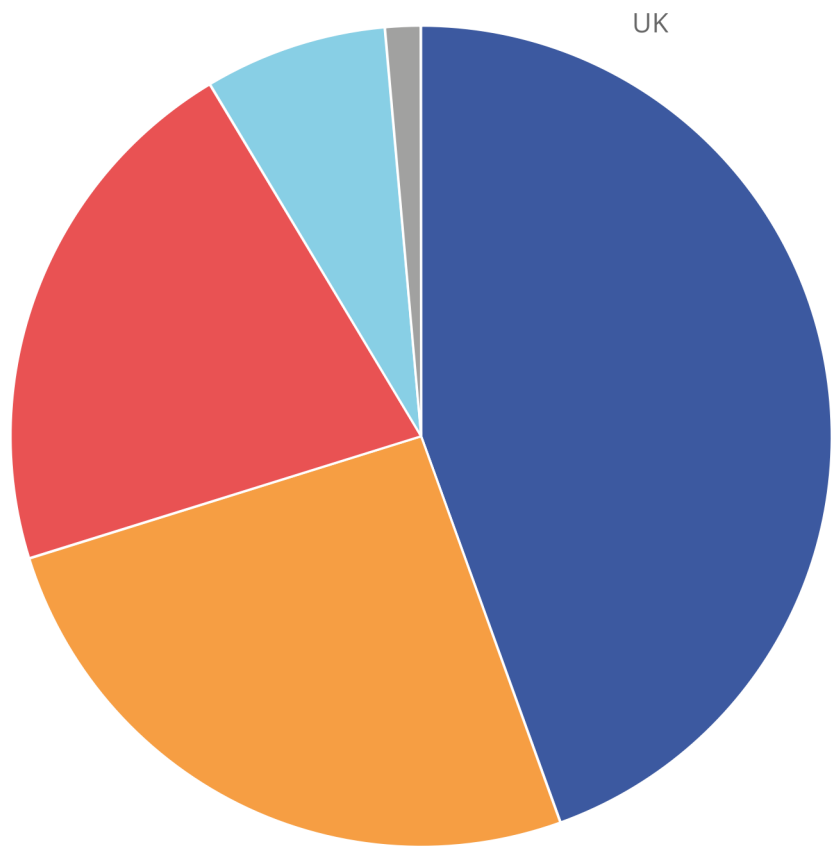
**Notes:**

1. Results for 2005 onwards are based on a new questionnaire and may not be comparable to earlier results.
2. ASHE estimates for 2011 onwards are based on a Standard Occupational Classification (SOC) 2010 basis. Earlier estimates are on a SOC 2000 basis.

Figure 2: Proportion of employees with workplace pensions: by type of pension, 2015

UK

Figure 2: Proportion of employees with workplace pensions: by type of pension, 2015



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

- 1. Data for Group Self-Invested Personal Pensions (GSIPP) are included within the category Group Personal Pensions (GPP).
- 2. Percentages may not sum to 100% due to rounding.

Figure 2 shows the proportion of employees with a workplace pension by pension type. Occupational defined benefit remained the largest category of workplace pension in 2015, despite increases in occupational defined contribution and group personal pension membership.

However, in 2015 the percentage of occupational defined benefit pension schemes has decreased, representing less than half (45%) of total workplace pension membership in the UK, compared with 49% in 2014 and 83% in 1997.

Workplace pension participation differs between the public and private sectors. Table 3 shows that in 2015, 95% of public sector employees with a workplace pension had an occupational defined benefit pension. In the private sector, only 15% of employees with a workplace pension were in a defined benefit scheme. Conversely, defined contribution pensions (whether occupational, group personal or group stakeholder) were more common in the private sector.

**Table 3: Employees with workplace pensions: percentages by type of pension, 2015**

United Kingdom					Percentages
	Occupational defined benefit	Occupational defined contribution	Group personal pension	Group stakeholder pension	Unknown pension type
All employees	44.5	25.7	21.2	7.2	1.4
of which					
Public sector	95.1	2.5	1.0	0.3	1.1
Private sector	15.3	39.5	32.3	11.2	1.6

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions). 'All employees' includes employees from the public and private sectors and employees working for organisations classified as non-profit bodies.
2. Percentages may not sum to 100% due to rounding.
3. Data for Group Self-Invested Personal Pensions (GSIPP) are included within the category Group Personal Pensions (GPP).

## Notes:

1. ASHE collects information from employers on employee jobs. Although they are referred to in this bulletin as "employees", individuals may hold more than one job.
2. Data for Group Self-Invested Personal Pensions (GSIPP) are included within the category Group Personal Pensions (GPP) throughout this bulletin.

## 5 . Membership by age, working pattern, sex and earnings

Age is an important factor affecting workplace pension scheme membership. Figure 4 shows the proportion of employees with a workplace pension by age band in 2015:

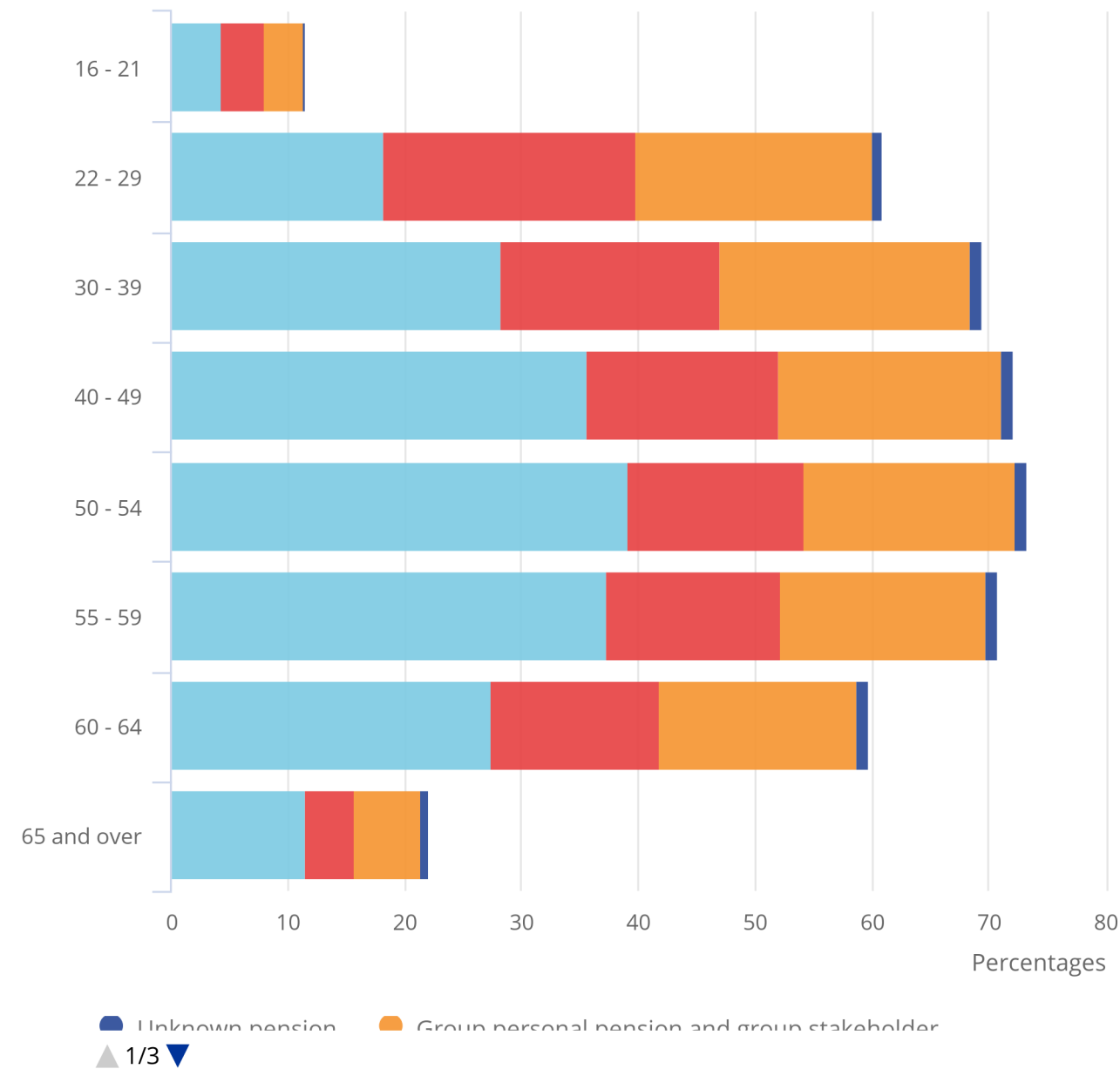
- pension membership was highest in the age groups eligible for automatic enrolment - the 2 age groups not eligible (16 to 21 and 65 and over) had considerably lower membership
- membership in the 16 to 21 age group is particularly low at 12%. Employees in this age band are not eligible for automatic enrolment
- membership falls in the age groups around state pension age because many employees in these age groups are likely to be no longer contributing to pensions and may already be in receipt of private pensions

Figure 4: Proportion of employees with workplace pensions: by age band and type of pension, 2015

UK

Figure 4: Proportion of employees with workplace pensions: by age band and type of pension, 2015

UK



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings



There are large differences in pension membership between 2014 and 2015. Increases in pension membership have been seen in most groups since 2014, with the largest increase in the age group 22 to 29 at 7 percentage points. The increases are driven by increases in workplace pension categories “Occupational defined contribution” and “Group personal and group stakeholder”. The only age group where membership remained unchanged was 16 to 21 at 12%. Employees in this age band are not eligible for automatic enrolment, which may explain the different trend for this group.

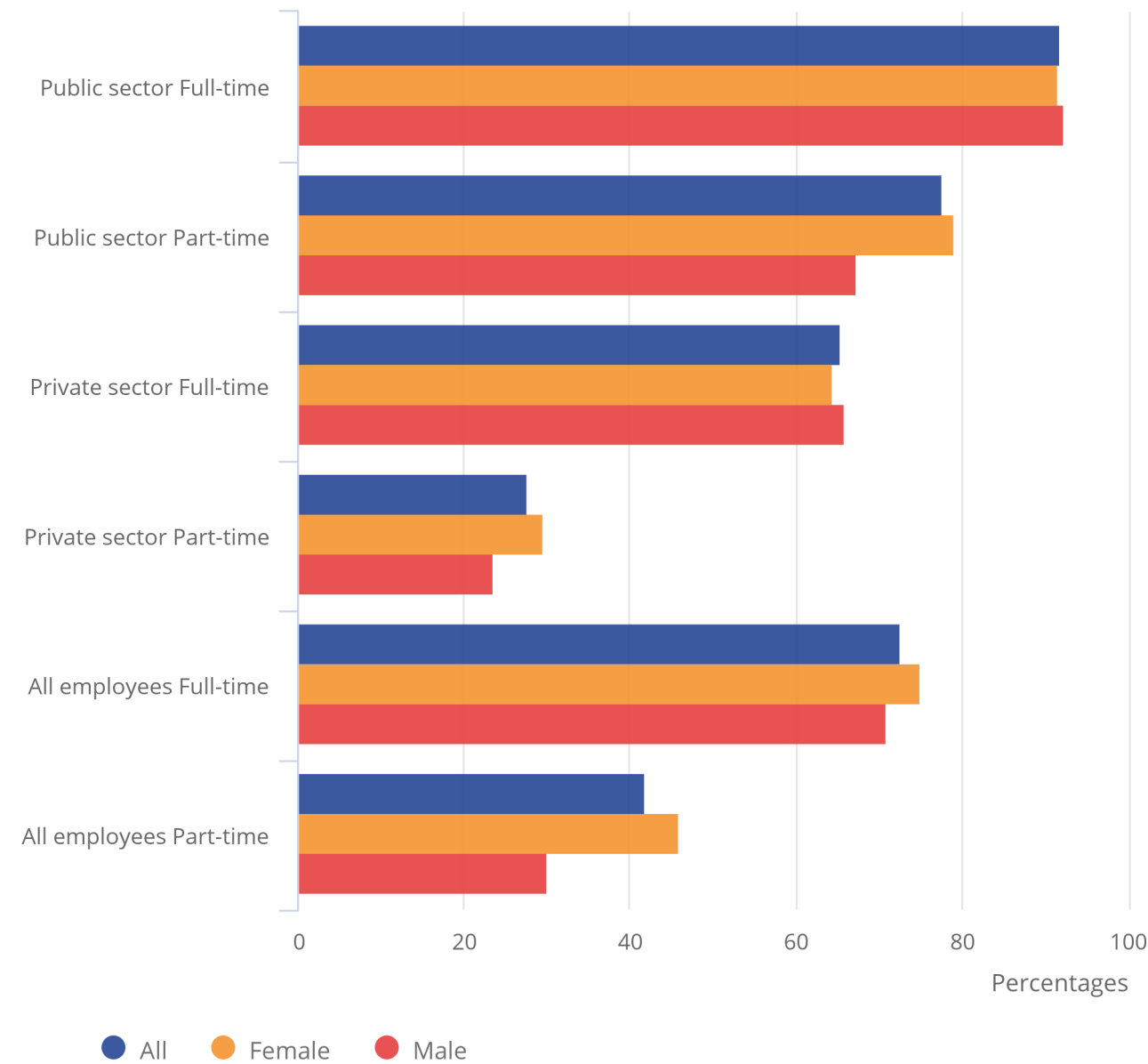
Workplace pension participation also varies by working pattern (full-time or part-time) and sex, as shown in Figure 5.

Figure 5: Proportion of employees with workplace pensions: by sector, working pattern and sex, 2015

UK

Figure 5: Proportion of employees with workplace pensions: by sector, working pattern and sex, 2015

UK



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions). "All employees" includes employees from the public and private sectors and employees working for organisations classified as non-profit bodies.
2. Full-time employees are defined as those who work more than 30 paid hours per week or those in teaching professions working 25 paid hours or more per week.

Figure 5 shows that for full-time employees:

- in both the public and the private sector, the percentage of male and female employees with a workplace pension was about the same
- however, while 92% of both male and female employees in the public sector had a workplace pension, in the private sector the corresponding percentages were 66% for males and 65% for females

For part-time employees, the gap between males and females was greater, with a higher proportion of women belonging to a workplace pension in both sectors:

- in the public sector, 79% of part-time female employees were members compared with 67% of part-time male employees
- in the private sector, 30% of part-time female employees were members compared with 24% of part-time male employees

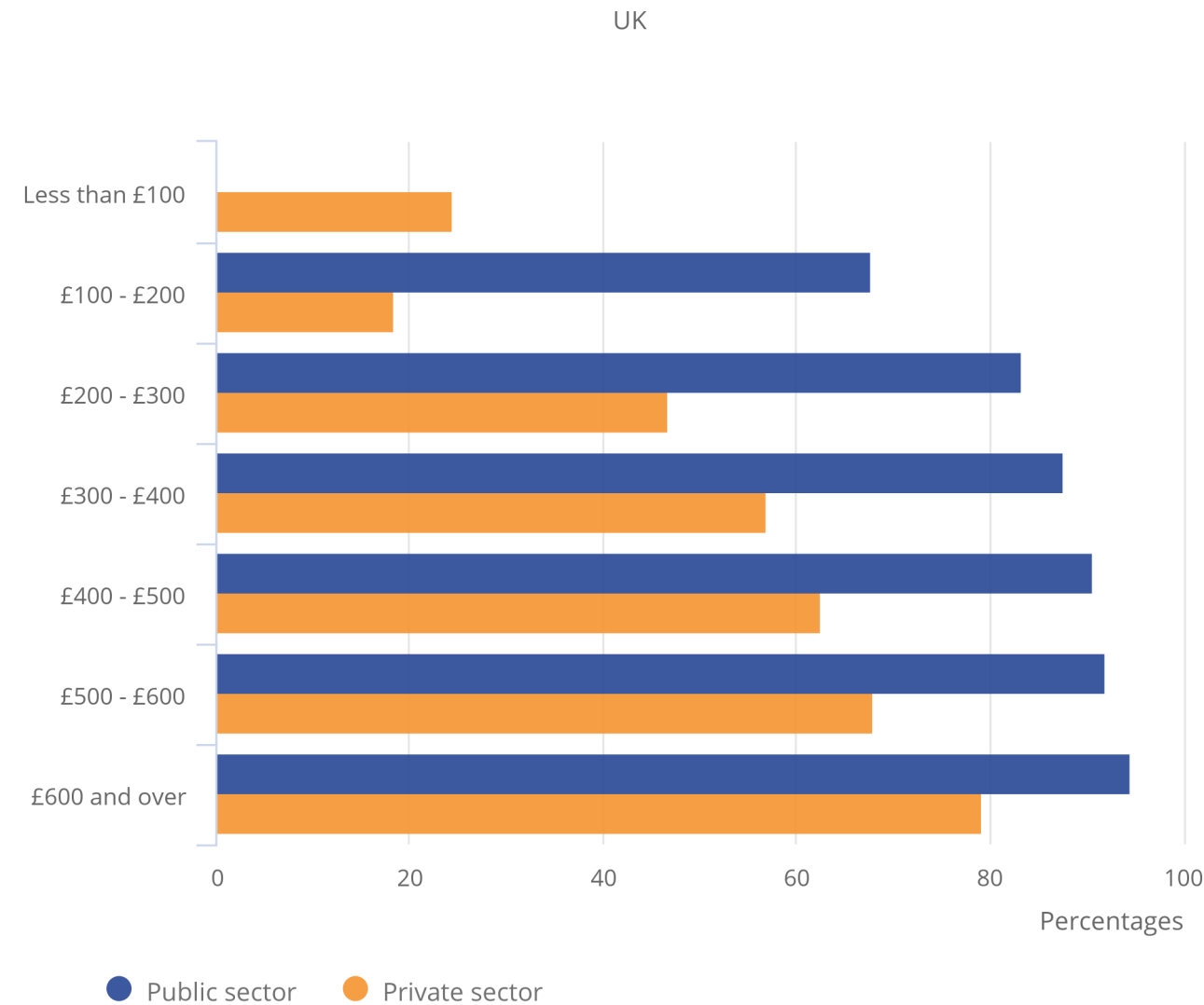
In the private sector, the highest growth in the proportion of employees with workplace pensions was for full-time female employees at 8 percentage points compared with 2014. Workplace pension membership for part-time male employees saw a 2 percentage point increase from 22% in 2014, to 24% in 2015. For part-time private sector female employees, the increase was 3 percentage points from 27% in 2014, to 30% in 2015.

Figure 6 shows the proportion of full-time employees with a pension by sector and gross weekly earnings band. There is a strong relationship between earnings and workplace pension scheme membership. In the private sector, full-time employees with earnings of over £600 per week are over 3 times more likely to be members of a workplace pension scheme than those earning between £100 and £200 per week.

**Figure 6: Proportion of full-time employees with workplace pensions: by sector and gross weekly earnings band, 2015**

UK

Figure 6: Proportion of full-time employees with workplace pensions: by sector and gross weekly earnings band, 2015



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).
2. Full-time employees are defined as those who work more than 30 paid hours per week or those in teaching professions working 25 paid hours or more per week.
3. The proportion of public sector employees where employees earn less than £100 has been suppressed on quality grounds.
4. Assuming an employee earned the same amount each week for a year, then they would have to earn at least £192 a week to be eligible for automatic enrolment. Employees earning below £192 would not be eligible but could choose to opt in to a workplace pension. The majority of employees in the earnings band £100-£200 weekly earnings band are not eligible for automatic enrolment.

There has been an increase in pension membership in nearly all earning bands for full-time employees in the private sector in 2015. The largest increases are for those earning between £200 to £300 and £300 to £400 per week, with both earnings bands seeing increases of around 9 percentage points since 2014. In the public sector, the largest increases were for those full-time employees earning between £200 to 300 a week, increasing from 80% in 2014, to 83% in 2015.

## Notes:

1. ASHE collects information from employers on employee jobs. Although they are referred to in this bulletin as "employees", individuals may hold more than one job.
2. Assuming an employee earned the same amount each week for a year, then they would have to earn at least £192 a week to be eligible for automatic enrolment. Employees earning below £192 would not be eligible but could choose to opt in to a workplace pension. The majority of employees in the earnings band £100 to £200 weekly earnings band are not eligible for automatic enrolment.

## 6 . Membership by occupation, size of employer and region

Membership of a workplace pension is related to the employee's occupation. Figure 7 shows the proportion of all employees with a workplace pension by occupation in 2015:

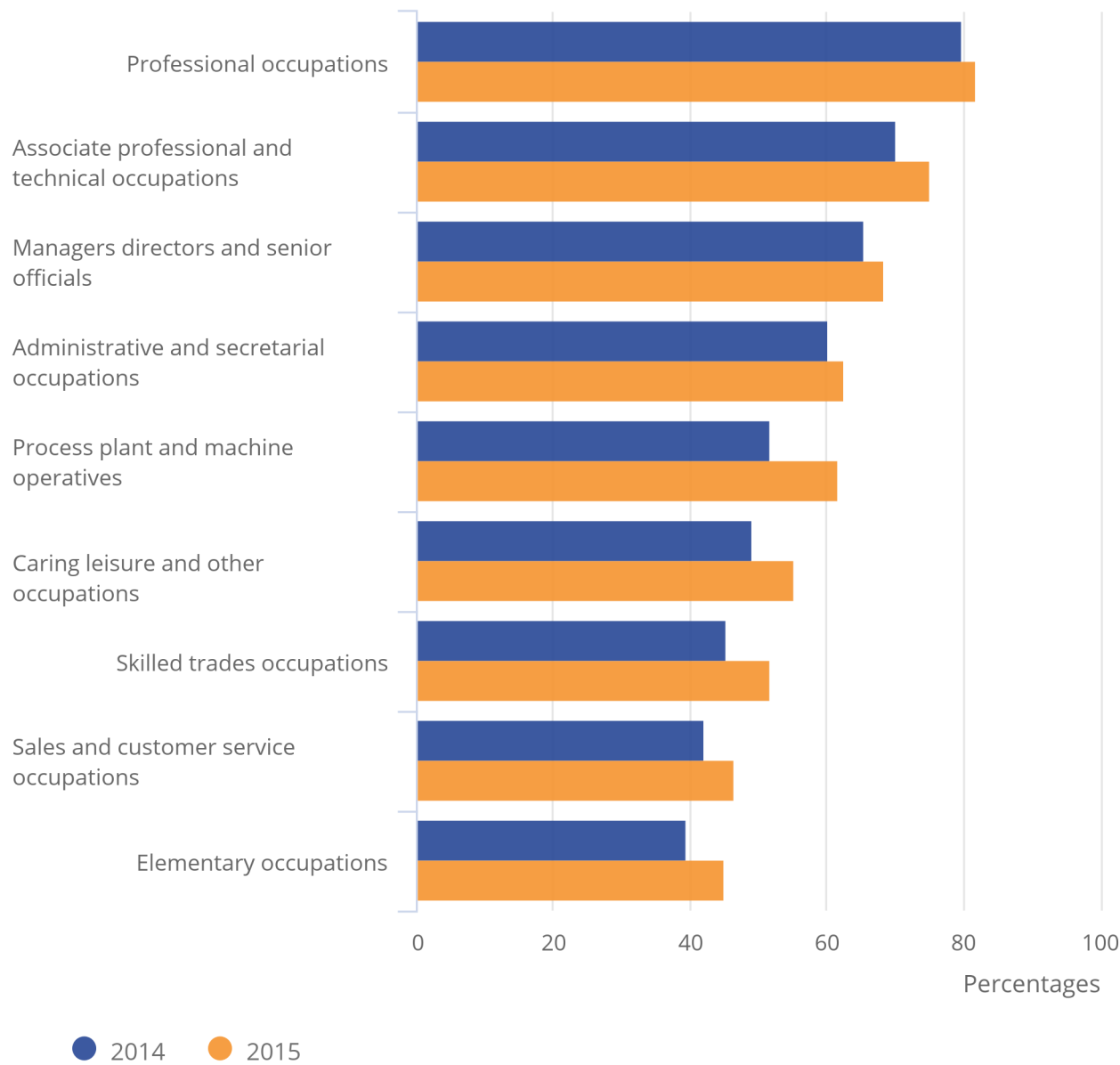
- those in professional occupations are most likely to have a pension, 82% in 2015
- those in elementary occupations are least likely to have a pension, 45% in 2015 up from 39% in 2014. Elementary occupations perform mostly routine tasks, often requiring the use of hand-held tools and some physical effort
- employees in process, plant and machine operative occupations had the largest increase in workplace pension membership, from 52% in 2014 to 62% in 2015

Figure 7: Proportion of employees with workplace pensions: by occupation, 2014 and 2015

UK

Figure 7: Proportion of employees with workplace pensions: by occupation, 2014 and 2015

UK



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

- 1. Occupations are defined by the Standard Occupational Classification (SOC) 2010.

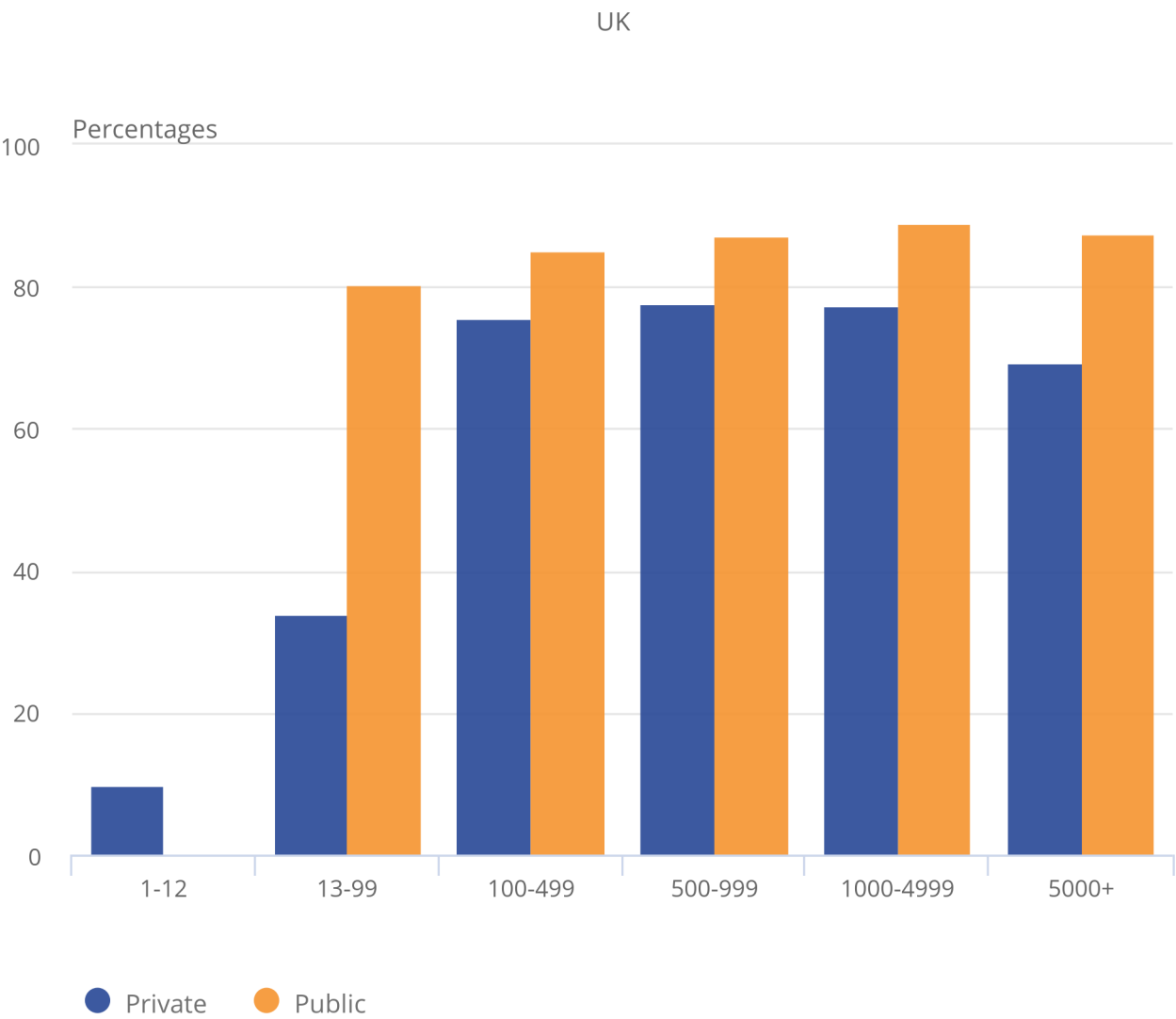
Figure 8 shows the proportion of employees with a pension by size of employer (measured by number of employees) in 2015:

- in the private sector, compared with 2014, there were increases of 26 percentage points for employers with 100 to 499 employees and increases of 11 percentage points for employers with 13 to 99 employees, to 76% and 34% respectively
- in the public sector, increases were smaller. Employers with 100 to 499 employees saw the largest increases in workplace pension membership, from 83% in 2014 to 85% in 2015

Figure 8: Proportion of employees with workplace pensions: by sector and size of employer, 2015

UK

Figure 8: Proportion of employees with workplace pensions: by sector and size of employer, 2015



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).
2. The proportion of public sector employees where employer size is between 1 and 12 employees has been suppressed on quality grounds.

In the public sector, there is little variation between the region where the employer is located and the proportion of employees with a workplace pension (Figure 9). In the private sector, there are some larger differences:



- membership was highest in London (60%)
- membership was lowest in the South West (50%)

In the private sector, each region saw at least a 4 percentage point increase in pension membership in 2015 compared with 2014. The UK, as a whole, saw a 6 percentage point increase. However, there was some variation between regions:

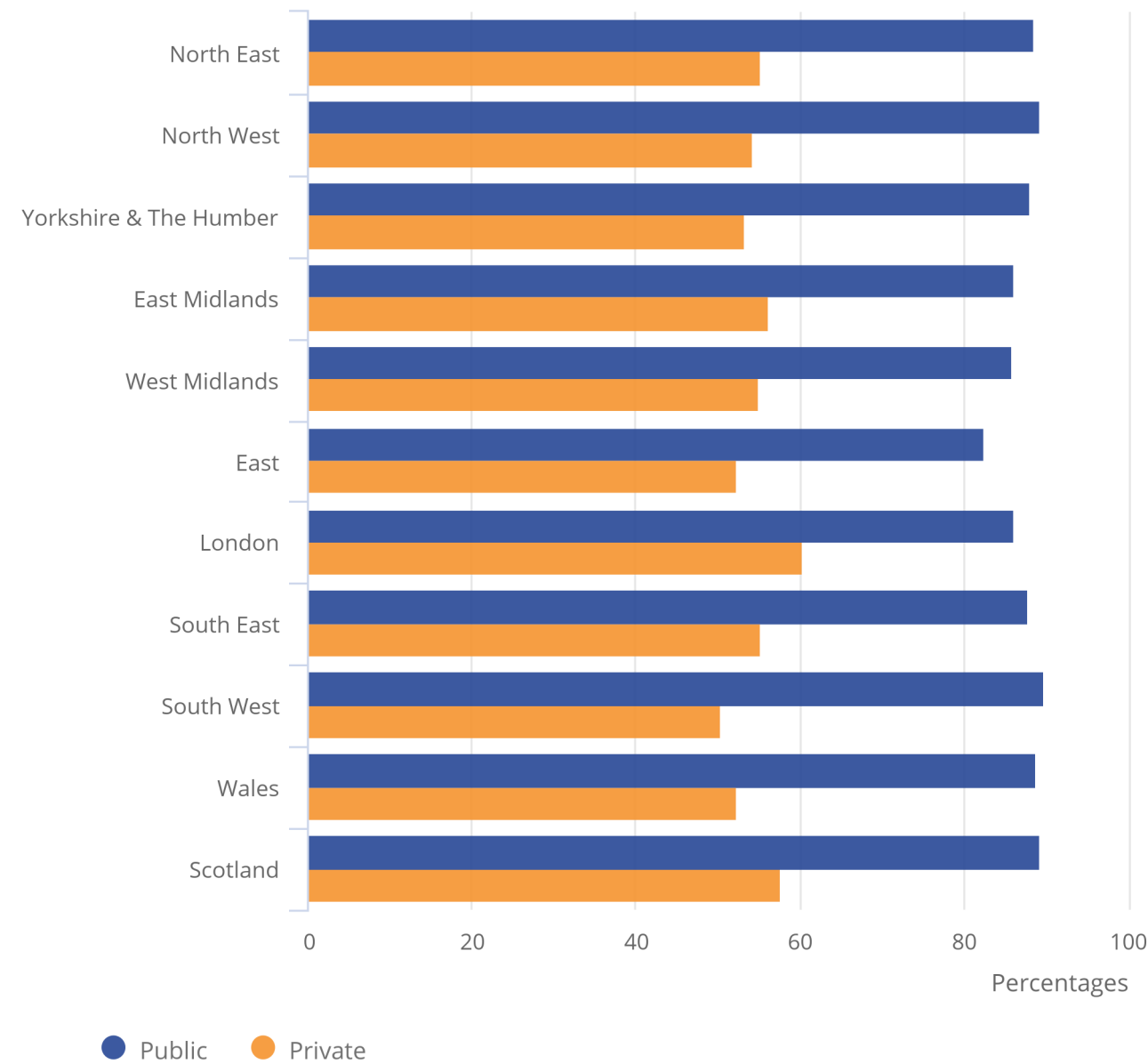
- the East Midlands saw the largest increase in pension membership from 49% in 2014 to 56% in 2015
- London had the smallest increase of 4 percentage points to 60% in 2015

Figure 9: Proportion of employees with workplace pensions: by sector and region, 2015

UK

Figure 9: Proportion of employees with workplace pensions: by sector and region, 2015

UK



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

- 1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

## Notes:

1. ASHE collects information from employers on employee jobs. Although they are referred to in this bulletin as "employees", individuals may hold more than one job.

## 7 . Contributions to workplace pensions

The Annual Survey of Hours and Earnings (ASHE) also collects information on workplace pension contribution rates. Employee and employer contribution rate bands are shown by sector (Figures 10 and 11) and by pension type (Figures 12 and 13).

Contribution rates by age, occupation, industry and employer size are available in the datasets published as part of this release, along with contracting out status for defined benefit schemes.

The minimum contribution rates required in order that a pension scheme may qualify for automatic enrolment are discussed in the "Workplace pension reforms" section.

Contribution rates for employees and employers tend to be higher in the public sector as the majority of pension schemes are defined benefit in type. In the private sector, where contribution rates tend to be lower, defined benefit pensions are less common.

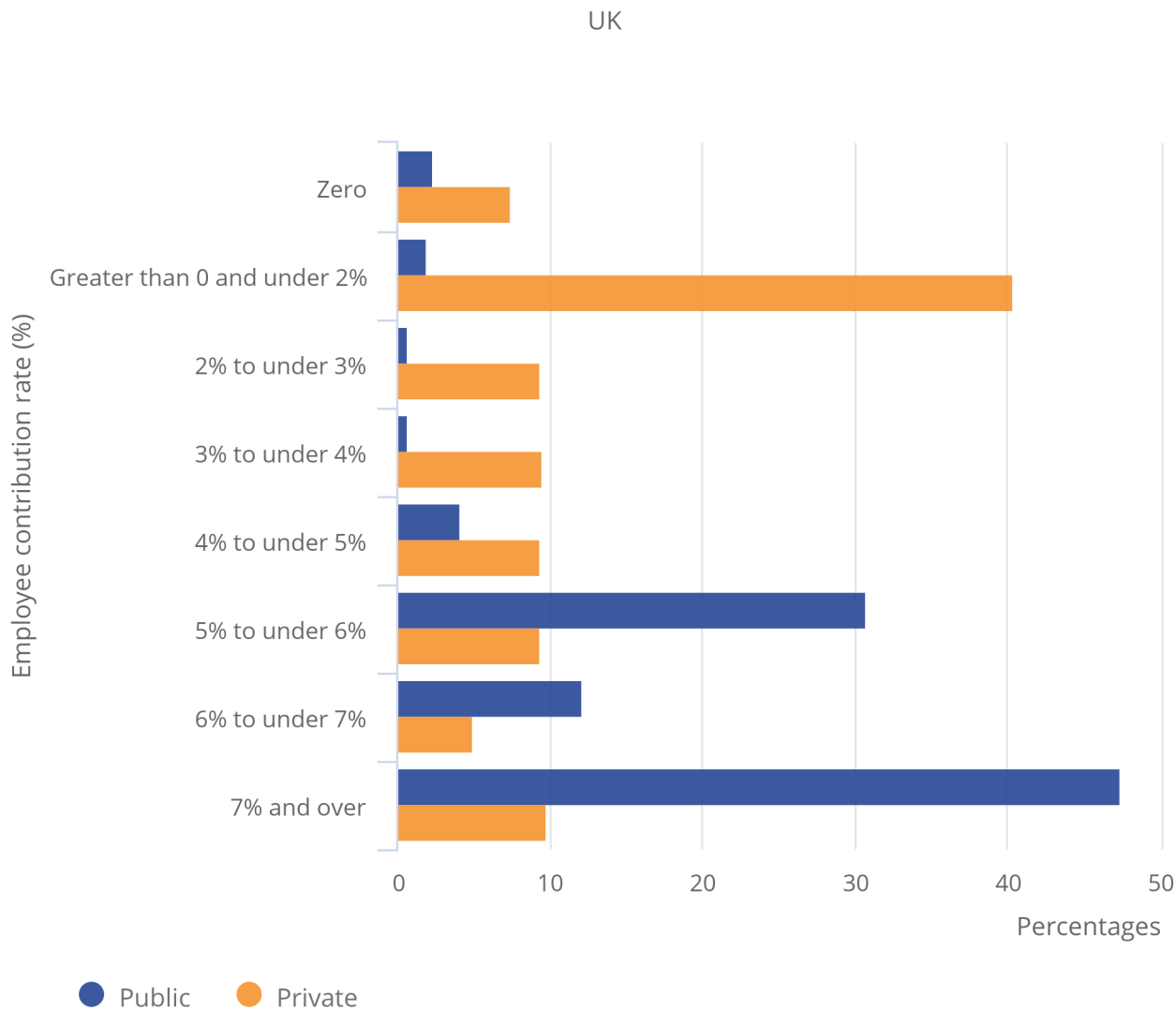
Figure 10 shows the proportion of employees<sup>1</sup> in each employee contribution rate band for employees with workplace pensions in the public and private sectors in 2015:

- 60% of employees in the public sector and 15% in the private sector contributed 6% or more of pensionable earnings
- 2% of employees in the public sector and 7% in the private sector did not contribute to their pension (zero contributions). In 2014, 10% of private sector employees did not contribute to their workplace pension
- in the private sector 40% of employees with workplace pensions made contributions of greater than zero but under 2%, compared with 33% in 2014. The increase in the proportion of employees in this contribution band is likely to be driven by employees who have been automatically enrolled into their workplace pension scheme and are contributing at the current minimum level<sup>3</sup>

Figure 10: Employees with workplace pensions: percentages by banded rate of employee contribution and sector, 2015

UK

Figure 10: Employees with workplace pensions: percentages by banded rate of employee contribution and sector, 2015



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

- 1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

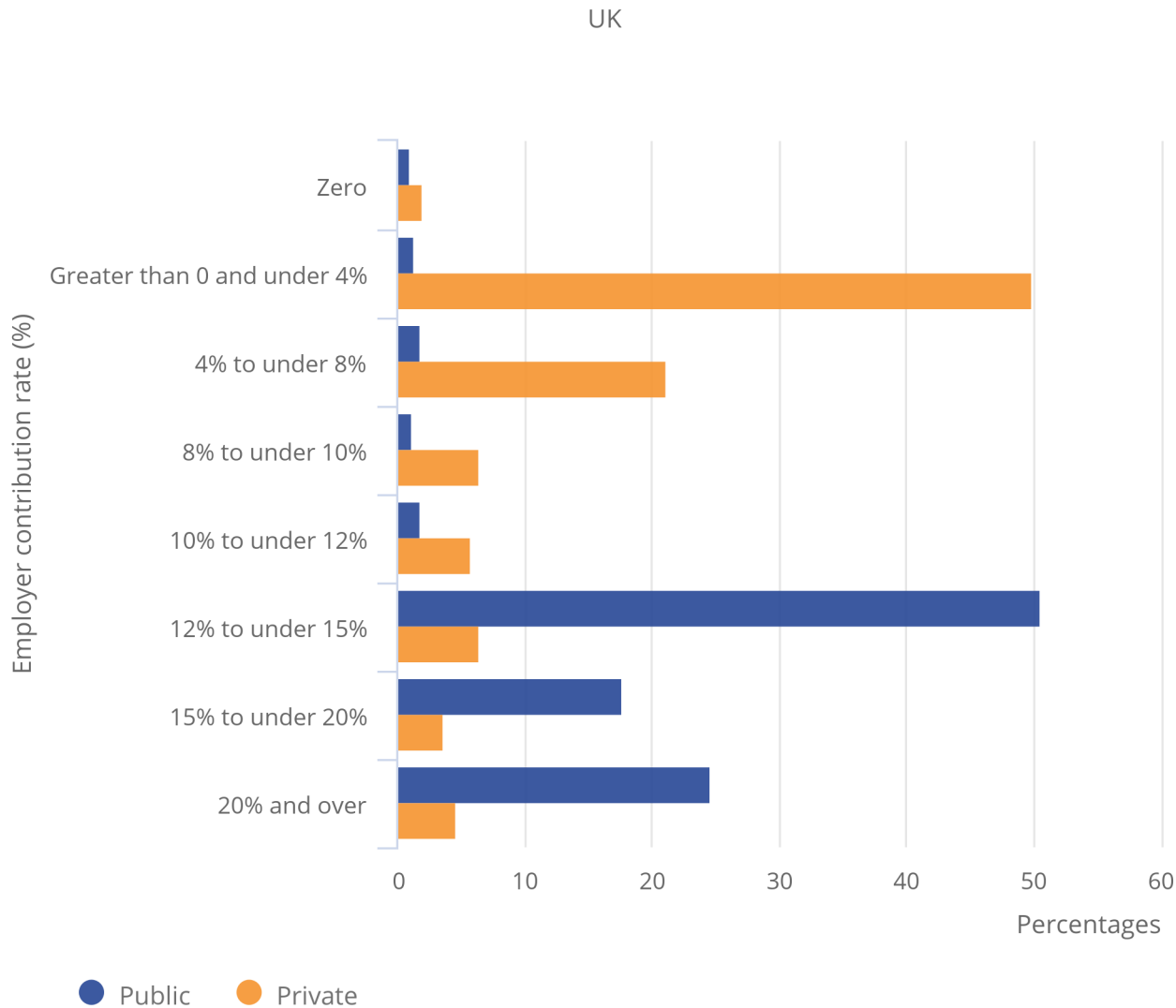
Figure 11 shows the proportion of employees in each employer contribution rate band for all employees with workplace pensions in the public and private sectors in 2015:

- half (51%) of employees in the public sector and 6% of those in the private sector received employer contributions of between 12% and 15% of employees' pensionable earnings
- 73% of employees in the private sector received employer contributions of less than 8% of employees' pensionable earnings, compared with 4% in the public sector
- half (50%) of employees in the private sector received employer contributions of greater than zero and under 4% in 2015, compared with 43% in 2014. This increase may be explained by new members who have been automatically enrolled into a workplace pension with initial minimum employer contributions until the phasing of contributions is completed in 2019<sup>3</sup>

Figure 11: Employees with workplace pensions: percentages by banded rate of employer contribution and sector, 2015

UK

Figure 11: Employees with workplace pensions: percentages by banded rate of employer contribution and sector, 2015



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

Contribution rates for both employees and employers tend to be higher for defined benefit pension schemes.

Figure 12 shows the proportion of employees in each employee contribution rate band for employees with workplace pensions by pension type, in 2015:

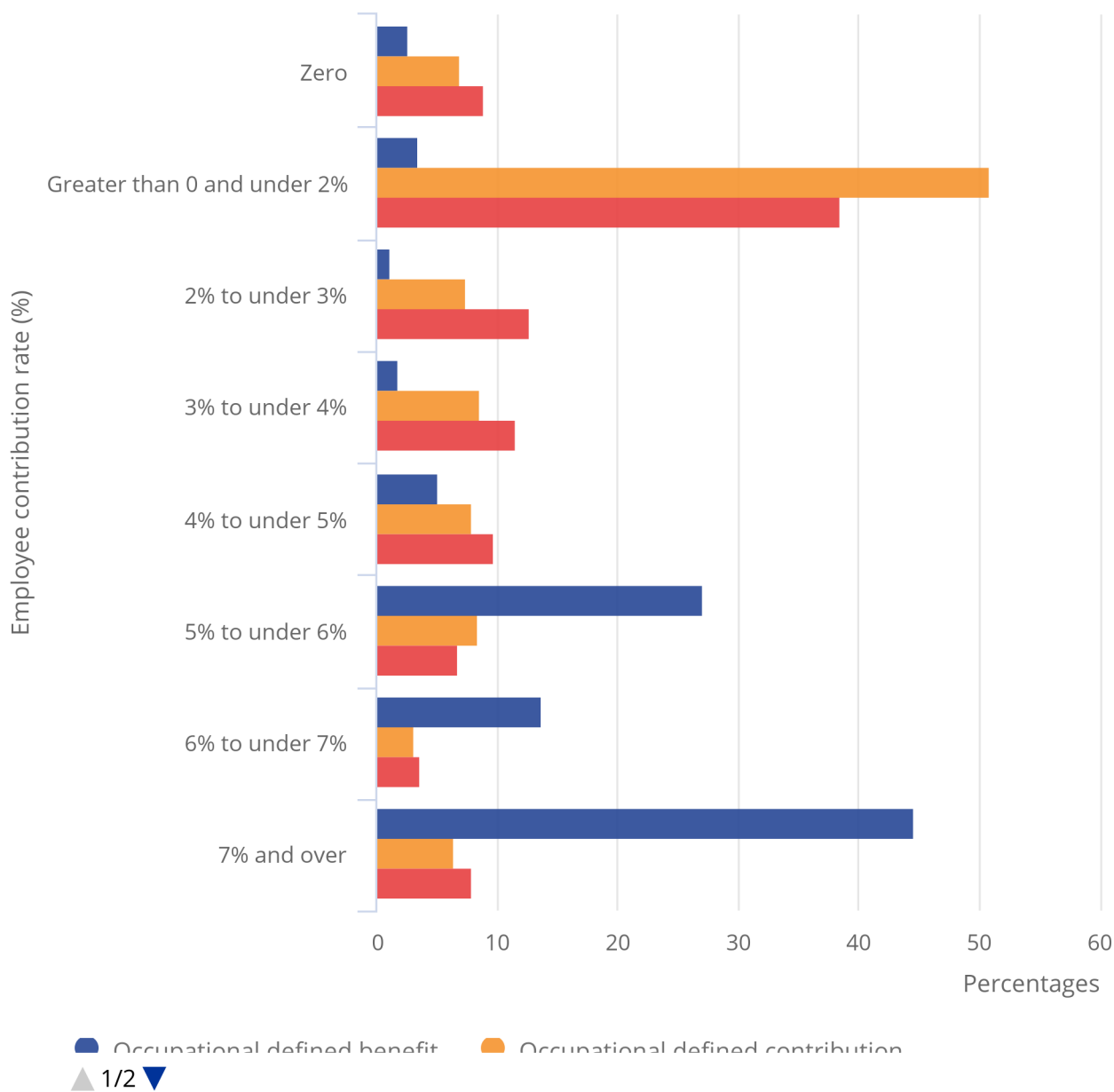
- 86% of employees in occupational defined benefit schemes contributed over 5% of their pensionable earnings, compared with 18% for both those in defined contribution schemes and those with group personal and group stakeholder pensions<sup>2</sup>
- 51% of employees with defined contribution pension schemes contributed greater than zero but under 2% of pensionable earnings in 2015, compared with 46% of employees in 2014
- 39% of employees with a group personal or group stakeholder pension contributed greater than zero but under 2% of pensionable earnings in 2015, compared with 31% of employees in 2014

Figure 12: Employees with workplace pensions: percentages by banded rate of employee contribution and pension type, 2015

UK

Figure 12: Employees with workplace pensions: percentages by banded rate of employee contribution and pension type, 2015

UK



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

- 1. The occupational defined contribution category includes employees who have pensions with the National Employer Savings Trust (NEST). The 'Group personal and group stakeholder' category includes group personal pensions, group stakeholder pensions and group self-invested personal pensions.



Figure 13 shows the proportion of employees in each employer contribution rate band, for all employees with workplace pensions, by pension type. In 2015:

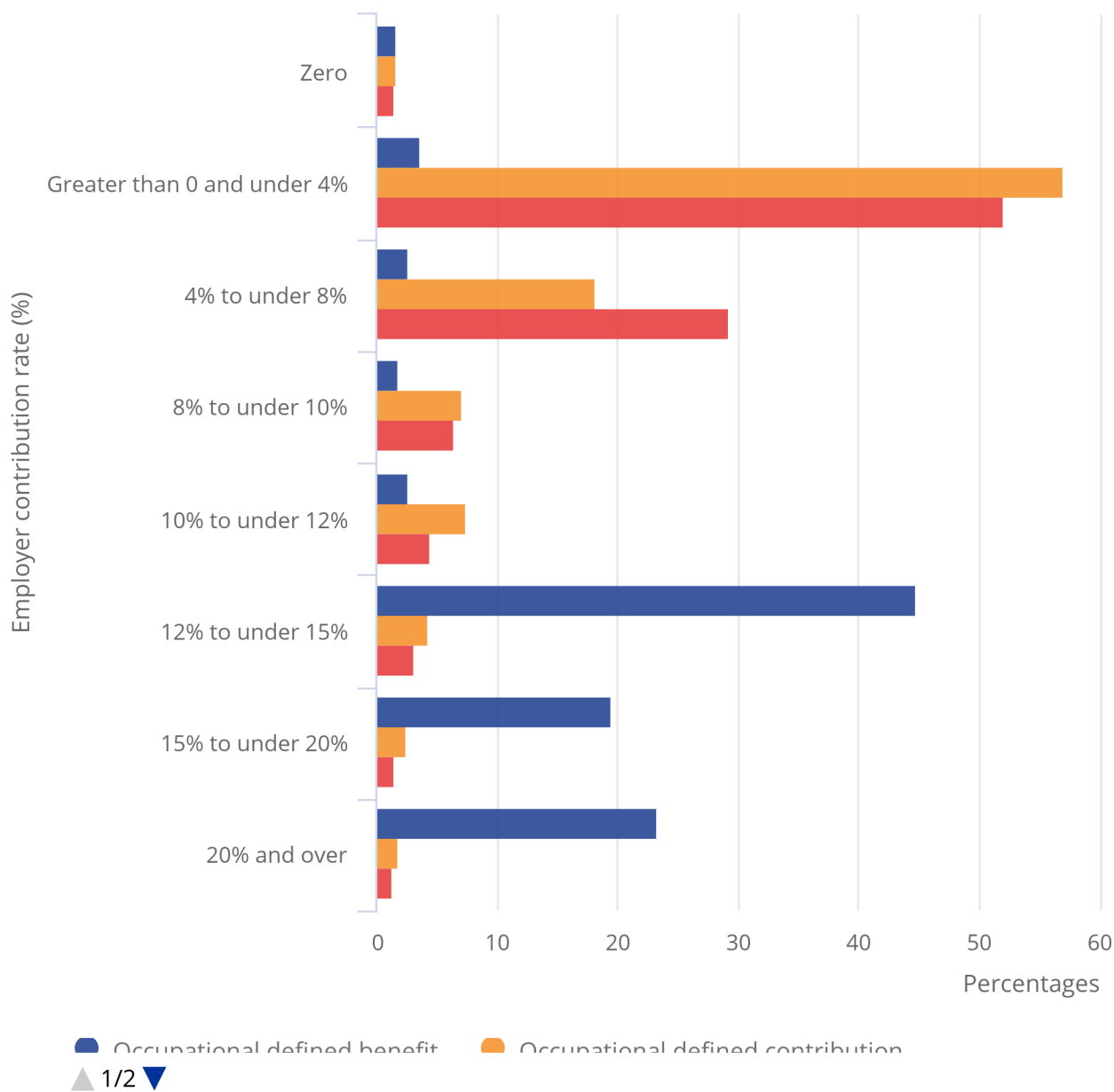
- 43% of employees with occupational defined benefit workplace pension schemes received employer contributions of 15% or more of their pensionable earnings, compared with 4% of those with defined contribution pensions and 3% of those with group personal or stakeholder pensions
- 57% of those with occupational defined contribution pension schemes received contributions of greater than zero but under 4% of pensionable earnings, compared with 52% of those with group personal or stakeholder and 4% of those with occupational defined benefit pension schemes
- the proportion of employees with occupational defined contribution pension schemes that received contributions of greater than zero but under 4% of pensionable earnings was 57%, increasing from 52% in 2014

Figure 13: Employees with workplace pensions: by banded rate of employer contribution; and pension type, 2015

UK

Figure 13: Employees with workplace pensions: by banded rate of employer contribution; and pension type, 2015

UK



Source: Office for National Statistics, Annual Survey of Hours and Earnings

Source: Office for National Statistics, Annual Survey of Hours and Earnings

Notes:

1. The occupational defined contribution category includes employees who have pensions with the National Employer Savings Trust (NEST). The 'Group personal and group stakeholder' category includes group personal pensions, group stakeholder pensions and group self-invested personal pensions.

## Notes:

1. ASHE collects information from employers on employee jobs, although they are referred to in this bulletin as "employees". Individuals may hold more than one job.
2. Data for Group Self-Invested Personal Pensions (GSIPP) are included within the category Group Personal Pensions (GPP) throughout this bulletin.
3. The [minimum level of contributions](#), expressed as a proportion of the employees' qualifying earnings, are as follows: between October 2012 and April 2018 defined contribution (DC) schemes or personal pensions must have contributions of at least 2%, with at least 1% coming from the employer; between April 2018 and April 2019 the minimum contribution will be 5%, with at least 2% coming from the employer; and from April 2019 the minimum contribution will be 8%, with at least 3% coming from the employer.

## 8. Definitions

### Automatic enrolment:

Under reforms brought in by the Pensions Act 2008, with updates in the Pensions Acts 2011 and 2014, employers must enrol all eligible employees into a qualifying private pension. Workers can opt out but will be re-enrolled every 3 years and need to opt out each time. Automatic enrolment has a staged implementation to 2019 and started with the larger employers in 2012. (See also the workplace pension reforms section, [Pension Trends, Chapter 6: Private Pensions, 2013 edition](#), [Department for Work and Pensions: Automatic Enrolment Evaluation Report 2015](#)).

### Contributions:

Payments into a pension by employees (and other individuals) or by employers.

### Defined benefit scheme:

An occupational pension scheme in which the rules specify the rate of benefits to be paid. The most common defined benefit scheme is a salary-related scheme in which the benefits are based on the number of years of pensionable service, the accrual rate and either the final salary, the average of selected years' salaries or the best year's salary within a specified period before retirement.

### Defined contribution scheme:

A pension scheme in which the benefits are determined by the contributions paid into the scheme, the investment return on those contributions, and the type of annuity (if any) purchased upon retirement. It is also known as a money purchase scheme. Defined contribution pensions may be occupational, personal or stakeholder pensions.

### Group Personal Pension (GPP):

An arrangement made for the employees of a particular employer or group of employers to participate in a personal pension on a group basis. This is a collecting arrangement only; the contract is between the individual and the pension provider, normally an insurance company. GPPs are a form of workplace pension.

### Group Self-Invested Personal Pension (GSIPP):

An arrangement made for the employees of a particular employer, or group of employers, to participate in a personal pension on a group basis. The GSIPP is similar to the group personal pension except that it is the policy holder rather than the pension provider who chooses the investments. GSIPPs are a form of workplace pension.

### Group stakeholder pension:

An arrangement made for the employees of a particular employer or group of employers to participate in a stakeholder pension on a group basis. This is a collecting arrangement only; the contract is between the

individual and the pension provider, normally an insurance company. Group stakeholder pensions are a form of workplace pension.

### **Inter-Departmental Business Register:**

Introduced in 1994, the Inter-Departmental Business Register (IDBR) is the sampling frame for surveys of businesses carried out by the ONS and by other government departments. It is also an important data source for analysis of business activity.

### **Occupational pension scheme:**

An arrangement (other than accident or permanent health insurance) organised by an employer (or on behalf of a group of employers) to provide benefits for employees on their retirement and for their dependants on their death. In the private sector, occupational schemes are trust-based. Occupational pension schemes are a form of workplace pension.

### **Pension scheme:**

A legal arrangement offering benefits to members upon retirement. Schemes are provided by employers and are differentiated by a wide range of rules governing membership eligibility, contributions, benefits and taxation. Pension schemes in the private sector have trustees. Personal pensions and stakeholder pensions offered by insurance companies may also be referred to as schemes, but technically they are individual accounts rather than schemes.

### **Personal pension:**

An arrangement where the contract to provide contributions in return for retirement benefits is between an individual and an insurance company. Such plans may be taken out by individuals on their own initiative, for example, to provide a primary source of retirement income for the self-employed, or to provide a secondary income to employees who are members of occupational schemes. These would not be covered in the Annual Survey of Hours and Earnings (ASHE) results. Alternatively, they may be facilitated by an employer. These pensions are covered by ASHE and include group personal pensions and group stakeholder pensions. Personal pensions are a form of defined contribution pension.

### **Private sector schemes:**

Schemes covering the part of the economy consisting of individuals, firms and other institutions. In ASHE, the public and private sectors are classified using the legal status from the Inter-Departmental Business Register. The 'private sector' is comprised of businesses whose legal status is defined as "Company", "Sole Proprietor" or "Partnership".

### **Public sector schemes:**

Schemes covering the part of the economy that is state-provided, including central and local government, schooling, health and social services, policing and the armed forces. In ASHE, the public and private sectors are classified using the legal status from the Inter-Departmental Business Register. The public sector is comprised of those whose legal status is defined as "Public Corporation", "Central Government" or "Local Authority".

### **Stakeholder pension:**

Available since 2001, a flexible, portable, personal pension arrangement (provided by insurance companies) with capped management charges, that must meet the conditions set out in the Welfare Reform and Pensions Act 1999 and be registered with The Pensions Regulator. They can be taken out by an individual or facilitated by an employer. Stakeholder pensions are a form of defined contribution pension.

### **Standard Occupational Classification (SOC):**

The [classificatory system used in the UK to place individuals into occupational groups](#). More information is available from our website.

## Workplace pension:

A workplace pension is a pension which is provided or facilitated by a workplace, principally for employees. It includes both occupational pension schemes and all forms of group personal and group stakeholder pensions.

## 9. Background notes

1. Detailed pensions tables from the 2015 Annual Survey of Hours and Earnings (ASHE) are published as part of this release: [Annual Survey of Hours and Earnings, Pension Tables 2015 Provisional Results](#).
2. In addition to information on pensions, ASHE also provides information about the levels, distribution and make-up of earnings and hours worked for employees in all industries and occupations: [Annual Survey of Hours and Earnings, 2015 Provisional Results](#).
3. ASHE is based on a 1% sample of employee jobs taken from HM Revenue and 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. In 2015, information related to the pay period which included 22 April.
4. The rules covering which employments' employers were required to report in PAYE changed in April 2013, effectively extending the coverage of the ASHE sample to include employments that were not covered under the previous rules. The new reporting system is known as "Real Time Information" (or RTI). Analysis of 2014 results showed that the composition of the ASHE sample was not substantially distorted as a consequence of the move to RTI. This is because the majority of the RTI-type jobs were already being reported via PAYE by employers in previous years. Consequently, it is believed that impact of the move to RTI on the estimates for ASHE is negligible.
5. Statistics contained in this bulletin for 2014 relate to revised 2014 data, [tables for which are published as part of this release](#).
6. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions). "All employees" includes employees from the public and private sectors and employees working for organisations classified as non-profit bodies.
7. Methodology and quality information: Information is available from the [Annual Survey of Hours and Earnings Guidance and Methodology section of our website](#).
8. Relevance to users: ASHE is an important source of information on workplace pension provision in the UK as it collects information on group personal and group stakeholder pensions as well as occupational pension schemes. The survey results are used widely in order to analyse pension participation and monitor the impacts of pension reforms.

As ASHE is a survey of employers, it covers only workplace pensions, which are those that are either provided or facilitated by employers. It does not cover individual personal or stakeholder pensions, where individuals enter into a contract with an insurance company and where that contract is not facilitated by an employer.

ASHE collects information on only the current employer's pension scheme. Employees may hold preserved rights in former employers' pension schemes or be in receipt of a pension from a former employer. This information is not captured by the survey.

In ASHE, employees are defined as making contributions to a workplace pension if they have made a contribution, or had a contribution made on their behalf, in the survey pay period.

## 10. Appendix - Revised 2014 estimates

The tables in this section provide revised estimates for 2014.

**Table 2a: Proportion of employees with workplace pensions by type of pension, 2014**

United Kingdom	
Pension type	Percentages
Occupational Defined Benefit	49.0
Occupational Defined Contribution	23.3
Group Personal Pension	19.2
Group Stakeholder Pension	7.3
Unknown pension	1.2

Source: Office for National Statistics

Notes:

1. Data for Group Self-Invested Personal Pensions (GSIPP) are included within the category Group Personal Pensions (GPP).

2. Percentages may not sum to 100% due to rounding.

**Table 3a: Employees with workplace pensions: percentages by type of pension, 2014**

United Kingdom		Percentages				
		Occupational defined benefit	Occupational defined contribution	Group personal pension	Group stakeholder pension	Unknown pension type
All employees		49.0	23.3	19.2	7.3	1.2
of which						
Public sector		95.6	2.4	0.6	0.4	1.0
Private sector		18.2	37.9	30.8	11.9	1.3

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions). 'All employees' include employees from the public and private sectors and employees working for organisations classified as non-profit bodies.

2. Percentages may not sum to 100% due to rounding.

3. Data for Group Self-Invested Personal Pensions (GSIPP) are included within the category Group Personal Pensions (GPP).

**Table 4a: Proportion of employees with workplace pensions by age band and type of pension, 2014**

United Kingdom		Percentages			
Age	Defined Benefit	Defined Contribution	Group personal pension and group stakeholder	Unknown pension	
16 - 21	4.4	4.5	2.7	0.3	
22 - 29	17.9	17.9	17.1	0.7	
30 - 39	29.1	16.4	18.7	0.7	
40 - 49	36.9	13.8	16.9	0.7	

50 - 54	40.5	12.2	16.1	0.8
55 - 59	38.7	12.3	15.0	0.8
60 - 64	28.4	11.3	14.7	0.8
65 and over	11.3	3.3	5.2	0.6

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions). 'All' employees include employees from the public and private sectors and employees working for organisations classified as non-profit bodies.

**Table 5a: Proportion of employees with workplace pensions: by sector, working pattern and sex, 2014**

United Kingdom		Percentages	
	Male	Female	All
Public sector			
Full time	92.3	91.3	91.7
Part time	64.8	78.6	76.8
Private sector			
Full time	59.1	57.0	58.4
Part time	21.6	27.0	25.4
All employees			
Full time	65.5	70.3	67.4
Part time	28.6	44.1	40.1

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions). 'All' employees include employees from the public and private sectors and employees working for organisations classified as non-profit bodies.

**Table 6a: Proportion of full-time employee jobs with workplace pensions: by sector and gross weekly earnings band, 2014**

United Kingdom		Percentages
Gross weekly pay	Private sector	Public sector
Less than £100	24.2	45.0
£100 - £200	20.7	65.9
£200 - £300	38.0	80.0
£300 - £400	48.0	87.1
£400 - £500	55.2	90.3
£500 - £600	61.3	92.4
£600 and over	75.3	95.2

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

2. Full-time employees are defined as those who work more than 30 paid hours per week or those in teaching professions working 25 paid hours or more per week.

**Table 8a: Proportion of employee jobs with workplace pensions: by sector and size of employer, 2014**

United Kingdom		Percentages	
Number of employees	Private	Public	
1-12	9.8	..	
13-99	23.4	79.0	
100-499	49.9	82.8	
500-999	72.2	87.9	
1000-4999	74.9	88.8	
5000+	69.1	87.0	

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).
2. The proportion of public sector employees where employer size is between 1 and 12 employees has been suppressed on quality grounds.

**Table 9a: Proportion of employees with workplace pensions: by sector and region, 2014**

United Kingdom		Percentages		
Region or Country	Private	Public	All	
North East	50.7	87.0	61.9	
North West	47.3	88.1	58.5	
Yorkshire & The Humber	46.7	87.7	58.3	
East Midlands	48.9	86.3	57.4	
West Midlands	48.5	85.7	57.5	
East	47.5	85.6	56.5	
London	55.9	85.8	63.2	
South East	50.1	86.6	58.6	
South West	45.6	88.3	56.7	
Wales	46.4	87.7	61.7	
Scotland	51.7	87.8	63.9	

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

**Table 10a: Employees with workplace pensions: percentages by banded rate of employee contribution and sector, 2014**

United Kingdom		Percentages		
	Private	Public	All	
Zero	9.9	2.1	6.8	



Greater than 0 and under 2%	32.9	2.1	20.1
2% to under 3%	9.7	1.1	6.1
3% to under 4%	10.8	0.9	6.8
4% to under 5%	10.2	4.6	7.7
5% to under 6%	9.7	27.6	16.3
6% to under 7%	5.6	14.4	9.6
7% and over	11.3	47.1	26.6

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

**Table 11a: Employees with workplace pensions: percentages by banded rate of employer contribution and sector, 2014**

United Kingdom	Percentages		
	Private	Public	All
Zero	2.5	1.7	2.1
Greater than 0 and under 4%	42.7	1.0	25.4
4% to under 8%	23.3	1.6	14.8
8% to under 10%	7.5	1.0	4.8
10% to under 12%	6.0	2.0	4.5
12% to under 15%	7.2	50.9	24.5
15% to under 20%	4.9	24.9	14.0
20% and over	5.9	16.9	10.0

Source: Office for National Statistics

Notes:

1. The public and private sectors are classified using the legal status from the Inter-Departmental Business Register (see Definitions).

**Table 12a: Employees with workplace pensions: percentages by banded rate of employee contribution and pension type, 2014**

United Kingdom	Percentages		
	Occupational defined benefit	Occupational defined contribution	Group personal and group stakeholder
Zero	3.1	8.4	12.2
Greater than 0 and under 2%	3.1	45.6	30.6
2% to under 3%	1.4	8.8	13.1
3% to under 4%	1.9	10.4	13.1
4% to under 5%	5.6	9.0	10.8
5% to under 6%	24.8	7.9	7.2
6% to under 7%	15.4	3.2	4.1
7% and over	44.8	6.7	8.9

Source: Office for National Statistics

Notes:

1. The occupational defined contribution category includes employees who have pensions with the National Employer Savings Trust (NEST). The 'Group personal and group stakeholder' category includes group personal pensions, group stakeholder pensions and group self-invested personal pensions.

**Table 13a: Employees with workplace pensions: by banded rate of employer contribution; and pension type, 2014**

United Kingdom			Percentages
	Occupational defined benefit	Occupational defined contribution	Group personal and group stakeholder
Zero	2.0	2.0	2.1
Greater than 0 and under 4%	2.7	52.2	45.7
4% to under 8%	2.4	21.0	33.0
8% to under 10%	1.9	8.3	7.5
10% to under 12%	3.3	6.8	4.7
12% to under 15%	44.2	5.0	3.6
15% to under 20%	25.4	3.0	1.7
20% and over	18.2	1.6	1.7

Source: Office for National Statistics

Notes:

1. The occupational defined contribution category includes employees who have pensions with the National Employer Savings Trust (NEST). The 'Group personal and group stakeholder' category includes group personal pensions, group stakeholder pensions and group self-invested personal pensions.