

PPI Roundtable Write Up

From Payslip to Pension: Life Course Impacts on Retirement Saving Among Low Earners Part Two: Practicality of Saving for Low Earners

Overview

On Wednesday 29 October 2025, the Pensions Policy Institute (PPI) launched the second output in the **From Payslip to Pension: Life Course Impacts on Retirement Saving Among Low Earners** series. Part two is the second of five outputs in the series and investigates the life courses of people who experience low earning. A PPI Roundtable was held on that date to mark release of the publication.

The **From Payslip to Pension: Life Course Impacts on Retirement Saving Among Low Earners** series has been funded by a grant from [The Nuffield Foundation](#). The project is an evidence-based deep dive into the long-term challenges faced by low earners in building retirement savings. It will run until summer 2026 and consist of five individual outputs. [The first report in this series](#) explored the hidden patterns, revealing how factors such as gender, motherhood, self-employment, and qualifications shape lifetime earnings and how this carries implications for pension outcomes.

This report [Part Two: Practicality of Saving for Low Earners](#) released as the Pensions Commission considers adequacy, explores how the life course of low earners influences their engagement with workplace savings.

Low earning, in this research, means earning less than a full-time living wage, and persistent means being a low earner for an extended period of time. Based on longitudinal data, this research lays the foundation for a new approach to more inclusive pensions policy.

The Roundtable was held as a virtual session and was chaired by **Philip Brown - Director of Policy, Nest**. Philip is also a member of the Project Advisory group. It was attended by around 35 people representing organisations identified as having an interest in the research area, the PPI Supporters group, and PPI Governors. Philip welcomed attendees on behalf of the PPI. John Upton, Policy Analyst at the PPI, presented the key findings from the report.

Research Findings

John Upton, Policy Analyst (PPI), summarised the findings of the research to date:

Identification of typographies including periods of low earners. Key profiles identified within the research include:

- A mother in a high income household
 - Low earning period is aligned with caring for children
- A mother in a low income household
 - Low earning period is aligned with caring for children
- A highly qualified woman
 - Low earning period is aligned with initial employment
- Precarious men
 - Low earning period includes hourly pay at younger ages

The roundtable discussion was focussed on the impact of the different stakeholders who interact with low earners through workplace pensions.

Roundtable discussion

The roundtable discussion was held under the Chatham House Rule. The following topics were debated:

The distribution and descriptors of low earners within the population

- The counting of low earners by both a cross-sectional approach and how they are represented as a fraction of their lifecourse, particularly in comparison to the wider population.
- The impact of housing tenure.
- The impact of benefit entitlement and claim rates.

The choices low earners make regarding the earnings and working age trajectory

- The interaction of health and caring responsibilities.
- The impact of parenthood on the career trajectories of men.
- There is a choice made by some not to maximise earnings and accept a lower income both immediately and into the future.
- Voluntary low earning versus involuntary low earning may be to impact future aspirations differently.

How automatic enrolment policy and considerations for future policy interact with low earners

- There must be a clear definition for the State Pension. Private pension saving can not be considered in isolation.
- Eligibility is taken as a snapshot. Doesn't reflect upon the past or future.
- The affordability of pension saving is defined at a household level. However, this may not be a driving consideration alongside future adequacy in retirement.
- The application of variable contribution rates (higher contributions associated with higher income).
- Whether we are at risk of overcomplicating workplace savings.

Living standards in retirement

- The potential use of a two-pillar approach:
 - A base level to meet a minimum level
 - An aspiration above this minimum (designed to meet expectations)
- There needs to be a policy solution to support avoiding poverty in retirement. A threshold for the system would be to meet the needs of a persistent low earner.
- How much central policy should be targeting and how much should be left to individuals' discretion (and alternative wealth).

Access to savings (before retirement)

- Whether issues of affordability and hardship can be mitigated through access to pension savings.
- Whether increasing liquidity would impact the risks of oversaving.

- International experience:
 - South Africa & US have liquid saving element but may currently offer limited evidence to the UK.
 - US hardship loans against pensions lead to system leakage.
- There is evidence from women opting out due to liquidity concerns / volatile of expenditure.

Other matters of supporting to low earners

- The applicability of targeted support.
- Whether low earners can help through better self-identification.
- The role of employers:
 - The place of flat rate contributions.
 - Any lack of knowledge by employers may be a barrier, both in response to the operation of their own pension scheme and of the wider pensions system.

Next Steps: The third part of the series will be published in January 2026.

**From Payslip to Pension: Life Course Impacts on
Retirement Saving Among Low Earners series**

An independent report by the

Pensions Policy Institute

PPI



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