

The People's Pension Manifesto

November 2019





Auto-enrolment has been a success so far, dramatically increasing the number of private sector pensions savers – 10m more people are now saving for retirement.

The next step is to ensure that people are saving enough for a decent retirement and that people aren't unnecessarily excluded from auto-enrolment.

Lower paid workers and women - often one and the same - are the least likely to be saving enough under auto-enrolment. Our practical policy measures are directed at increasing their savings.

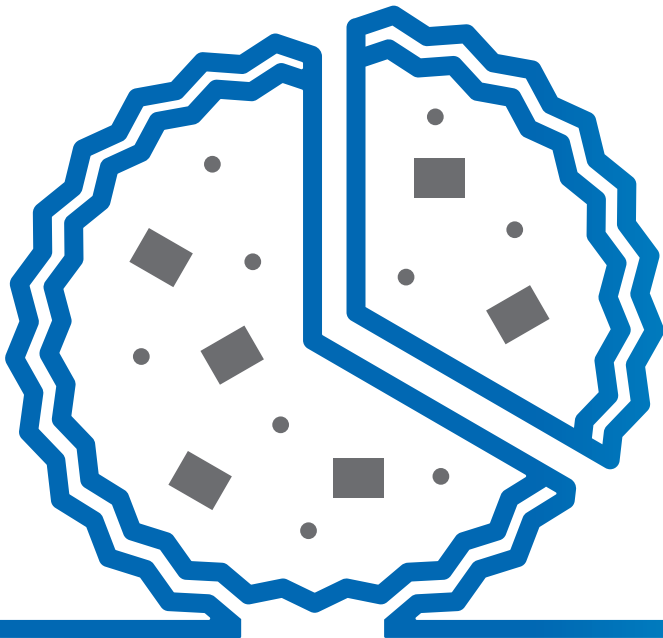
As well as saving more, finding lost pension pots is also a problem for savers. So, our policy measures also focus on what's needed to make the pensions dashboard relevant and useful.

Gregg McClymont | Director of Policy, The People's Pension

1. Make saving pay for the low paid

The People's Pension calls on the next government to:

- End the 'net-pay anomaly' which deprives an estimated 1.75m low earners of much-needed tax relief through auto-enrolment.
- Make auto-enrolment pension contributions begin from the first pound of earnings and lower the eligible age for auto-enrolment to 18.
- Introduce a universal flat rate of tax relief of between 25-30 per cent to increase the pensions savings of those who need it most.
- Build a National Financial Resilience Index focused on low income households.



Two-thirds of the total tax relief

paid out by the government goes to higher rates taxpayers, despite them only representing a quarter of the people claiming it.

Source: Royal Society of Arts Venturing to Retire 2018

Lowering the age criteria from

22 to 18

would bring a further **900,000** young people into pension saving

Source: DWP's Automatic-enrolment review 2017: maintaining the momentum

2. End the motherhood penalty to reduce the gender pensions gap

The People's Pension calls on the next government to:

- Accept the principle that caring is an economic activity which should attract workplace pensions contributions.
- Create nearly half a million new pension savers – three quarters of whom would be women - by reducing the earnings requirement for an auto-enrolment pension to the primary National Insurance threshold of £8632.
- Future proof the guaranteed 30 hours per week childcare for all three and four year olds policy, by funding it via a specific ear-marked grant to local authorities.

The average female pensioner is **£7,000** a year worse off than her male counterpart

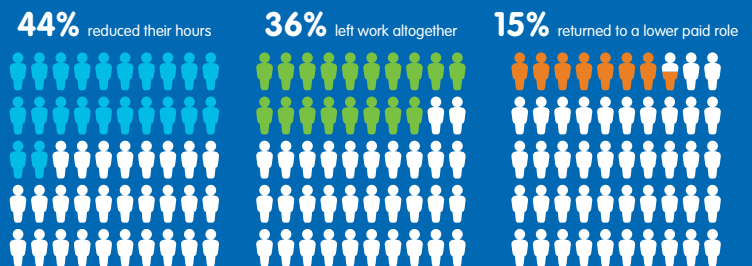
Source: Prospect Union, 2019



Just over
1/3 of people
auto-enrolled
are women

Source: DWP's Review of the Automatic Enrolment Earnings Trigger and Qualifying Earnings Band for 2019/20

Our survey of 2,000 mothers across the UK found that



Source: The People's Pension, YouGov 2019

38%

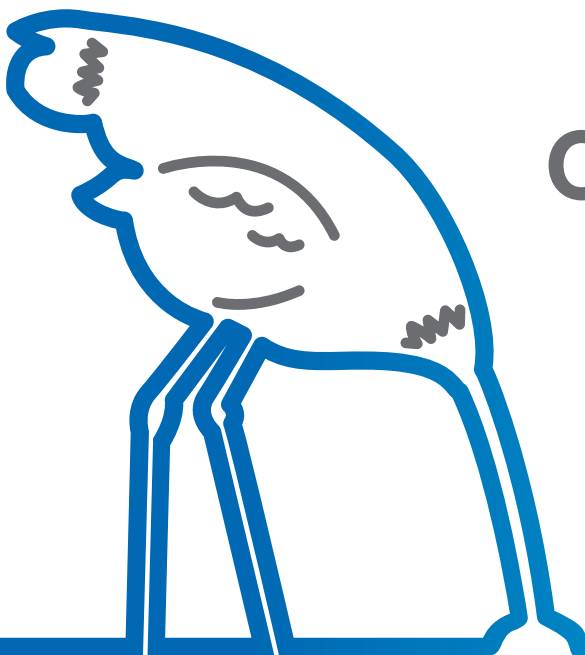
Almost four in 10 women
who returned to work on reduced hours after having a child would have increased their hours if childcare was more affordable

Source: The People's Pension, YouGov 2019

3. Make pension saving more transparent

The People's Pension calls on the next government to:

- Support a one stop shop, publicly operated pensions dashboard free from commercial sales pitches, featuring all pensions entitlements from day one, and with pension charges disclosed in a standard format.



One in five people
across the UK have
lost track of a pension

Source: The People's Pension, YouGov 2019

38% 
Four in ten people
don't know they pay a charge on their pensions

Source: The People's Pension, YouGov 2019



65%
Almost two thirds of people
said data security would be their biggest
concern if Pensions Dashboards were
run by private companies

Source: Ipsos MORI, October 2019

#PensionsMatter

The People's Pension is a leading, not-for-profit, auto-enrolment pension provider, representing more than 4.7 million members from 90,000 employers.

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