FABIAN SOCIETY

# TALKING PENSIONS SOLIDARITY

## EXPLORING PUBLIC PERCEPTIONS OF DIGNITY, SECURITY AND FAIRNESS IN THE PENSION SYSTEM

Sasjkia Otto

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# Acknowledgements

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# About the author

Sasjkia Otto is a senior researcher at the Fabian Society.

# Methodology

This report explores public perceptions of the pensions system. It is based on a representative online survey of 4,000 people aged 18+, as well as an online focus group with 10 participants aged 34-72, representing a range of regions and socio-economic backgrounds. Survey fieldwork was conducted by Survation from 27 June to 9 July 2026, while the focus group took place on 24 June 2026.

The survey included a pensions calculator, which estimated respondents' likely retirement income. Respondents were asked for their date of birth and desired retirement age, whether they have a pension pot, its current value, and how much they and their employer contribute each month. They were also asked if they expect a defined benefit pension and roughly how much they expect it to pay each year. Finally, respondents were asked whether they anticipated any other retirement income – from savings, property, or investments. Retirement income projections used industry-standard assumptions:

1. **Investment growth:** 6 per cent per year, before charges.
2. **Pension charges:** 0.3 per cent per year, deducted from the pot.
3. **Salary growth:** 2.5 per cent per year, which means contributions grow over time as pay rises.
4. **Inflation:** 2.5 per cent per year, with figures shown in today's money.
5. **Tax-free lump sum:** respondents take 25 per cent at retirement.
6. **Annuity:** the remaining 75 per cent of the pot is used to buy a level annuity, paying a steady income each year.
7. **State pension:** full new state pension (£11,973 per year at 2025-26 rates), payable from age 68.
8. **Defined benefit / other income:** keeps pace with inflation.

Respondents were shown a personalised estimate of their retirement income before answering the attitudinal questions. This was found to have no statistically significant effect on subsequent adequacy self-assessment.

Figures reported throughout the report exclude "don't know" responses.

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# SUMMARY

The social contract is under strain . Rising numbers of pensioners face low living standards, alongside inequities within and between generations. Thirty-one per cent of 22–60-year-olds could fall below Pensions UK's minimum retirement living standard, according to our survey.[i,1]

This report explores public perceptions of the pensions system.

## Most think government could do more to ensure retirement security and dignity

Our survey found a general perception that the government is not doing enough to provide an adequate retirement for most people:

- 64 per cent believe the government is doing "too little" to ensure people like them have enough for retirement.
- 66 per cent say the government is doing "too little" for working-age people.
- 61 per cent say the same for pension-age people.

Most would back a settlement that better protects people currently at risk of low living standards. Seventy per cent think the government should ensure every pensioner can afford the basics for an acceptable quality of life. Providing this baseline of protection is considered more important than the cost to the system or ensuring that the system reflects how much people have contributed.

However, there is a tension between public demand for stronger protections, and openness to reform that would make these protections fiscally sustainable.

- Most (57 per cent) think the state pension should be higher than it is today, which would entail higher public spending.
- Most also think planned state pension age increases should stop or slow (64 per cent), which would affect employment alongside spending on the state pension.

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[i] We surveyed a representative sample of 4,000 people aged 18+, based on pension savings to date.

- But fewer (44 per cent) support reducing current tax relief on pension income, which might help meet the cost of these measures.

These views reflect groups experiencing real hardship across cohorts. But they also reflect people's perceptions about their own retirement security, which many find difficult to judge accurately. When asked how much they knew about pensions, fewer than half said they knew either "a great deal" (7 per cent) or "a fair amount" (39 per cent), per figure 3 below.

## Many are open to considering how to better share responsibility

Our survey found that people see pensions adequacy as a shared responsibility between savers, employers and the state:

- Half say they would support additional contributions from themselves (45 per cent) and others (51 per cent), respectively.
- Most think automatic enrolment should be expanded – both to low-income workers (79 per cent) and the self-employed (77 per cent) – and that employers have a greater role to play than they do today.
- Most (68 per cent) think the state pension should increase at the same pace as earnings – so pensioners get no better or worse off than workers over time – which could save around £15.5bn by 2029-30.
- There is broad support (72 per cent) for reducing higher tax relief on pension contributions for higher earners.

## People's own feelings of security shape their views on pensions reform

Support for reforms would depend on whether people believe protections will be there for those who need them. This is illustrated by views on the triple-lock. Most (55 per cent) said the government should replace it with a different mechanism. But there is a stark split in views between generations:

- By a majority of two to one, generation Z (67 per cent) and millennials (68 per cent) want to replace the triple lock.
- Conversely, baby boomers and the silent generation back keeping the triple lock by around two to one (33 per cent and 27 per cent, respectively).[2]

These differences likely reflect feelings of security associated with the triple-lock among older generations, and perceptions of the risk of retaining it among younger generations, rather than informed views on the actual uprating mechanism. For example, 72 per cent of those who want to retain the triple-lock also say that the state pension should increase at the same pace or slower than wages. This would likely be incompatible with retaining the triple-lock, which often increases more quickly than wages.

People's views on pensions tax relief tell a similar story:

- Support for reducing tax relief on pension income is as low as 28 per cent for the silent generation, compared with 62 per cent among generation Z. Younger generations may be more willing to reconsider existing tax advantages as they face greater challenges in building adequate retirement incomes.

- People who believe they would be worse-off than others their age in retirement are less likely to support reducing pensions income tax relief (37 per cent) than those who expect to be better off than others their age (56 per cent). Those who feel less secure appear more protective of existing pension entitlements, even though the value of tax-free withdrawals is greatest for those with larger pension pots.

There is therefore a narrow but credible route to consensus. It will rely on reforms that protect those who need it while building confidence among the public in these protections. People are unlikely to accept changes they believe threaten their dignity and security in retirement – whether that threat is real or perceived.

# INTRODUCTION

In 2002, the government established a Pensions Commission to forge a new long-term consensus on retirement provision. Its work was a triumph in long-term consensus-building. Two decades on, that consensus is due for renewal.

Many of the commission's recommendations proved transformative. The new state pension delivered a step change in security for lower-income pensioners, and automatic enrolment helped millions more save into a workplace pension for the first time.

But the job is not yet done. Too many pensioners experience poverty or financial insecurity, while many working-age people are not on course to build an adequate income for retirement.

Without further reform, pensioners' prospects could deteriorate. The UK's population is ageing rapidly, and public finances are under increasing pressure. At the same time, economic headwinds have brought new challenges for savers – including weak wage growth, declining home ownership, and the shift from "defined benefit" to typically less generous "defined contribution" pensions, which shift more risk to individual savers.

Our social contract requires dignity and security in retirement, and for future generations to expect a living standard at least as good as their predecessors.

Two decades on from the original pensions commission, the government has established a new pensions commission to explore the future of the system. Lasting reform must command confidence across the political spectrum and among people of different ages and socio-economic backgrounds.

This report seeks to understand public attitudes to pensions. It starts by exploring people's perceptions of their own pension savings situation and retirement income. It goes on to explore their views of the pension system itself, the values that underpin it, and the central challenges and trade-offs that it faces.

# 1. CONTEXT: THE SOCIAL CONTRACT IS DUE FOR RENEWAL

While many pensioners are relatively well-off, there are significant differences in outcomes. Many face insecurity, poverty or low living standards, while inequalities persist both within and between generations. Disadvantages accumulated over the course of people's lives often become vulnerabilities in retirement.

## Low living standards: the problem persists

The past two decades have brought important improvements in financial security for some pensioners. Social security reforms under the last Labour government helped reduce pensioner poverty to a historic low. State pension reforms following the last pensions commission have raised the baseline of support for pensioners today.[3]

But this progress has not been sustained. Gaps in state pension entitlement, low benefit take-up, and rising housing costs meant 1.7 million pensioners experienced income poverty after housing costs in 2024–25. This represented 14 per cent of pensioners – a similar proportion to the one recorded just before the new state pension was introduced (though under a different methodology).[4]

Poverty measures also capture only part of the problem. In 2023–24, 23 per cent of pensioners had incomes below Pensions UK's minimum retirement living standard – representing public perceptions of the minimum needed to afford the basics for an acceptable quality of life.[5] This is currently £13,900 per year for a single person and £22,500 per year for a two-person household, excluding housing costs.[6]

The situation could deteriorate further. By mid-2034, one in five people is projected to be of pensionable age, an increase of 1.8 million compared with a decade earlier.[7] Supporting a larger retired population will place increasing pressure on the public finances. At the same time, occupational pension savings are coming under pressure as people face structural barriers to saving enough and getting the most out of their savings.

These challenges mean a substantial minority of working-age people today will face very low living standards when they retire. We conducted a representative survey of 4,000 people aged 18+. Respondents were invited to use pensions calculator to estimate their projected retirement income, based on their retirement plans and savings to date. Our findings suggest that nearly a third (31 per cent) of today's 22-60 year olds could fall below the minimum retirement living standard, based on their pensions savings to date, as shown in figure 1a below[ii].

## Intragenerational equity: some groups remain underserved

There are significant differences in pensioner living standards within generations – reflecting inequities people experience during working life. Previous Fabian Society research found that women, disabled people, carers, and people with low and inconsistent incomes – such as the self-employed – are disproportionately exposed to pensioner poverty today.[8]

Public policy has also played a role. As described in the chapters below, state pension levels and eligibility criteria, alongside gaps in private and

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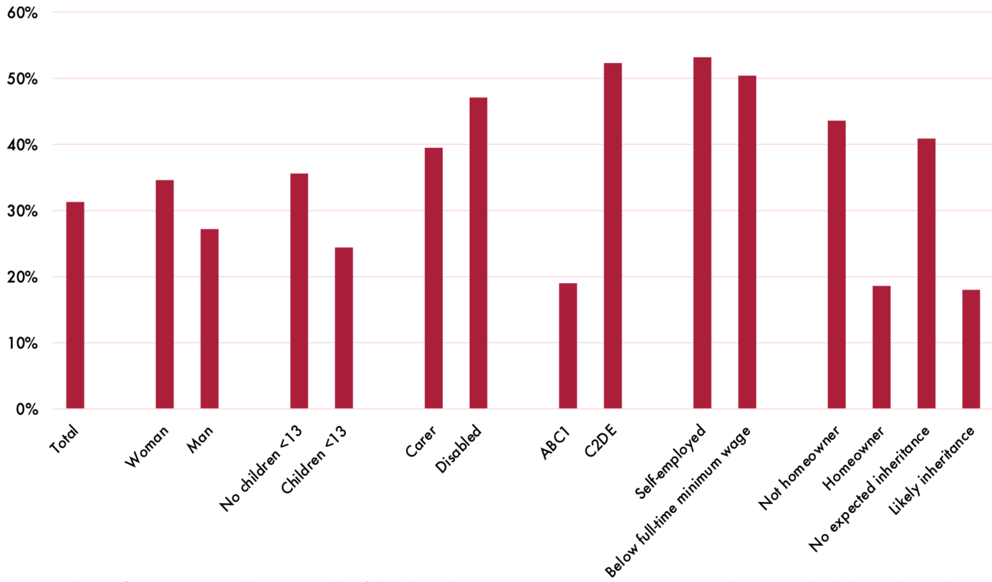
[ii] This figure is substantially higher than the DWP projection in Analysis of Future Pension Incomes 2025. The estimates are not directly comparable because they use different populations, data and modelling approaches. Our analysis projected respondents' retirement income from their reported pension savings, current contributions and stated retirement age, assuming that 25 per cent of their pension pot is taken as a tax-free lump sum. By contrast, DWP used its Pensim3 dynamic microsimulation model to project future employment, earnings, pension participation and saving across the working-age population, and assessed pension income from State Pension age onwards. DWP's headline estimate assumes that the full value of defined contribution pension pots is annuitised. DWP also combines and equivalises pension incomes for couples and incorporates housing tenure, further limiting direct comparison between the estimates.

workplace pension savings, affect pensioner incomes – particularly among older cohorts.[9] Better-off pensioners have also benefited from growth of private pension wealth and tax advantages on pension saving and withdrawals. As a result, in the decade to 2022–23, the incomes of the poorest tenth of pensioners increased by only 1 per cent, after adjusting for inflation, compared with 12 per cent growth among pensioners overall.[10]

Recent changes to the pensions system have not fully resolved the issue. Figure 1a below shows that the groups that are struggling today are also at greater risk of falling below the minimum retirement living standard in the future. Some historically disadvantaged groups will benefit from the new state pension. But many continue to face considerable barriers to building an adequate private pension. This reflects personal circumstances that affect labour market participation and the cost of living, as well as pensions system design including auto-enrolment criteria.[11]

FIGURE 1A: SOME GROUPS COULD CONTINUE TO FALL BELOW THE MINIMUM RETIREMENT LIVING STANDARD IN FUTURE




Source: Share of 22-60 year olds projected to fall below the Pensions UK minimum retirement living standard, based on Fabian Society & Survation pensions calculator.

# Intergenerational equity: retirement prospects are deteriorating

Today's working-age population may enjoy fewer protections in retirement than today's pensioners. Generation X may be the first generation who are worse off than their parents in retirement. Looking further ahead, the Department for Work and Pensions estimates that retirees in 2050 are on course for £800, or 8 per cent, less in private pension income than those retiring today.[12] And the share of pensioners not reaching the minimum retirement living standard are projected to reach 35 per cent by the time generation Z retires (see figure 1c below).

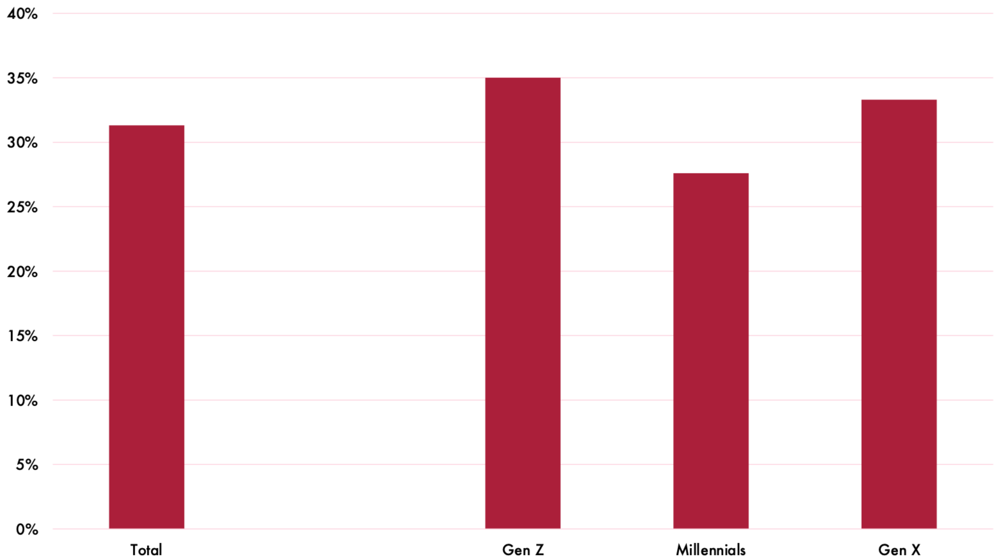
These challenges reflect unprecedented demographic and economic pressures, alongside public policy decisions:

- A shrinking working-age population is funding a growing share of today's retirement benefits.
- Barriers to labour market participation, slow wage growth, student debt, the cost-of-living crisis, a dysfunctional housing market, and the prospect of caring for ageing parents and grandparents create significant barriers to many working-age people saving for retirement.
- The pensions system is increasingly transferring risk from the state and employers onto workers through the shift away from "defined

benefit" pension schemes, which provide a guaranteed income for life, towards typically less generous "defined contribution" schemes, which put the onus on the individual to make their money last.

These pressures affect people of all ages. Younger generations have been particularly exposed to economic headwinds, affecting their ability to meet traditional milestones like buying a home or starting a family. But older generations who have not benefited from auto-enrolment throughout their working lives are also at risk.

## FIGURE 1B: 35 PER CENT OF GEN Z ARE PROJECTED TO FALL BELOW THE MINIMUM RETIREMENT LIVING STANDARD




Source: Share of 22-60 year olds projected to fall below the Pensions UK minimum retirement living standard, based on Fabian Society & Survation pensions calculator.

# Towards consensus: it's time to talk pensions solidarity

Improving support for people underserved by the pensions system will not be easy. UK state pensions generosity still lags comparable economies by some measures. But public spend on pensioners is forecast to rise from 6.1 per cent to 7.6 per cent of GDP in the next three decades, driven by the ageing population and increases in the value of the state pension and pensioner benefits.[13] The most vulnerable will be increasingly squeezed if pensions inequities grow.

Correcting the inequities in the pensions system in a sustainable way demands a new consensus on the social contract. The government faces important decisions on the state pension, private savings and investments, and taxation. As a result, some people may have to contribute more than they currently do to ensure that others can get better support. But reforms will endure only if the public regards the balance of support and contribution as fair.

The UK needs a public conversation about what this should look like. Our focus group participants recognised the case for this:

> *"I think a lot of pensioners would be thinking: what about my kids and my grandkids. And to try to find some forum where we can work together… work through what's in everyone's best interests. I think there's a chance that we can come up with a rounded solution, which says yes, pensioner needs are important, but not to the point that we screw the next two generations. And that takes a lot of bravery, but I think it would be possible to find some way to discuss that clearly, rather than just this 'you can't touch pensions'." – Man, 72, retired, £100k-£150k household income, owns home outright, Scotland*

The following sections examine public attitudes towards these challenges.

# 2. PERSONAL CIRCUMSTANCES AND PERCEPTIONS ARE IMPORTANT POLICY CONSIDERATIONS

Groups at greater risk of low retirement living standards are more likely to feel their future is insecure. But limited understanding of the pension system means that many people struggle to assess their own retirement prospects accurately. Moreover, perceptions of future living standards are stronger predictors of views on the pensions system than actual projected retirement outcomes.

## Many at risk of low retirement living standards feel the pressure

A significant minority of people are aware of the pressures they may face in retirement. We asked respondents how they expected their retirement living standard to compare with others their age. Figure 2 below shows that:

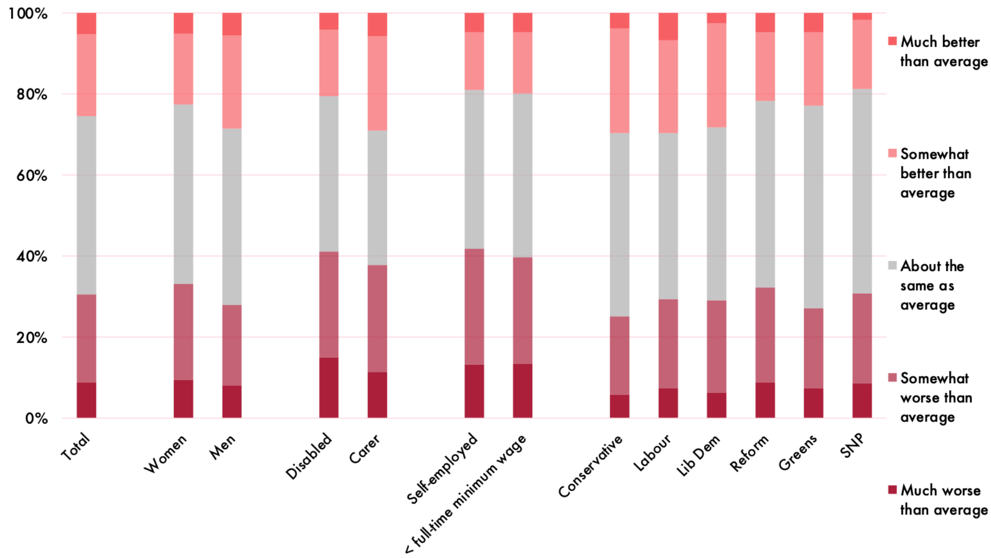
- Respondents were 20 per cent more likely to say they expected to be worse off than better off (31 per cent vs 25 per cent).
- The rest (44 per cent) thought their living standards would be about the same as others their age.

This perception of being worse off than others is more common among at-risk groups. The following groups had a higher likelihood to say they would be worse off than others their age:

- Women: 47 per cent.
- Disabled people: 100 per cent.
- Carers: 30 per cent.
- Self-employed people: 120 per cent, and.
- People earning less than the full-time minimum wage: 100 per cent.

There are variations across different groups of voters. Reform UK voters, were 49 per cent more likely to expect a retirement worse retirement compared with others their age. This reflects their higher likelihood of falling below the minimum income standard.

FIGURE 2: AT-RISK GROUPS MORE COMMONLY THINK THEY WILL RETIRE WORSE-OFF THAN OTHERS THEIR AGE




Source: Fabian Society & Survation survey of 4,000, 2026. "Compared with most people around your age, how much better or worse do you expect your standard of living to be when you retire?"

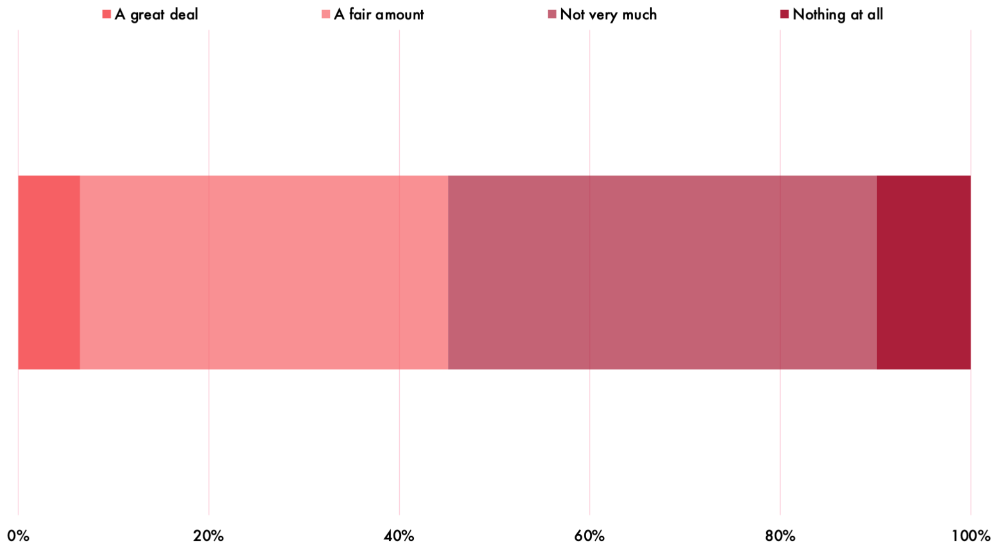
## Many can't accurately predict their own retirement living standard

Public understanding of the pension system is limited. When asked how much they knew about pensions, fewer than half said they knew either "a great deal" (7 per cent) or "a fair amount" (39 per cent), per figure 3 below.

This knowledge gap has implications for how people view their own circumstances. Figure 4 below shows that nearly one in five (19 per cent) of 22–60-year-olds who are not projected to meet the minimum retirement living standard believe that they are on track. This may affect how they prepare for retirement.

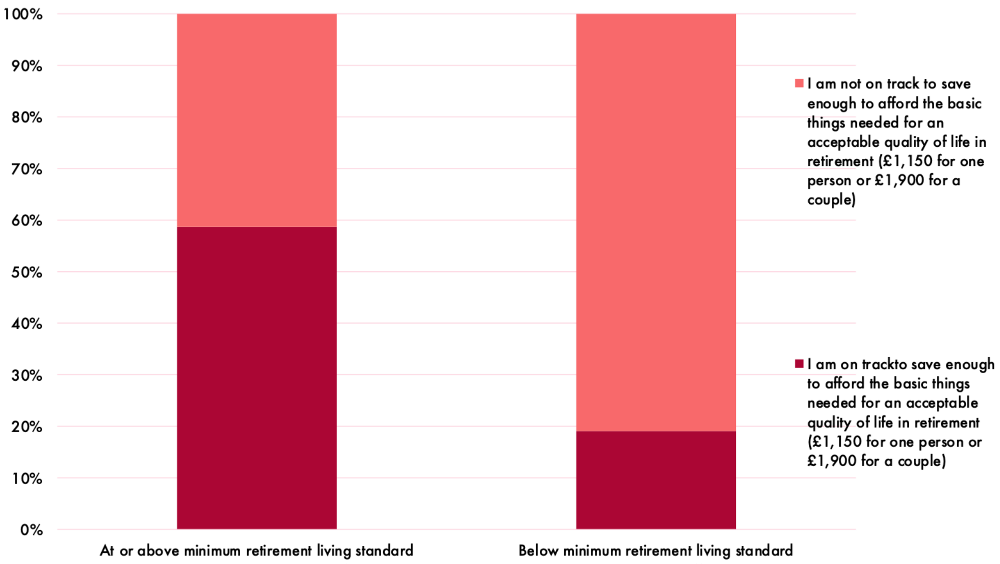
However, people are even more likely to overestimate their risk of hardship. Among those projected to meet or exceed the standard, 41 per cent believe that they will fall short – and this includes a substantial minority of people on relatively high incomes.

## FIGURE 3: MOST CONFESS LIMITED KNOWLEDGE OF THE PENSIONS SYSTEM




Source: Fabian Society & Survation survey of 4,000, 2026. "How much, if anything, would you say you know about how the UK pensions system works?"

## FIGURE 4: 41 PER CENT WRONGLY BELIEVE THEY ARE NOT ON TRACK FOR THE MINIMUM RETIREMENT LIVING STANDARD




Source: Fabian Society & Survation survey of 4,000, 2026. "An acceptable income to afford the basics in retirement is thought to be about £1,150 per month for a single person and £1,900 per month for a couple – if they have paid off their home. Based on how much you have saved into your pension to date, which of the following statements comes closest to your view?" Based on Fabian Society & Survation pensions calculator

# Feelings of insecurity predict views on government support

There is a general sense that the pensions system leaves too many people unsupported. And this view is not limited to a specific cohort.

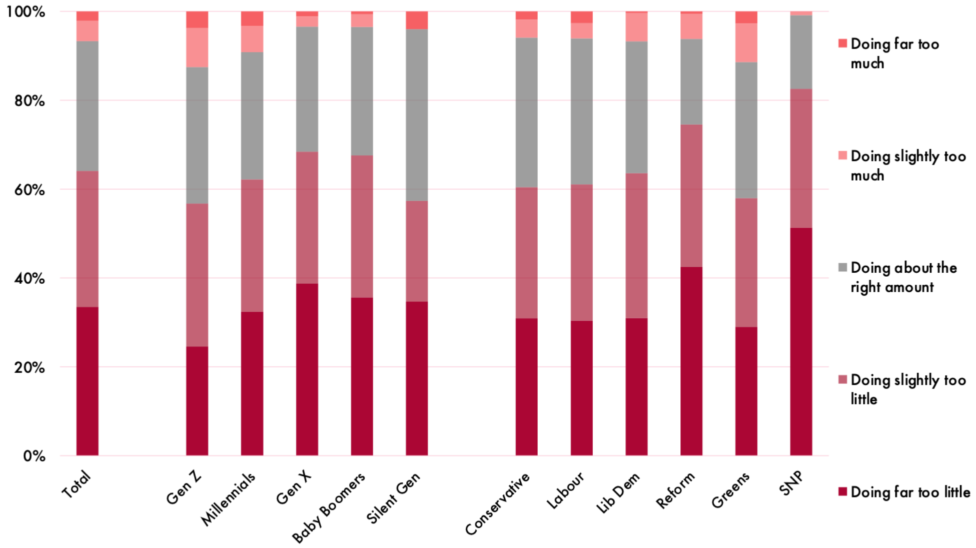
- 64 per cent say the government is doing "too little" to ensure people like them have enough to live on in retirement (see figure 5 below).
- A similar proportion say the government is doing "too little" generally for working-age people, at 66 per cent, and.
- Pension-age people, at 61 per cent (see figure 6 below).

However, people are more likely to be concerned about others who share similarities with their own situation. Figure 6 below shows people are more commonly concerned about support for their own age group, while concerns overall become more common the closer people get to retirement.

These patterns again have political implications. People with more challenging projected retirement prospects are more likely to believe that the government is doing too little for people like them.

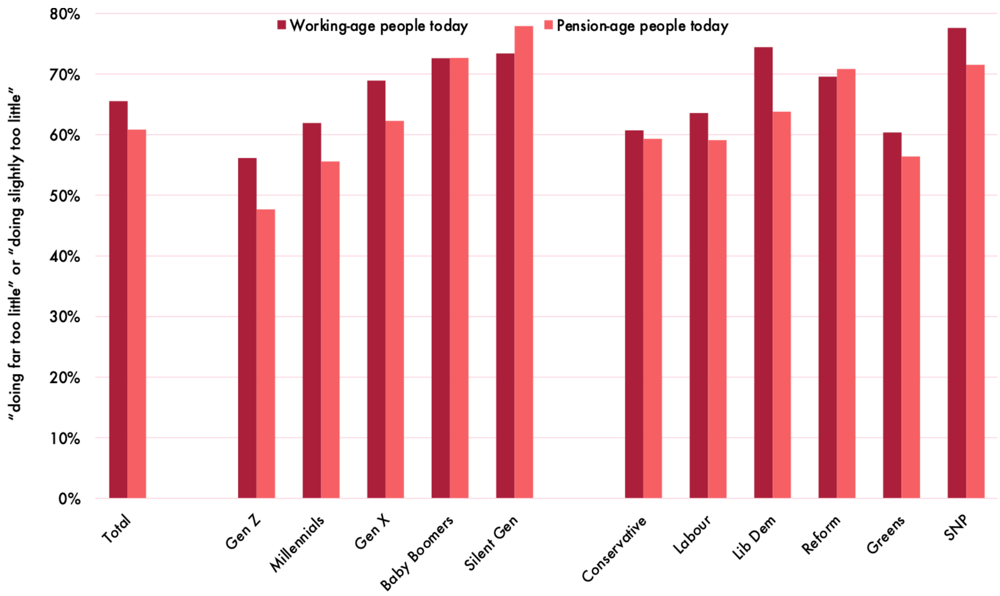
People's understanding of the pension system and their perceptions of their own situation are particularly important in predicting views on support. Figure 7 shows the view that government is doing too little is more common among people who confess limited knowledge of pensions, expect to be worse off than their peers, and/or believe they will fall below the minimum retirement living standard. By contrast, people's actual projected living standards have little association with their view. This dynamic plays out in a range of views on the pensions system, as described in the chapters below.

## FIGURE 5: MOST THINK GOVERNMENT IS DOING "TOO LITTLE" TO ENSURE PEOPLE LIKE THEM HAVE ENOUGH TO RETIRE



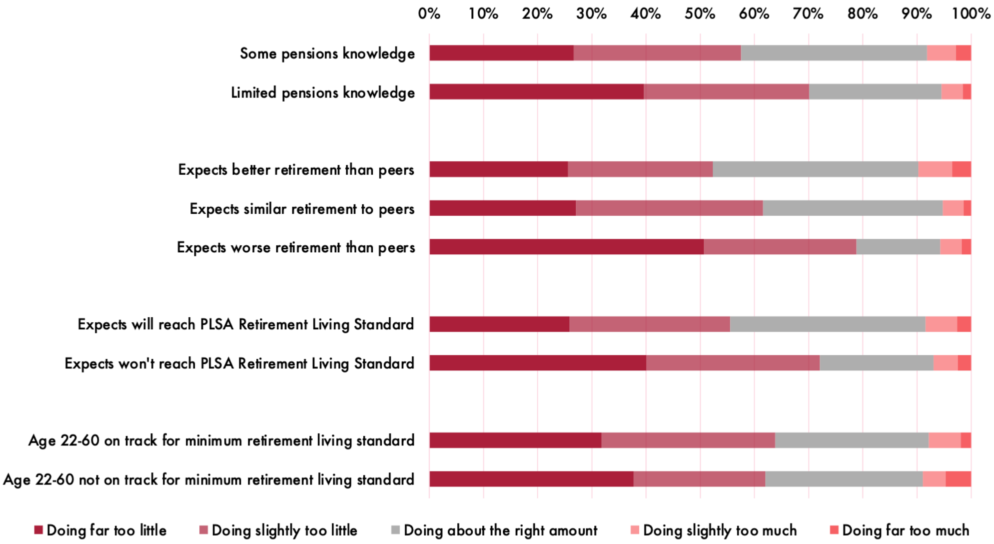

Source: Fabian Society & Survation survey of 4,000, 2026. "What is your view on how much the government is doing to ensure people like you have enough to live on in retirement?"

## FIGURE 6: PEOPLE ARE MORE LIKELY TO IDENTIFY WITH OTHERS THEIR AGE WHEN SAYING GOVERNMENT IS DOING "TOO LITTLE"




Source: Fabian Society & Survation survey of 4,000, 2026. "What is your view on how much the government is doing to ensure: working-age people today will have enough to live on in retirement / pension-age people today have enough to live on in retirement?"

## FIGURE 7: PERCEPTIONS ARE A STRONGER PREDICTOR OF VIEWS ON GOVERNMENT PENSIONS SUPPORT THAN PROJECTED RETIREMENT OUTCOMES




Source: Fabian Society & Survation survey of 4,000, 2026. "What is your view on how much the government is doing to ensure people like you have enough to live on in retirement?

# 3. VALUES: DIGNITY, SECURITY AND FAIRNESS ARE TOP PUBLIC PRIORITIES

There is broad support for greater redistribution within the pensions system, while protecting people from low living standards emerges as the public's clearest priority.

## Most want a guaranteed retirement living standard floor

Existing pensions policy considers relative measures of retirement adequacy, which may poorly reflect people's actual needs. Target replacement rates proposed by the previous pensions commission indicate the proportion of pre-retirement income that people should aim to achieve to avoid a significant drop in living standards when they retire. These range from around 80 per cent for the lowest earners to 50 per cent for the highest. This means those with lower lifetime incomes might achieve their target, but still live on less than the minimum retirement living standard. Conversely, others with high pre-retirement incomes could fall short while still being relatively comfortable – particularly if they have other assets and investments that can be converted into retirement income.[14]

The public, on the other hand, place greater weight on an adequate income floor. Figure 8 below shows that:

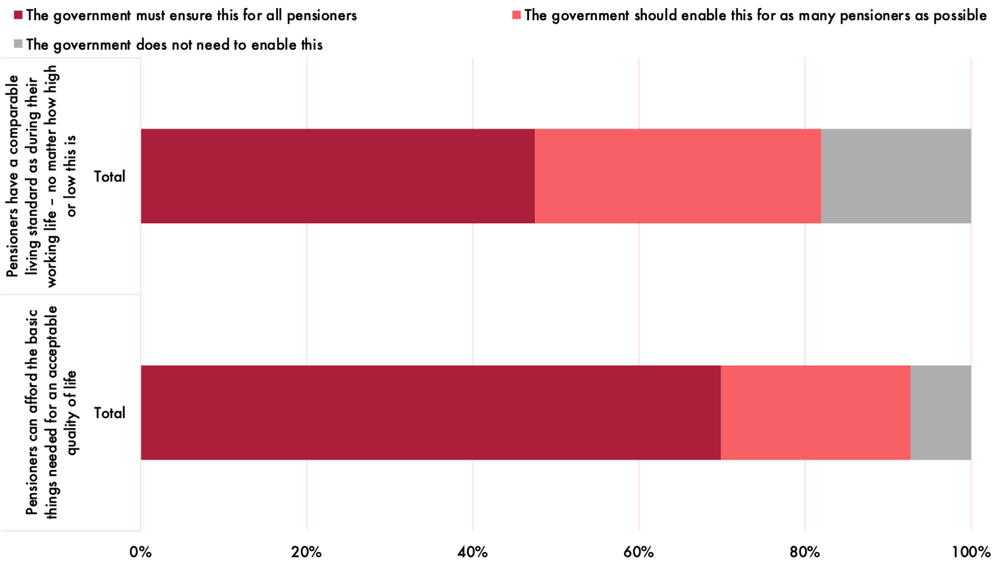
- 70 per cent think the government should ensure "every pensioner" can afford the basics for an acceptable quality of life, and 23 per cent think it should enable "as many pensioners as possible" to do so.

- In contrast, 47 per cent think the government should ensure that everyone can maintain a comparable living standard in retirement as in working life – no matter how high or low this is – and 35 per cent think it should enable this.

Several of our focus group participants had a similar instinct:

*"I think [we] should make sure that everybody has at least the means to live in dignity and in comfort." – Man, 48, employed full-time, £40k-£50k household income, homeowner with mortgage, North West*

FIGURE 8: MOST WANT GOVERNMENT POLICY TO FOCUS ON ENSURING A BASIC INCOME FLOOR




Source: Fabian Society & Survation survey of 4,000, 2026. "For each statement, which of the following comes closest to your view?"

## Security and solidarity are valued more than managing financial considerations

Improving retirement living standards may involve difficult trade-offs. Productive investment and stronger economic growth could increase the resources available to support pensioners over time. But improving the position of people experiencing low living standards today is also likely to require more immediate support. Moreover, helping today's workers save more for retirement could entail additional costs for individuals, employers and/or taxpayers. These costs might be met by reprioritising existing expenditure, increasing borrowing, or asking some to contribute more.

When presented with these trade-offs, the public prioritise dignity, security and fairness. Figure 9 below shows which outcomes the public consider "very important":

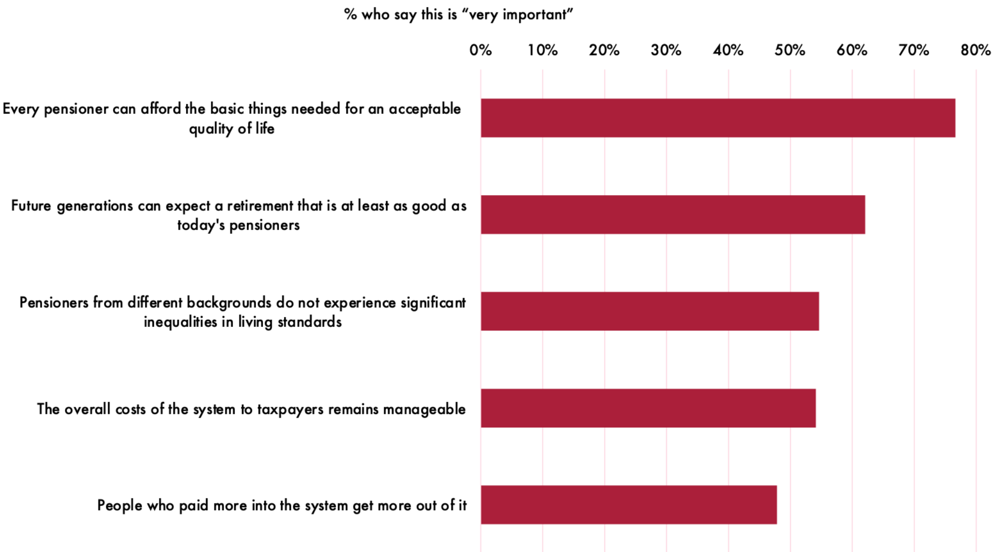
- Ensuring that every pensioner can afford the basics required for an acceptable quality of life was most widely prioritised, by 77 per cent.
- This was followed by intergenerational fairness, by 62 per cent.
- Intragenerational fairness and fiscal sustainability were each seen as very important by just over half of respondents (55 per cent and 54 per cent, respectively).
- A smaller proportion, 48 per cent, gave the same priority to ensuring that people who paid more into the system get more out.

A separate ranking exercise, where respondents considered a series of choices between competing objectives, produced similar results.

Our focus group respondents also saw the case for support that reflects more than just how much people were able to pay in:

*"What about those who cannot contribute, through absolutely no fault of their own? Everybody contributes, whether they do it financially or not." – Woman, 65, retired, £30k-£40k household income, private renter, East of England*

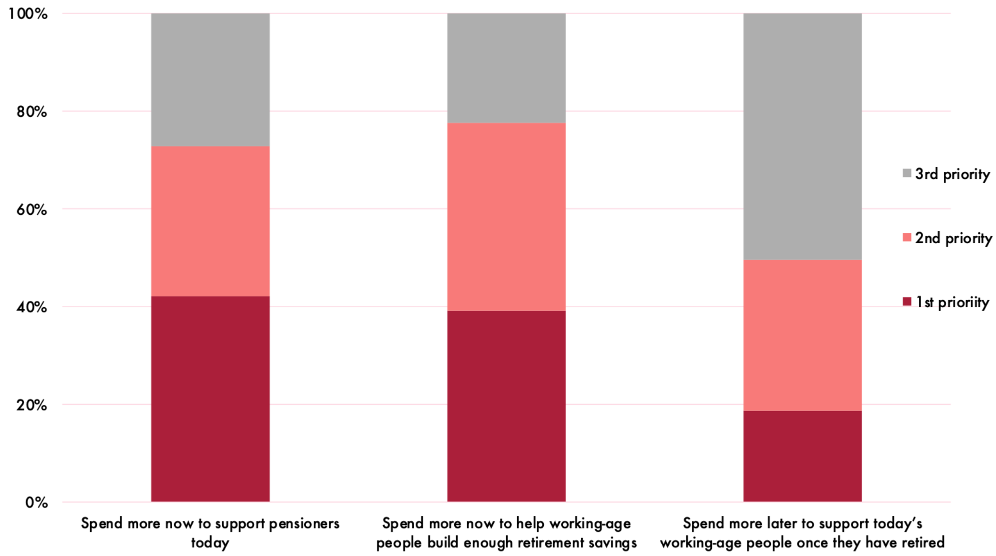
## FIGURE 9: ADDRESSING LOW PENSIONER LIVING STANDARDS IS A TOP PRIORITY




Source: Source: Fabian Society & Survation survey of 4,000, 2026. "The UK pensions system includes the state pension, paid for by taxes, alongside private and workplace pensions that individuals and employers pay into, which also receive some tax relief. When deciding how the government should make decisions on what people pay and what they get out of the pensions system, how important do you think each of the following is?

People want to see action today to support both pensioners and savers. Figure 10 below shows the results of a ranking exercise asking respondents when and where government spend should focus. Similar proportions prioritised spending now to support current pensioners and spending now to help working-age people prepare for retirement. Respondents were around half as likely to prioritise postponing spend to a future date.

## FIGURE 10: MOST WANT THE GOVERNMENT TO SPEND TODAY TO SUPPORT BOTH PENSIONERS AND SAVERS



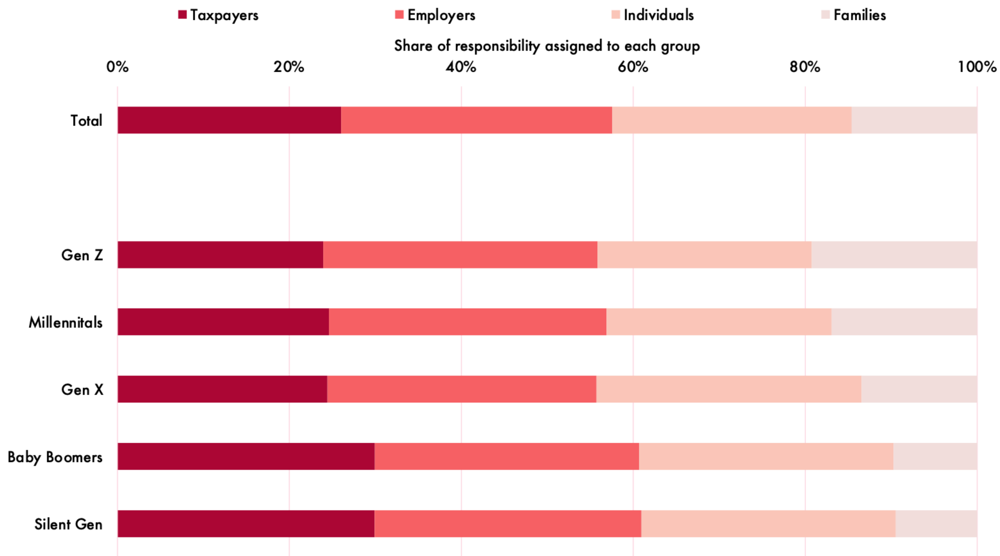

Source: Source: Fabian Society & Survation survey of 4,000, 2026. "Sometimes the government must make choices where it cannot achieve all its goals at once. Rank the following outcomes in order of priority, where 1 is top priority."

People see this as a shared responsibility. When asked how much different parties should contribute to ensure people enjoy dignity and security in retirement, figure 11 below shows people on average assigned:

- Taxpayers: 26 per cent.
- Employers: 32 per cent.
- Individuals: 28 per cent, and.
- Families: 15 per cent.

However, pensioners see a greater responsibility beyond themselves and their immediate families – likely reflecting that many rely on the state for an adequate income.

## FIGURE 11: RETIREMENT DIGNITY AND SECURITY IS CONSIDERED A SHARED RESPONSIBILITY




Source: Fabian Society & Survation survey of 4,000, 2026 "How much do you think each of the following groups should contribute to help pensioners afford the basic things needed for an acceptable quality of life? You have 100 points to share as you wish between these groups."

# Respondents think some groups are higher priority for support

Barriers to retirement adequacy extend beyond pensions system design. Life circumstances can squeeze people's disposable income and ability to contribute to the system. These can relate to work, such as low wages, irregular work or periods of unemployment; unpaid work, including caring for someone or raising a family; circumstances beyond people's control, including personal or family disability or ill-health; or socio-economic background, such as the level of family wealth they can access.

Figure 12 below shows that respondents place particular weight on how people have contributed to society and whether difficulties are perceived beyond their control. When asked which groups should be prioritised for support, low-paid workers most commonly featured in respondents' top three, followed by disabled people and carers. Meanwhile, those who have raised a family and people with irregular earnings, including the self-employed were considered lower priorities.

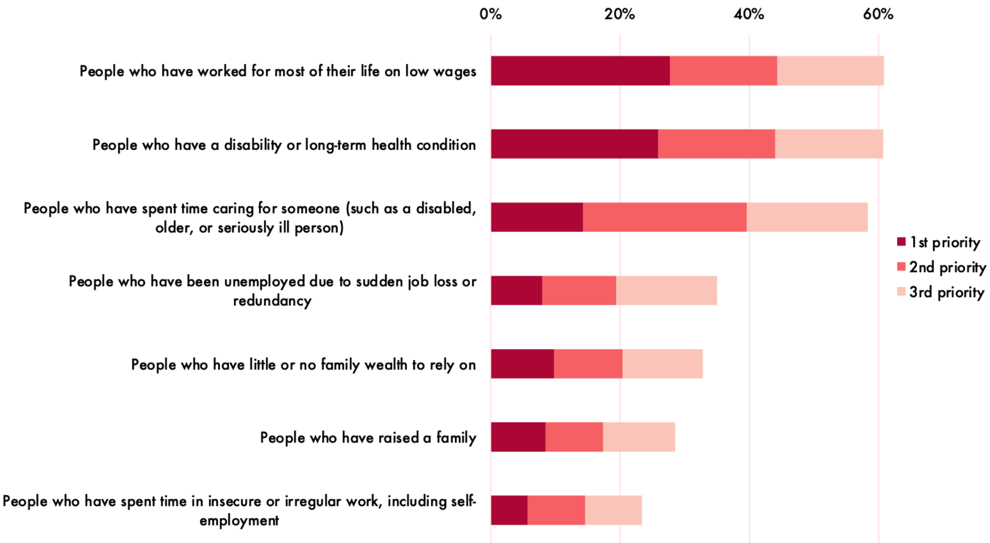
Focus group participants made similar assessments:

*"Those who have not been able to contribute due to no fault of their own... should be the priority... you shouldn't be punished for [being ill]... left to struggle to survive..." – Woman, 34, unable to work, £40k-£50k household income, homeowner with mortgage, South East*

*"[the carer] was actually taking over part of the state's responsibility.,.. so the state should give her a decent income in her retirement." – Man, 48, employed full-time, £40k-£50k household income, homeowner with mortgage, North West*

*"[self-employed people] could have paid in, but… chose not to." – Man, 48, employed full-time, £40k-£50k household income, homeowner with mortgage, North West*

## FIGURE 12: LOW-WAGE WORKERS, DISABLED PEOPLE AND CARERS ARE HIGHEST PRIORITIES FOR SUPPORT




Source: Fabian Society & Survation survey of 4,000, 2026. "Many life circumstances can reduce people's ability to work or squeeze their disposable income. Which of the following groups do you think should be the highest priority for additional government support to reach a retirement income that means they can afford the basics for an acceptable quality of life? Please rank your top 3 from the following people in order of priority, where 1 is top priority."

# 4. STATE PENSION: THE PUBLIC WANT A BETTER DEAL FOR EVERYONE

There is broad support for reforms intended to make the state pension deliver better outcomes for pensioners, workers and taxpayers. There is also a consensus around stronger protection against low living standards, a balanced approach to how the value of the state pension value rises relative to earnings, and a more supportive approach to longer working lives and the state pension age.

## Value: most want a more protective state pension

The state pension does not guarantee dignity and security for everyone. For example, 3.3 million – more than a quarter (27 per cent) of pensioners – do not have an occupational pension, suggesting their primary regular income may be the state pension alone. Of those, nearly a third (31 per cent) are in poverty.[15]

These outcomes reflect differences in entitlements within and between the two main state pension systems. People aged 75+ receive support under the legacy system, which includes the basic state pension and, for some, additional state pension entitlements. Younger pensioners, who reached the state pension age from 2016 onwards, receive the new state pension. Support levels and eligibility criteria leave gaps in protection under both.

People receiving the legacy state pension have an 11 per cent higher risk of poverty.[16] People on the full basic rate receive £9,614.80 per year, which is £2,932.80 lower than the new state pension. But eligibility criteria under this regime mean that many receive considerably less. For instance, women, people of colour, and, in particular, those from disadvantaged socio-economic backgrounds are more likely to experience personal circumstances that mean they are eligible for less than the full amount.[17]

The new state pension provides a stronger foundation, but does not eliminate the risk of poverty. Its £12,547.60 headline rate remains slightly below the poverty line for a single person. Moreover, National Insurance contribution criteria mean one in 10 will remain ineligible for the full amount once it is fully rolled out, often due to circumstances beyond their control due to caring responsibilities, family breakdown or bereavement.[18] Means-tested benefits could help address some of these gaps, but take-up is inconsistent, particularly among older pensioners who are most exposed to gaps in support.[19]

Focus group participants recognise these limitations:

*"I think anybody who's on state pension [alone], won't be able to cope..." – Man, 62, self-employed, £20k-£30k household income, homeowner with mortgage, North West*

Most people think the state pension should be higher than the current headline rate of the full new state pension. When asked what it should be worth, 57 per cent selected an amount above its current value (see figure 13 below). However, most (53 per cent) would support a state pension around up to half the retirement living standard for a two-person household (£1,150 per month). This is around £100 per month more than the current rate, though £150 less than the standard for a single person, who would not benefit from the lower expenses of a shared household.

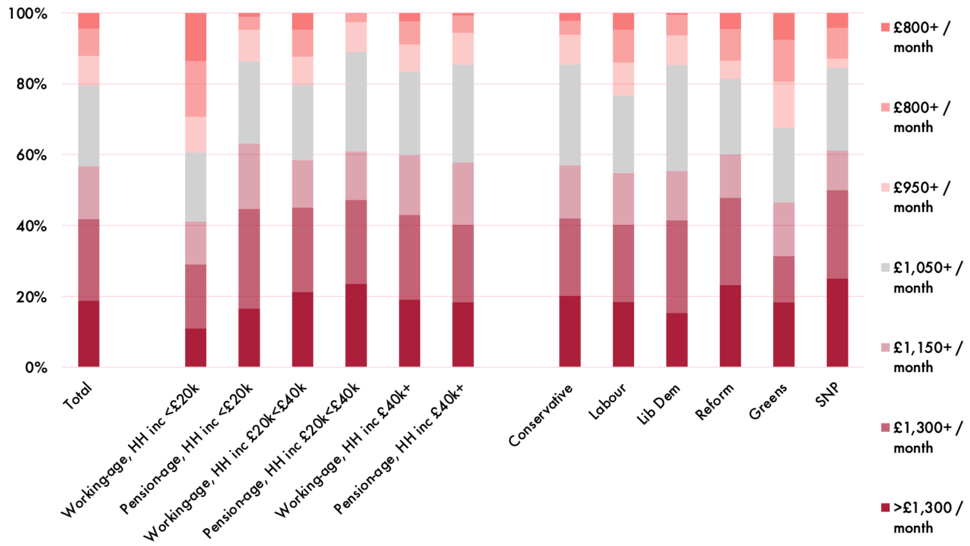
Focus group participants supported a more protective state pension floor:

*"...we do have to get to grips with the fact that our state pension is in fact one of the lowest in Europe... You need to have... a baseline that says this is... what you can live on... it's not £1,050 a month... I do think that underpaying pensioners... struggling in poverty does end up costing us a fortune..." – Woman, 65, retired, £30k-£40k household income, private renter, East of England*

Preferences varied by age and income. Figure 13 below shows that support for a higher state pension was strongest among lower-income pensioners. But most low-income working-age respondents selected a value at or lower than the current state pension. This may reflect differences in living standards and support for the poorest before and after the state pension age – an issue focus group participants were alive to:

*"I live on less than I would expect to live on earning a pension." – Man, 62, unable to work, £30k-£40k household income, private renter, London*

## FIGURE 13: MOST WANT THE STATE PENSION TO BE HIGHER THAN THE CURRENT LEVEL

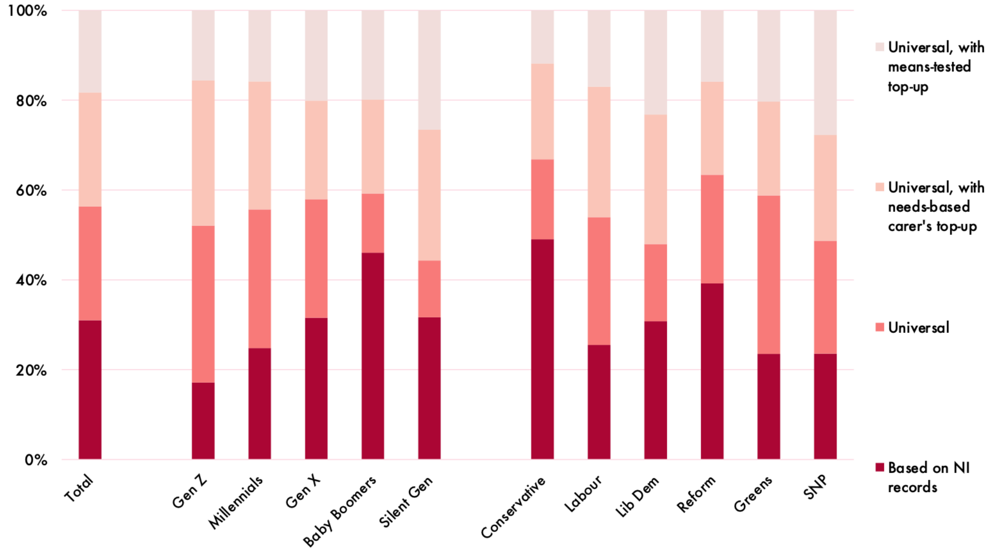



Source: Fabian Society & Survation survey of 4,000, 2026. "In your view, what is the lowest monthly amount from the state pension that would feel reasonable for a pensioner to receive today?"

There is also support for a more universal system and providing extra support for those who need it. Figure 14 below shows that:

- Only 31 per cent said entitlement should be determined by National Insurance records.
- 25 per cent preferred a universal flat rate.
- 18 per cent a universal rate with additional help based on financial need, and.
- 25 per cent wanted additional consideration for people who have provided care.

FIGURE 14: MOST FAVOUR A UNIVERSAL STATE PENSION




Source: Fabian Society & Survation survey of 4,000, 2026. "Which of the following comes closest to your view?" "The state pension should be lower for people who have not built up a full National Insurance record" / "Everyone should receive the same state pension regardless of their National Insurance record" / "Everyone should receive the same state pension, with additional support for those who have low retirement incomes because they spent time spent out of work caring for someone" / "Everyone should receive the same state pension, with additional support for anyone with a low retirement income".

# Uprating: most would support a more stable mechanism

The "triple-lock" is the current mechanism used for uprating the state pension. Under this, the state pension increases each year by the highest of earnings, inflation and 2.5 per cent. Since it was introduced in 2011, the triple-lock has cost taxpayers £12bn per year more than it would have done, had the state pension increased at the same rate as wages. It is difficult to know how much it will cost in future; the Office for Budget Responsibility estimates this to be £15.5bn by 2029-30, which is three times higher than initial expectations.[20] This makes it difficult for the government to plan.[21]

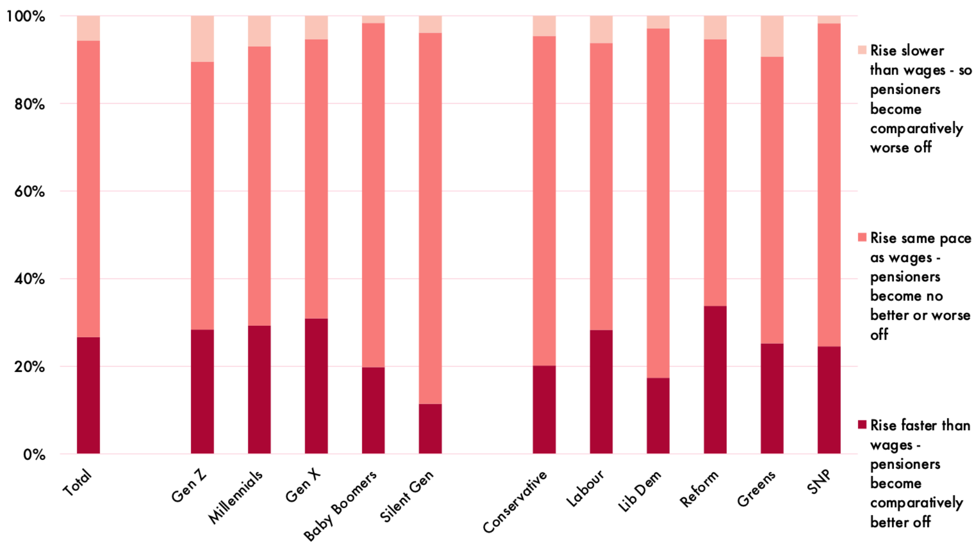
Its distributional impact has also been mixed. It has helped raise living standards for all pensioners – including those on the lowest incomes. But most benefits have accrued to higher-income pensioners, who typically also live and receive the state pension for longer.[22]

Our survey indicates widespread support for maintaining a stable relationship between pensioner and working-age living standards. When asked whether the state pension should rise faster, slower, or at the same pace as wages:

- 68 per cent said it should rise at the same rate (see figure 15 below). This would broadly maintain pensioners' position relative to workers over time.
- By comparison, 27 per cent said that the state pension should rise faster than wages, and.
- Just 6 per cent said that the pension should rise slower than wages – meaning pensioners would get comparatively worse off over time.

These figures indicate that people instinctively believe that the state pension uprating mechanism should achieve a different outcome to the one delivered by the triple-lock mechanism.

## FIGURE 15: MOST THINK THE STATE PENSION SHOULD RISE IN TANDEM WITH WAGES



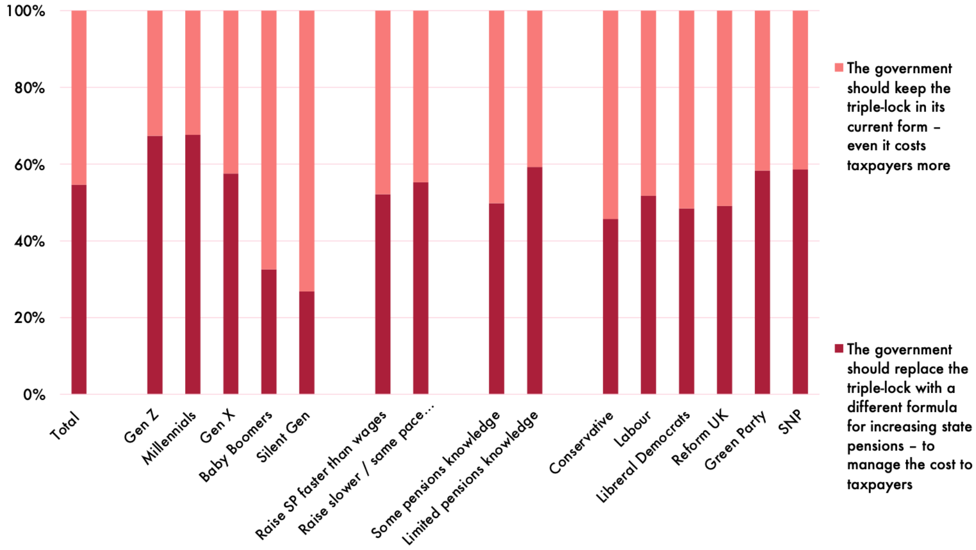

Source: Fabian Society & Survation survey of 4,000, 2026 "The full state pension for somebody who retires today is about £1,050 per month. Some will live on state pension alone when they retire. Most have additional income from other sources – such as workplace pensions, savings, investments and inheritance. The state pension could increase at the same pace, faster or slower than wages. This could mean all pensioners become better or worse off, or stay at about the same level compared with everyone else over time. It would also affect the cost of pensions to taxpayers. Which of the following options do you prefer?" "Increase the state pension faster than wages – so all pensioners become better off compared with others and the cost to taxpayers is more" / "Increase the state pension at the same pace as wages – so pensioners get no better or worse off compared with others and the cost to taxpayers remains steady" / "Increase the state pension slower than wages – so all pensioners become worse off compared with others and the cost to taxpayers is less"

When asked specifically about the triple-lock, however, views are more mixed. Figure 16 below shows that most (55 per cent) think the government should replace the triple-lock with a different mechanism. But there is a stark split in views between generations. By a majority of two to one, gen Z and millennials want to replace the triple-lock, while baby boomers and the silent generation back keeping the triple-lock by two to one.

There are also some apparent contradictions in public views. Seventy-two per cent of those who claim they want to retain the triple-lock also say that the state pension should increase at the same pace, or slower than wages; this would be very unlikely if the triple-lock remained in place. Some focus group participants recognised the challenges of the triple-lock:

> *"...it could be unsustainable. So... even though it would be beneficial for me... [replacing it is] the way I would go." – Woman, 60, employed full-time, £60k-£70k household income, homeowner with mortgage, Yorkshire and Humber*

## FIGURE 16: VIEWS ON THE TRIPLE-LOCK VARY STARKLY BETWEEN GENERATIONS




Source: Fabian Society & Survation survey of 4,000, 2026. "Current state pension increases rely on a "triple lock" guarantee. This means the state pension will increase each year by at least as much as wages – but more if wages grew slower than prices and/or 2.5 per cent. Since the triple-lock was introduced in 2011, it cost the government £12bn more than it would have done if the state pension increased at the same rate as wages. It is difficult to know how much more it will cost in future. Which of the following statements comes closest to your view?"

# State pension age: there is scepticism over further increases

The state pension age in the UK is among the highest in the OECD, and it is set to increase further in the coming years – from 66 to 67 by 2028 and again to 68 by 2044. This may happen even earlier pending an upcoming government review.[23] However, fewer than half remain in work until the state pension age.[24] Our survey finds that 40 per cent expect to retire before reaching the state pension age (see figure 17 below).

Outcomes in this group diverge significantly. Many who leave early are financially secure and in good health and do so voluntarily. But many faced barriers to staying in work and suffered financially as a result:

- Nearly a third (32 per cent) of 60-65 year olds without work are in poverty.
- 11 per cent are disabled, and.
- 18 per cent are carers.[25]

However, neither those who leave work voluntarily nor those who had no choice are receiving appropriate government intervention. People who need or want to continue working face significant barriers with limited support, while some who could remain in work have relatively little incentive to do so.

Many who leave work early have limited choice and experience substantial financial hardship as a result. Figure 17 below shows that low-income groups are more likely to plan to work up to the state pension age and beyond – reflecting their greater financial need to do so. But previous Fabian Society research found that these intentions do not always survive contact with reality – as health inequalities and unequal access to good work create long-term barriers to employment. Meanwhile, large discrepancies in means-tested benefits entitlement before and after the state pension age leave many in this group without the financial support they need.[26]

Unfortunately, more people could be at risk in future. While the state pension age is rising, increases in life expectancy have stalled. Average life expectancy has not yet fully returned to pre-pandemic levels, while healthy life expectancy is decreasing and significantly unequal. Moreover, people living in in some of the wealthiest part of the country are likely to live nearly two decades longer compared with the poorest.[27] But despite this situation, those affected by the latest state pension age increase lack access to a support package that reflects the barriers people face to work at this life stage.[28]Some focus group participants were feeling this pressure:

*"…[many] will keep working as long as they can. And if it's a physical role, I think a lot of them are going to suffer later in life." – Man, 51, employed full-time, £50k-£60k household income, homeowner with mortgage, South East*

Conversely, many who retire early do so because they have the means. Previous Fabian Society research found that 48 per cent of people aged 50 to 65 who were no longer working full-time said they could work more but did not want to. Nine in 10 in this group described themselves as financially comfortable.[29] Figure 17 below further illustrates this finding. It shows that:

- People anticipating an inheritance are 86 per cent more likely to retire before the state pension age than those who do not foresee this.

- Homeowners are 86 per cent more likely than renters.
- Those with a household income of at least £60,000 are 43 per cent more likely to say this than those with an income less than £20,000.

Pensions freedoms introduced in 2015 have made early retirement more achievable for some, by allowing flexible tax-free access to a share of defined contribution pensions from the normal minimum pension age, generally around a decade before the state pension age.

Reflecting these dynamics, few support further state pension age increases. Figure 18 below shows that most (64 per cent) would prefer planned state pension age increases to slow or stop entirely. Only a minority (14 per cent) think it should go up faster than currently planned. Support for further increases is lower among lower earners, and higher among those who intend to retire before the state pension age. These differences highlight the distributional impact of ongoing increases: those least affected are more likely to live long enough to benefit from the rising state pension that these increases are designed to fund.

Delaying planned state pension age increases would have a significant fiscal impact. The increase from 66 to 67 is forecast to save £10.5bn in 2029-2030.[30] But figure 19 below shows that cost is furthest from people's minds when forming their views. When asked what the government should consider when determining the state pension age, accounting for people's personal circumstances, such as health or work history, is most commonly ranked in the top two factors, while ensuring people receive the state pension for a reasonable number of years most commonly in the top three. Meanwhile, keeping the overall cost to taxpayers manageable was the lowest priority.

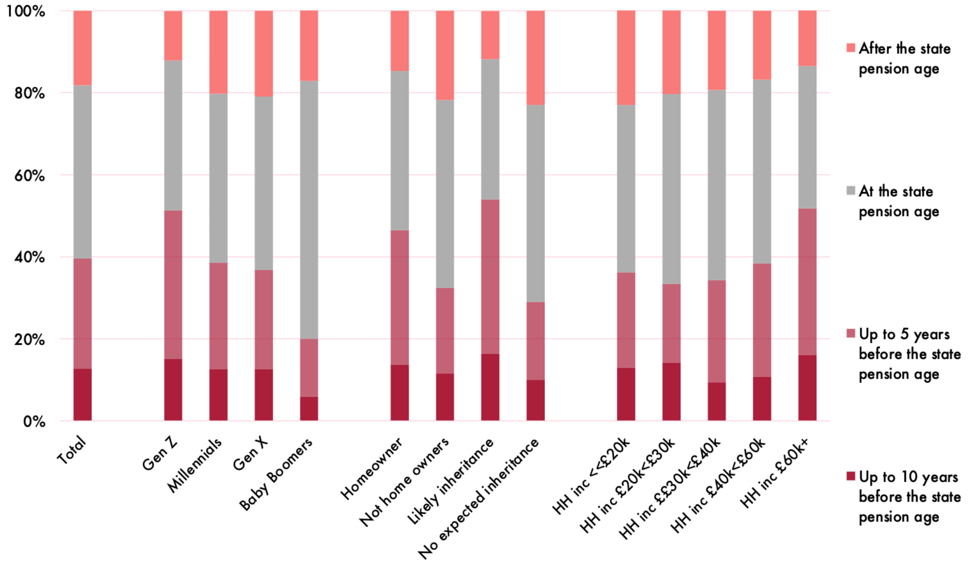
Focus group participants were united in their feeling on the matter:

*"...we shouldn't force people to work until they drop." – Woman, 34, unable to work, £40k-£50k household income, homeowner with mortgage, South East*

*"If you are asking people to work till 65, 66, 67 in certain jobs, they're going to end up having to claim disability benefits..." – Woman, 65, retired, £30k-£40k household income, private renter, East of England*

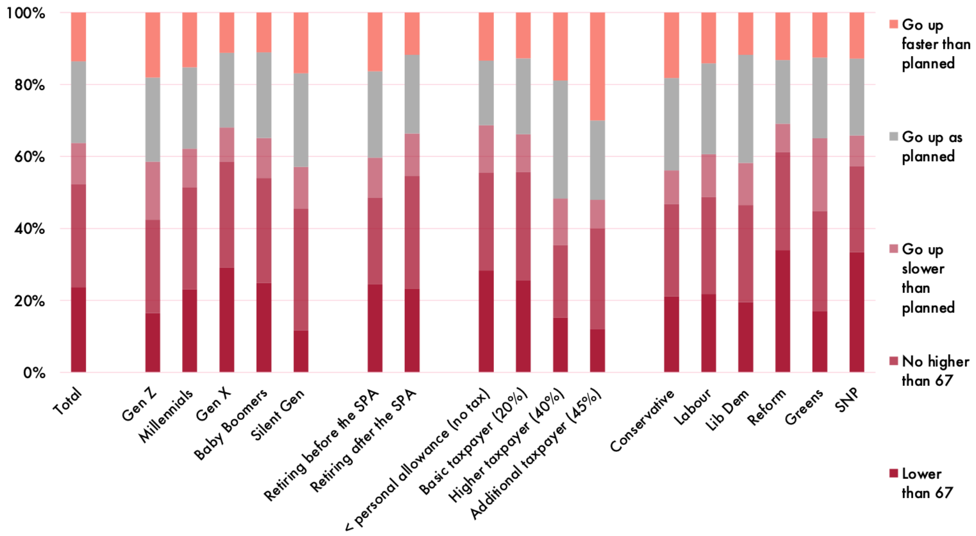
*"[Increasing the state pension age] breaks the contract between the government and the people." – Man, 51, employed full-time, £50k-£60k household income, homeowner with mortgage, South East*

## FIGURE 17: THOSE WHO ARE BETTER OFF ARE MORE LIKELY TO PLAN AN EARLY RETIREMENT



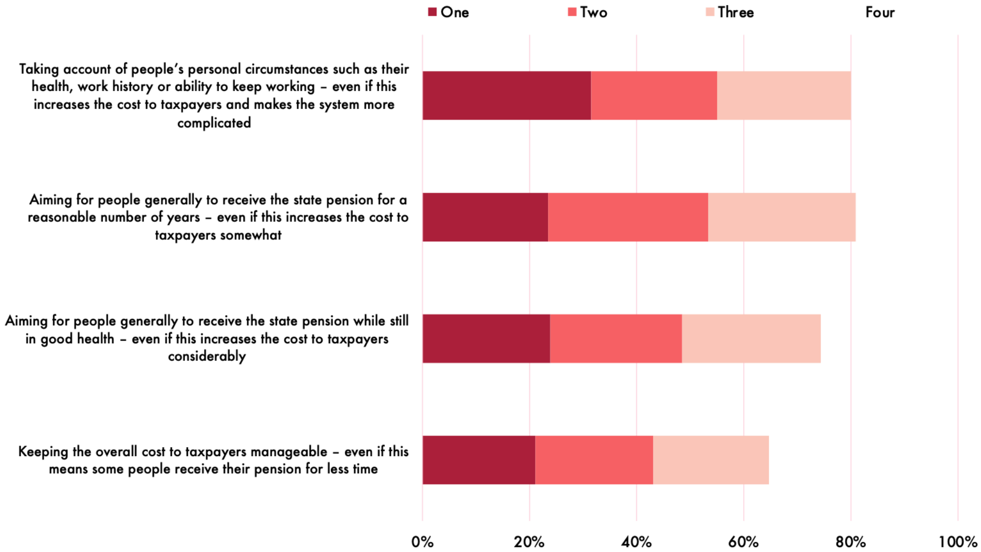

Source: Fabian Society & Survation survey of 4,000, 2026. "At what age do you expect to stop working and retire completely?"

## FIGURE 18: OPPOSITION TO STATE PENSION AGE INCREASES IS UNIVERSAL BUT HIGHER AMONG LOWER EARNERS




Source: Fabian Society & Survation survey of 4,000, 2026. "The age people can claim their state pension started going up from 66 this year, and will reach 67 by 2028. It will then go up from 67 to 68 by 2046. Raising the state pension age more quickly would slow how much the cost of pensions grows. It would also mean some people get their pension for a shorter amount of time. Which of the following comes closest to your view? The state pension should…"

## FIGURE 19: COST IS THE LEAST SALIENT CONSIDERATION FOR VIEWS ON THE STATE PENSION AGE




Source: Fabian Society & Survation survey of 4,000, 2026. "When deciding the age people can claim their state pension, please rank your top 3 the following from most to least important."

# 5. PRIVATE SAVINGS: THERE IS STRONG APPETITE FOR MORE SUPPORT TO SAVE

The public broadly want workers, employers and the government to do more to increase private and workplace pension savings, and to complement protection through the state pension and social security.

## Auto-enrolment: some could save more

Under auto-enrolment, most employees are signed up automatically to a workplace pension, unless they opt out. Those who contribute are also entitled to contributions from their employer, and tax relief from the government.

Since it was introduced in 2012, auto-enrolment has been effective at raising pension savings for workers in scope. About nine in 10 eligible employees participate in a workplace pension – and benefit from corresponding employer contributions and tax relief.[31] This demonstrates the efficacy of defaults in shaping saving behaviour.[32]

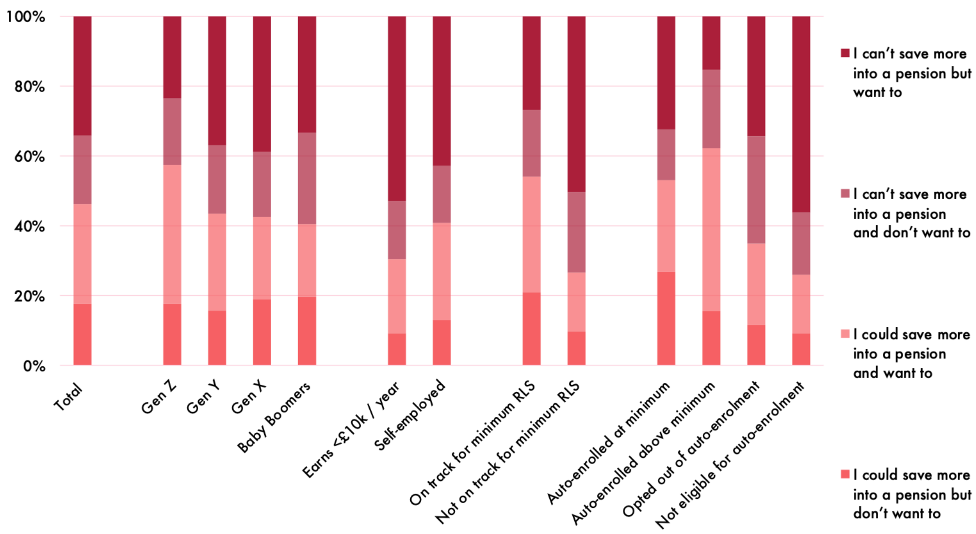
But 45 per cent of working-age adults – around 18 million people – are still not saving into a pension.[33] This largely reflects both economic inactivity and gaps in auto-enrolment eligibility criteria, as well as a relatively small number of people who opt out. Employees are generally excluded from auto-enrolment if they are younger than 22, have reached state pension age, or earn less than £10,000 a year in any single job. Most self-employed people are also out of scope.[34]

While auto-enrolment has succeeded in broadening the number of people saving, too many employees are not saving enough. Our survey finds that 8 per cent of people currently contributing at the default rate are not on track to reach the minimum retirement living standard. The Resolution Foundation estimated in 2022 that total contributions from workers and employers would need to rise by more than 3 percentage points – from 8 to 11.2 per cent of qualifying earnings – for someone earning the minimum wage throughout their career to reach a "living pension", which reflects this benchmark.[35]

The system seeks to strike a balance between encouraging retirement saving and protecting current living standards.[36] But it may exclude some unnecessarily. Figure 20 below shows that 44 per cent report that they could save more into a pension than they currently do. This includes:

- 27 per cent of those not currently on track to meet the minimum retirement living standard.
- 53 per cent of those currently auto-enrolled at the default amount.
- 34 per cent of those who report opting out of auto-enrolment, and.
- 24 per cent of those not eligible for auto-enrolment.

## FIGURE 20: A SUBSTANTIAL MINORITY COULD SAVE MORE INTO A PENSION




Source: Fabian Society & Survation survey of 4,000, 2026. "Please select the statement that best applies to your circumstances."

# Low earners: people think both workers and employers should contribute more

Current auto-enrolment design produces uneven outcomes. Some save little or nothing – even where their household income or longer-term financial circumstances would allow them to contribute.[37] Employer contributions also vary substantially. Some employers contribute well above the statutory minimum – and do so more for senior or highly paid staff. Meanwhile, employees on low or insecure incomes disproportionately receive only the statutory minimum. People historically disadvantaged by the pensions system, such as women, typically receive lower employer contributions.[38]

Employment status also creates power imbalances. Some employers fail to meet their pension contributions to Limb (b) workers. This employment status sits between payroll employment and self-employment, offering more flexible working arrangements than employees, as well as core employment rights not available to the self-employed, such as auto-enrolment. Additionally, some organisations are incentivised to hire self-employed workers to circumvent employment rights or tax liabilities – even where employment may have been more appropriate for the situation, or are misclassified.[39]

Expanding auto-enrolment would involve trade-offs. It could increase saving among those able to contribute, but could also reduce disposable income for people already struggling. Figure 20 above shows that 32 per cent say they can't save more into a pension but want to – rising to 56 per cent of those not eligible for auto-enrolment. Emergency access to pension savings might provide relief but make it harder to build an adequate pension pot.[40]

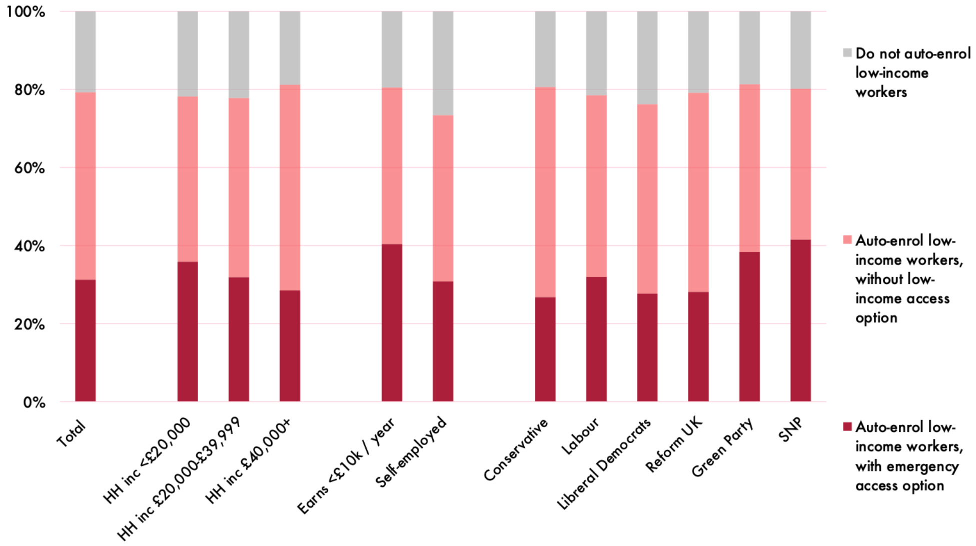
Another option is to ask employers and self-employed engagers to contribute more. But a significant increase in employer contributions could lead to a negative impact on employment or wages, or result in costs being passed onto consumers.

Nonetheless, most see a greater role for both workers and employers to improve pensions adequacy. Figure 21 below shows that 79 per cent support expanding auto-enrolment to lower-paid workers. Most oppose emergency access to these savings before the normal pension age – although views are evenly split among those earning below £10,000.

Support for employer contributions is even stronger. Figure 22 below shows that:

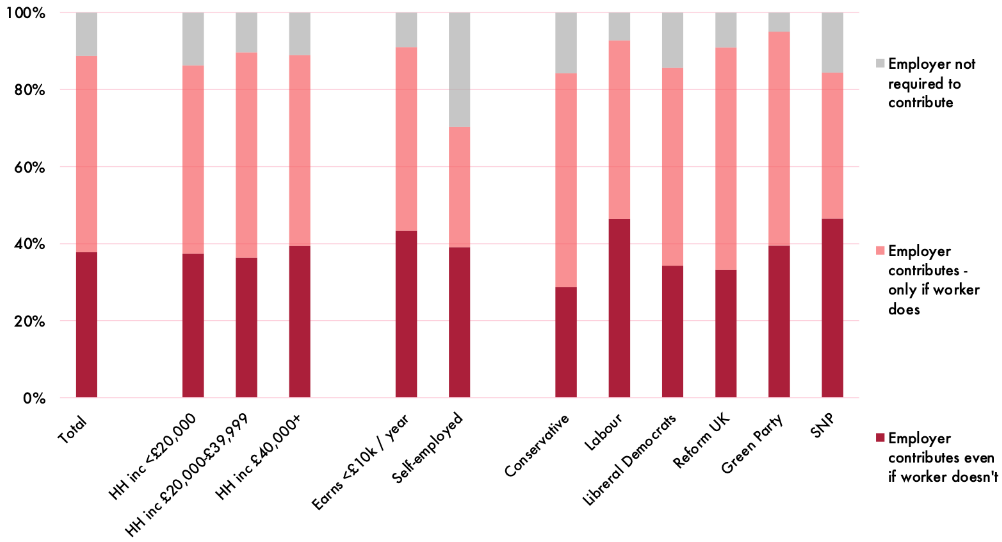
- 89 per cent think employers should contribute towards pensions for low-paid workers.
- Of these, 42 per cent think they should do so even if the employee did not.
- This proportion rises to 48 per cent among those earning below £10,000.

## FIGURE 21: MOST THINK LOW-INCOME WORKERS SHOULD BE AUTO-ENROLLED INTO A WORKPLACE PENSION




Source: Fabian Society & Survation survey of 4,000, 2026. "Under the "auto-enrolment" system, most workers are currently automatically enrolled into a workplace pension unless they specifically opt out. A proportion of their pay is paid into this pension, along with a set employer contribution and government top-ups they would have paid in taxes otherwise. People who don't earn more than £830 per month in any one job are not currently automatically enrolled into a workplace pension, and are not entitled to contributions from their employer or the government either. Which of the following comes closest to your view?" "Low-income workers should be automatically enrolled into a workplace pension and accept a lower income, but only if they can access some of this money when they want" / "Low-income workers should be automatically enrolled into a workplace pension and accept a lower income, and they should not have access to any of this money until retirement" / "Low-income workers should not be automatically enrolled into a workplace pension".

## FIGURE 22: ALMOST EVERYONE THINKS EMPLOYERS SHOULD CONTRIBUTE TO PENSIONS FOR LOW-INCOME WORKERS




Source: Fabian Society & Survation survey of 4,000, 2026. "Some employers could contribute into a pension for low earners without changing how they treat their workers or customers. Others might employ fewer people, keep wages down or increase prices to cover the costs of higher pensions contributions. Which of the following comes closest to your view?" "Employers should be required to contribute to workplace pensions for low earners and accept higher employment costs – even if the worker does not make pension contributions themselves" / "Employers should be required to contribute to workplace pensions for low earners and accept higher employment costs – but only if the worker also makes pension contributions" / "Employers should not be required to contribute to workplace pensions for low earners – to keep employment costs lower".

# Self-employed: people support expanding auto-enrolment

Most also want to include the self-employed in auto-enrolment. Figure 23 below shows:

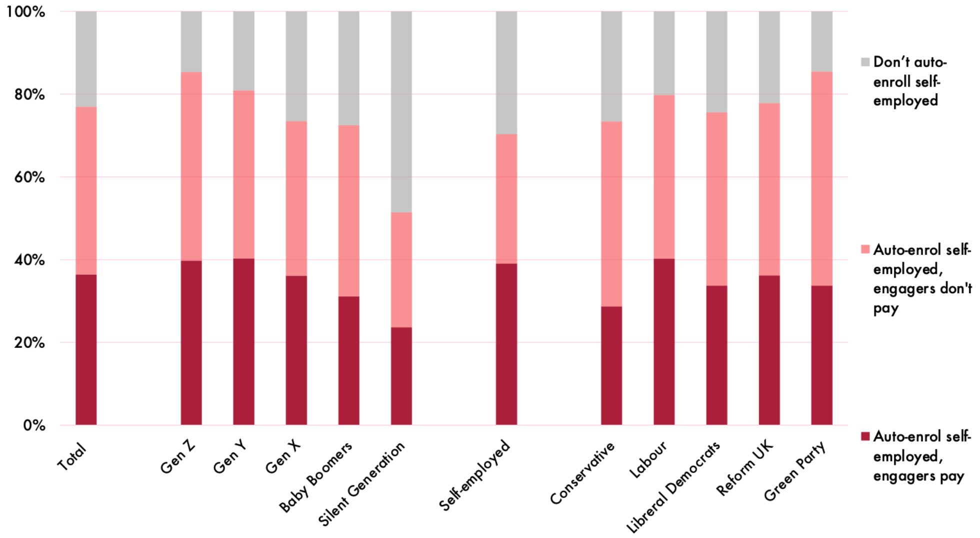
- People support auto-enrolment for the self-employed at a similar rate as they do for low-paid workers (77 per cent).
- The self-employed also support this, at 70 per cent.
- Among the self-employed who support auto-enrolment, a small majority (56 per cent) think engagers should also contribute.

There was some sympathy for this among focus group participants:

> *"I think it's slightly unfair for people who are self-employed, because if you're in a workplace, the employer makes a contribution and it's all done automatically. I appreciate people can take out personal pensions but there isn't the equivalent of the employer contribution." – Man, 72, retired, £100k-£150k household income, owns home outright, Scotland*

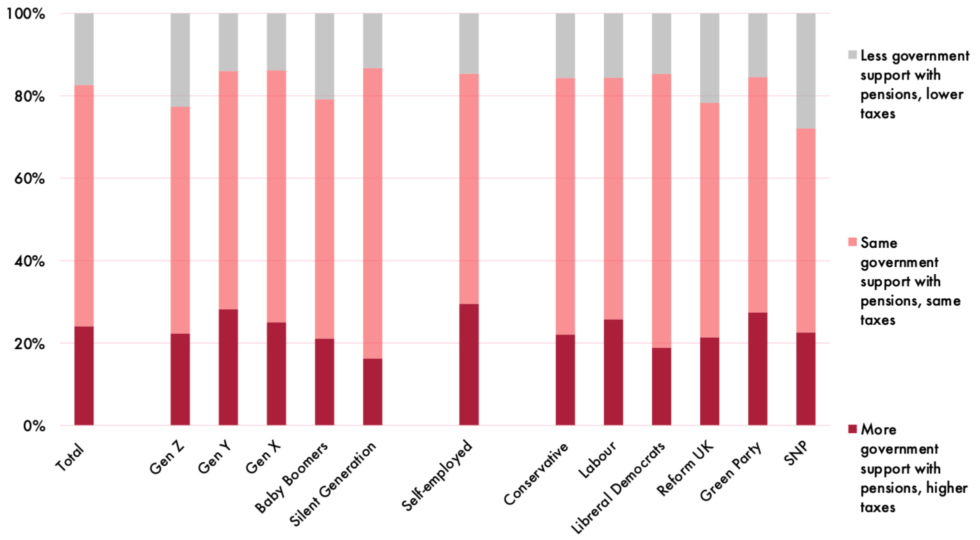
However, the self-employed are more protective of the preferential tax treatment this employment status enjoys. Figure 24 below shows that just 30 per cent support higher taxes in exchange for government support with pension savings.

## FIGURE 23: SUPPORT FOR SELF-EMPLOYED AUTO-ENROLMENT IS WIDESPREAD




Source: Fabian Society & Survation survey of 4,000, 2026. "Unlike employees, most self-employed people are not automatically enrolled into a pension and do not receive contributions from those who hire them. This means self-employed people have higher take-home pay and the cost of employing them is lower. Which of the following comes closest to your view?" "Self-employed people should be automatically enrolled into a pension, and those that hire them should be required to contribute" / "Self-employed people should be automatically enrolled into a pension, but those that hire them should not be required to contribute" / "Self-employed people should not be automatically enrolled into a pension"

## FIGURE 24: APPETITE TO RAISE SELF-EMPLOYED TAXES TO SUPPORT PENSION SAVING IS LOW




Source: Fabian Society & Survation survey of 4,000, 2026. "Self-employed people typically pay lower taxes, and are entitled to less support from the government than employees. Which of the following comes closest to your view?" "Self-employed people should receive more government support for pension saving than they do today, in exchange for higher taxes"/ "Self-employed people should receive the same government support for pension saving as they do today, and taxes should stay the same" / "Self-employed people should receive less government support for pension savings than they do today, and pay less in tax"

# 6. COST: SHARING RESPONSIBILITY INVITES MIXED VIEWS

The taxes people pay on their pensions contributions and income do not always fairly reflect lifetime income – and more tax relief accrues to higher earners. But demand for policies that may increase public spend on pensioners – like raising the state pension and curbing state pension age increases – is not matched by support for policies that could raise revenue. Reforms are more likely to command support if they are perceived to protect those most in need.

## Savings tax: the public support redistribution towards lower earners

All pension contributions are currently exempt from income tax, up to £60,000 per year. There is no limit on tax relief over a lifetime – beyond how much someone can save each year. Higher earners receive higher rates of relief to reflect their tax band.[41]

These features mean that people with similar lifetime incomes don't always receive the same total tax relief on pensions contributions – as it depends on how earnings are distributed throughout their lifetimes – but higher earners receive the lion's share of total relief. People in the higher (40 per cent) and additional (45 per cent) tax bands account for 63 per cent of total tax relief on pension savings in 2023-24.[42] This is about three times the share of the PAYE workforce earning above this threshold.[43]

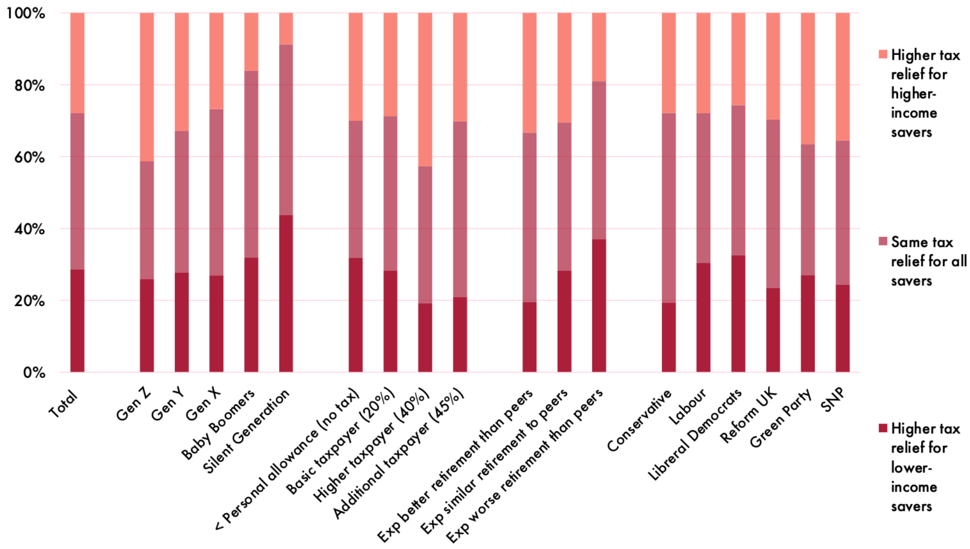
Many want better taxpayer support for lower earners to save. Figure 25 below shows that:

- Nearly three-quarters favoured either savers receiving the same rate of tax relief, regardless of their income (43 per cent) or lower earners receiving a higher rate of relief (29 per cent).
- Meanwhile, just 29 per cent support the status quo of higher tax relief for higher-income savers.

Focus group participants also expressed support for reform:

> *"I was a beneficiary of [higher pensions tax relief] when I was working, I thought it was really unfair... why I should get more tax relief than people on lower incomes?" – Man, 72, retired, £100k-£150k household income, owns home outright, Scotland*

FIGURE 25: ONLY A MINORITY THINK HIGHER-INCOME SAVERS SHOULD GET A HIGHER RATE OF TAX RELIEF




Source: Fabian Society & Survation survey of 4,000, 2026. "You can get tax relief on the contributions made to your pensions. This varies depending on the rate of income tax you pay. Which of the following statements comes closest to your view?" "Everybody should receive the same rate of tax relief for saving into a pension" / "People on higher incomes should receive a higher rate of tax relief than those on lower incomes – to reflect that they pay a higher rate of tax" / "People on lower incomes should receive a higher rate of tax relief than those on higher incomes – to reflect that they need the money more"

## Pensions income tax: substantial relief has been normalised

In addition to tax relief at contribution stage, pension payments carry tax relief that other forms of income do not. Most people can withdraw up to a quarter of their private pension tax-free, up to £268,275. This means a share of pensions incomes are not taxed at any point. And someone with combined pension savings up to £1.07m could receive the full benefit. Moreover, although pensions will soon be in scope for inheritance tax, a tax-free lump sum of up to £1.07m still applies to pensions inherited from someone who died before age 75.[44]

Figure 26 below shows that:

- Fewer than half (44 per cent) would support reducing relief: just 19 per cent think pensions should be taxed in the same way as other forms of income, and a further 25 per cent think only those on the lowest pensions should get tax relief on their pensions.

- Many would support even more extensive tax breaks: 29 per cent think all pension income should carry tax relief, regardless how high this is.

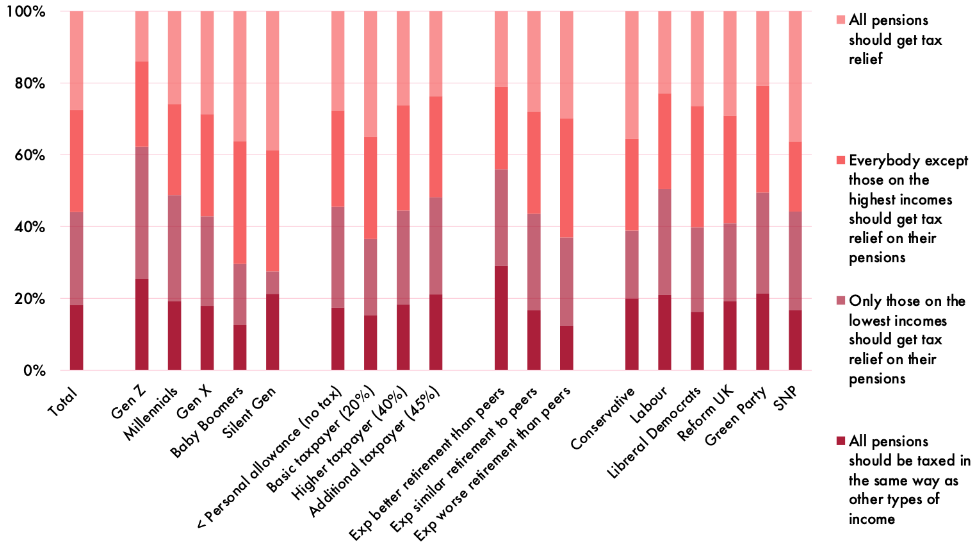
However, there is a stark socio-economic and generational divide in views. Pensioners and those approaching retirement are least likely to support reducing pensions income tax relief.

- Support reaches a low of 28 per cent among the silent generation. But younger generations are more in favour – with high of 62 percent among generation Z.

- Additionally, people who believe they will be worse-off than others their age in retirement are less likely to support reducing pensions income tax relief (37 per cent) than those who expect to be better off than others their age (56 per cent).

These findings suggest that attitudes are shaped partly by people's sense of their own retirement security. Those who feel less secure appear more protective of existing pension entitlements, even though the value of tax-free withdrawals is greatest for those with larger pension pots. Younger generations, meanwhile, may be more willing to reconsider existing tax advantages as they face greater challenges in building adequate retirement incomes – in addition to contributing towards pensioner social security as the population ages.

## FIGURE 26: OLDER GENERATIONS AND THOSE WHO EXPECT A WORSE RETIREMENT THAN OTHERS THEIR AGE ARE PROTECTIVE OF PENSIONS TAX RELIEF

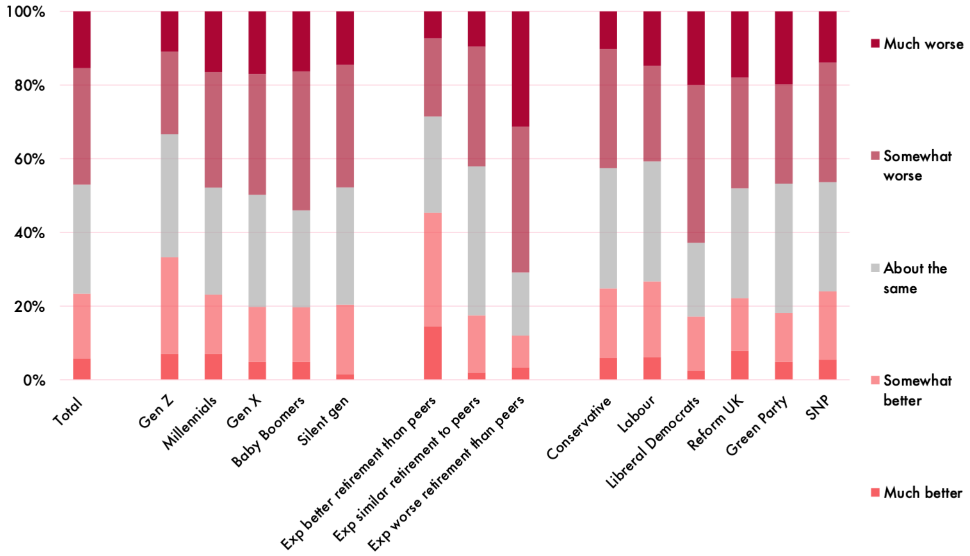



Source: Fabian Society & Survation survey of 4,000, 2026. "Payments from private and workplace pensions carry tax relief that doesn't apply to other types of income. Workers also receive tax relief on contributions made into their pension pot. Which of the following comes closest to your view?"

# Rebalancing contributions and support: the path to consensus is narrow

Many recognise that the current pensions system presents challenges. Figure 27 below shows that nearly half (48 per cent) believe under-45s will have a retirement living standard that is worse than today's pensioners. This chimes with projections on the prospects of those retiring in 2050.[45]

## FIGURE 27: NEARLY HALF THINK UNDER-45S WILL HAVE WORSE LIVING STANDARDS THAN PENSIONERS TODAY




Source: Fabian Society & Survation survey of 4,000, 2026. "Thinking about people aged under 45 today, how do you think their standard of living to when they retire will compare with people who are retired today?"

But scepticism about pensions reform is widespread. Focus group participants expressed concern about the risk of harming vulnerable pensioners, and distrust of politicians seeking to initiate reforms:

*"...people like ourselves, who are... going to be receiving pensions in the relatively near future, we'll see potentially the jam spread ever thinner...the idea of creating insecurity... in this manner, it would be an existential crisis." – Man, 62, unable to work, £30k-£40k household income, private renter, London*

*"I distrust politicians quite sharply... because what they mean is it needs to cost us less. And I don't think it can. There's more of us." – Woman, 65, retired, £30k-£40k household income, private renter, East of England*

*"politicians… are never going to have to worry about living on the state pension… They don't actually have to make the hard choices." – Man, 62, unable to work, £30k-£40k household income, private renter, London*

There are, nonetheless, signs that the public are willing to engage with trade-offs. Several focus group participants acknowledged the challenges facing politicians:

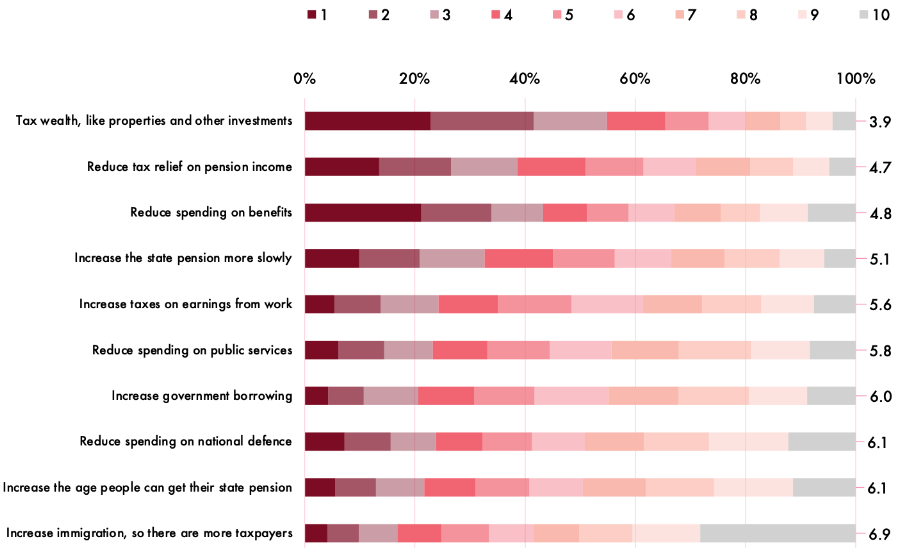
*"The pensions [system] is like the proverbial Gordian knot. It's virtually impossible to unpick to everyone's satisfaction." – Man, 48, employed full-time, £40k-£50k household income, homeowner with mortgage, North West*

*"I'm really sorry about people in [a] marginal situation... it is difficult because whatever system you try to redesign, it will leave victims." – Man, 62, unable to work, £30k-£40k household income, private renter, London*

Support for redistributive reform ranks highly when people are confronted with some of the trade-offs. When asked how the government should pay for the rising cost of the pensioner population, wealth taxes and reducing pensions tax relief were the most popular choices, and increasing the state pension more slowly ranked fourth. Meanwhile, raising the state pension age ranked near the bottom (see figure 28 below). This suggests that people might understand the case for reform if proven necessary – a sentiment also held by focus group participants:

*"Reducing tax relief on pensions for higher earners is the least bad option." – Man, 62, unable to work, £30k-£40k household income, private renter, London*

## FIGURE 28: MANY SUPPORT REDISTRIBUTIVE MEASURES WHEN CONFRONTED WITH TRADEOFFS FOR FUNDING PENSIONS




Source: Fabian Society & Survation survey of 4,000, 2026. "Government spend on pensioners is set to increase in the future, as the number of retired people grows. Which of the following do you think would be the best way to respond to any increased government spend on pensioners? Please rank the following options in order of preference, with one being your most preferred."

Some focus group participants believed that certain groups might have to contribute more to create a fairer system:

*"If we want [more] stuff, we're going to have to contribute a bit more." – Woman, 65, retired, £30k-£40k household income, private renter, East of England*

*"Personally, I wouldn't mind paying a bit more tax to help the country and to help people live better lives." – Man, 62,*

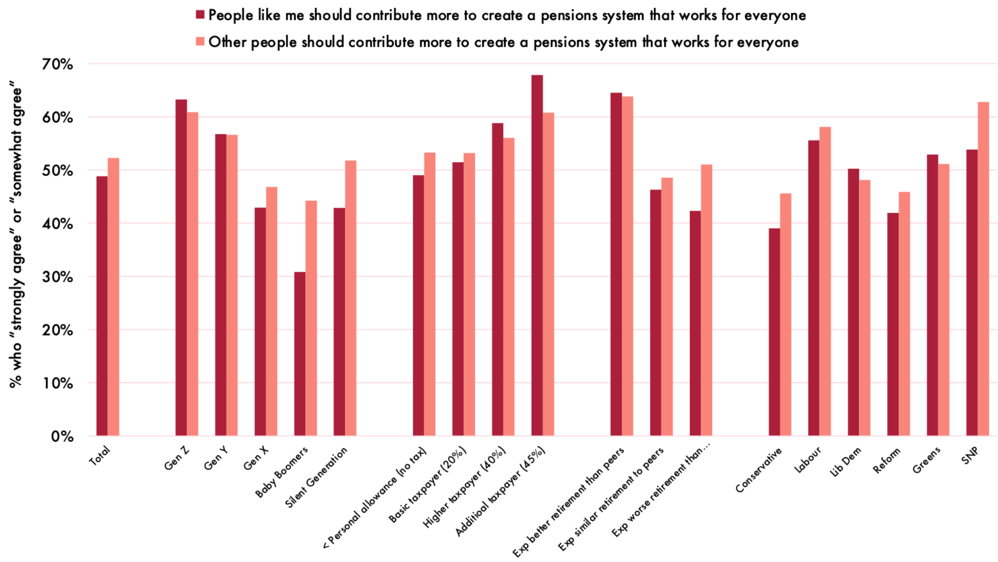
*self-employed, £20k-£30k household income, homeowner with mortgage, North West*

*"Higher earners could probably afford to pay a bit more tax. Whereas lots of people in retirement are really struggling." – Woman, 34, unable to work, £40k-£50k household income, homeowner with mortgage, South East*

However, the prospect of asking more from some people barely commands majority support. We asked survey respondents to consider the case for raising contributions to create a pensions system that works for everybody. Figure 29 below shows around half thought people like them should contribute more (45 per cent) and that other people should contribute more (51 per cent), respectively.

Significant differences in sentiment between generations and income groups suggests buy-in could depend on how contributions are targeted. Older generations are less likely than younger ones to think they should contribute more. However, high earners and those who anticipate they will have a better retirement than their peers are largely in favour. This suggests that resistance to reform may come from those who are worried that they will be worse off as a result.

## FIGURE 29: MOST WHO CAN AFFORD IT WOULD BE WILLING TO CONTRIBUTE MORE




Source: Fabian Society & Survation survey of 4,000, 2026. "To what extent do you agree or disagree with the following statements?" "People like me should contribute more towards creating a pension system that works for everybody"

# Endnotes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