

Recession 'delaying retirement'

Some people are delaying retirement while others are still putting more in their pension pot in the recession, two separate surveys suggest.

A third of people who are still working and aged over 55 said they would put off plans to retire, according to a poll by pension advisers MGM Advantage.

And Aon Consulting said that one in five workers was increasing contributions during the downturn.

Pension pot values have been hit by falling share prices in the last year.

"One of the most worrying consequences of the economic turmoil is the knock-on effect for those approaching retirement," said Craig Fazzini-Jones, director at MGM Advantage.

See the state of the UK's private sector final salary schemes

"Millions of people nearing the end of their working life have been forced to slog it out for a few more years, to see if their pension pots will make any kind of recovery. For many, it is not a choice, but a necessity."

Moving home

One in 10 people, asked in the poll of 2,053 people, said that they were planning to boost their retirement income by moving to a smaller property or releasing equity in their home.

Some 48% of those asked said the recession had not changed their retirement plans.

Another 13% said that they were currently saving more to offset any losses.

Meanwhile, a larger survey of 4,046 people by Aon Consulting found that 18% of workers were increasing the amount they were paying into their defined contribution pension scheme since last year.

"These findings are encouraging news as they show that for a significant number of people, saving for a pension is sacrosanct, despite the recession," said Helen Dowsey, of Aon Consulting.

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Helen Dowsey, Aon Consulting

Final-salary pensions disappear



The recession has affected the value of pension pots

Surplus/deficit of the UK's private sector final salary pension schemes



*Figures from 31 March 08 are based on new actuarial assumptions

SOURCE: Pension Protection Fund