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A third of UK adults have voluntarily increased pension contributions

Even small top-ups or one-off payments could accumulate to thousands in future retirement savings

Nearly a third of adults in the UK are now contributing more than the minimum into their workplace pensions. Research shows that 31% of people have voluntarily increased their regular pension contributions, while one in ten have made additional one-off payments to boost their future savings^[1]. The findings highlight how small, consistent top-ups can significantly improve retirement outcomes, even for those on average salaries.

LONG-TERM IMPACT OF SMALL CHANGES

Analysis of contribution patterns shows that increasing monthly pension contributions by just 2% could grow a retirement fund by approximately £52,000 over a working lifetime. Someone starting work at age 22 with a salary of £25,000 and paying the standard auto-enrolment rate of 5% (plus a 3% employer contribution) might expect to build up around £210,000 in their pension pot by age 68, adjusted for inflation. Raising their contribution to 7% could increase this amount to about £262,000^[1].

Even minor adjustments matter. A 1% rise in employee contributions could lead to approximately

£26,000 more at retirement, demonstrating how small gains accumulate over time. The long-term growth of these small contributions is propelled by compound investment returns, where earnings generate additional growth year after year.

VALUE OF ONE-OFF CONTRIBUTIONS

Regular saving isn't the only way to boost pension wealth. Occasional lump-sum payments can also make a significant difference. For example, someone making a £1,000 one-off contribution every five years between ages 25 and 65 could add around £21,000 to their pension fund by retirement. Increasing those payments to £5,000 at the same intervals could result

in total savings exceeding £50,000 compared to making regular contributions alone.

For those who prefer flexibility, these regular payments can be scheduled to align with bonuses, tax rebates, or other windfalls. Even relatively small lump sums can grow into a significant boost over time, especially if invested early and left untouched for many years.

WHY CONSISTENT ENGAGEMENT MATTERS

This increasing trend of voluntary contributions indicates that more people are taking a proactive approach to retirement planning. While automatic enrolment provides an initial starting point,





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minimum contribution levels are often too low to sustain the desired lifestyle in retirement. Regularly reviewing your pension and adjusting contributions as your salary grows is a sensible way to stay on course.

Some employers also offer contribution-matching schemes, which effectively double the value of any increase you make. Checking whether your workplace offers this benefit is a simple way to support long-term growth. Similarly, those using salary sacrifice arrangements can reduce their National Insurance liability while increasing pension contributions, helping savings grow faster with no extra cost to take-home pay.

BALANCING AFFORDABILITY WITH OPPORTUNITY

Making additional contributions doesn't mean giving up everything you enjoy. Redirecting a small monthly expense, like a streaming subscription or takeaway, can make a significant difference over time.

Consistency is key. Whether through gradual increases, one-off payments, or employer-matched contributions, taking small, repeatable steps helps build financial resilience and long-term confidence. Pension engagement should be seen as an ongoing habit rather than a one-time decision, one that enhances not just future income but overall financial well being. ■

COULD A SMALL INCREASE SIGNIFICANTLY IMPACT YOUR PENSION?

Ready to enhance your retirement plan? We can assist you in assessing the effect of additional contributions and devising a personalised plan to secure a more stable future. Please get in touch with us for further details.

Source data:

[1] UK Pension Engagement Data 2025 – Additional Contributions Report: <https://www.standardlife.co.uk/about/press-releases/impact-of-additional-pension-contributions>

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