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We are writing to ask you to take urgent action and commit to reviewing pensions adequacy. Automatic enrolment has undeniably been a major success in **increasing people's** retirement savings. 79% of employees now contribute to a workplace pension, an increase from 47% prior to its introduction in 2012.

Despite these achievements, millions are still not expected to have a comfortable retirement income. Lacklustre real wage growth, combined with the current minimum automatic enrolment contribution rate of 8 per cent is not enough to **meet many people's future retirement income needs**. Fourteen million defined contribution pension savers [are not on track for the income they expect](#). The current State Pension Age is also scheduled to increase to 67 from 2026, which could create a further income gap.

We therefore believe a review of pensions adequacy – covering both State and private pensions – is now vital. The next Parliament will be a golden opportunity for the UK Government to conduct the review. We are calling on all the major political parties to commit to a holistic pensions adequacy review in the next Parliament to ensure all existing and new policies deliver a suitable level of retirement income.

The consequences of inaction are dire. The strain on social support systems and the potential increase **in poverty among those in retirement are issues that we can't ignore**. We need to urgently to bridge the retirement income gap for the current and future generations. Any potential solution, for example by increasing AE contribution, must also be coupled with thorough thinking on affordability, the State Pension Age, and ensuring the best possible investment returns. Acting swiftly will also provide a boost to the UK economy with increased saving potentially increasing investment in the UK by up to £10 bn.

Let us not overlook the efforts of hardworking individuals who strive to save for retirement. They deserve a pensions system that evolves to support their aspirations. By ensuring that everyone has enough savings for a secure retirement, we stand to benefit as a country and as a society. In the spirit of securing a brighter future for all, we call on all political parties to commit to a review of pensions adequacy in the next Parliament to make retirement security a reality for every UK citizen.

The undersigned.

- Age UK
- Capital Markets Industry Taskforce
- Centre for Ageing Better
- Chartered Institute for Personnel and Development

- Confederation of British Industry
- Demos
- Independent Age
- Living Wage Foundation
- Phoenix Group
- The Investing and Saving Alliance (TISA)
- Tom McPhail, The Lang Cat