

# JUST.

## NEWS RELEASE

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### Millions of the UK's poorest pensioners receiving the least State support

- UK's poorest single pensioners receive £4,000 less in State Benefit income each year than those better off
- Benefit income – which includes the State Pension – accounts for nearly 90p in every pound's worth of income for the poorest fifth of retirees

The poorest fifth of UK pensioners are receiving less financial State support than any of their richer counterparts, new research from **Just Group** reveals.

Based on analysis of three years' data from the DWP's Pensioner Income Series (2015 to 2018), Just Group found that the poorest fifth of single pensioners are receiving annual benefits – including the State Pension – of £7,644.

In comparison, retirees in the second richest quintile get an extra £4,000 in financial support from the State, 53% more each year than those with the smallest incomes. Even the top quintile receives around £2,500 more than the poorest pensioners despite their annual income being £25,000 higher.

Benefits are crucial for lower income pensioners with the figures revealing that it accounts for nearly 90p of every pound they have to spend but only makes up 30% of the top quintile's income.

Gross annual income for single pensioners –  
split by income quintile, showing State Benefit versus other sources



Stephen Lowe, group communications director at **Just Group**, says the figures demonstrate how reliant the poorest pensioners are on the State Pension despite its insufficient allowance.

"The State Pension forms the bedrock of retirement finances for the majority of pensioners and these figures reveal just how much the poorest rely on it, as well as other benefits ranging from Pension Credit to the winter fuel allowance."

“Millions of pensioners are dependent on this State support but still their income falls some way short of the Joseph Rowntree’s Minimum Income Standard of £10,452 a year for a single pensioner<sup>2</sup>.

“[State Pension Shortfall Day](#) was reached 42 days ago<sup>3</sup>, the point in the year when the full State Pension entitlement would only support living costs for the average single pensioner until the end of August. Beyond this point in the year, retirees on an average rate of expenditure would need to fund the final four months of the year through their own purse or additional support from the State.”

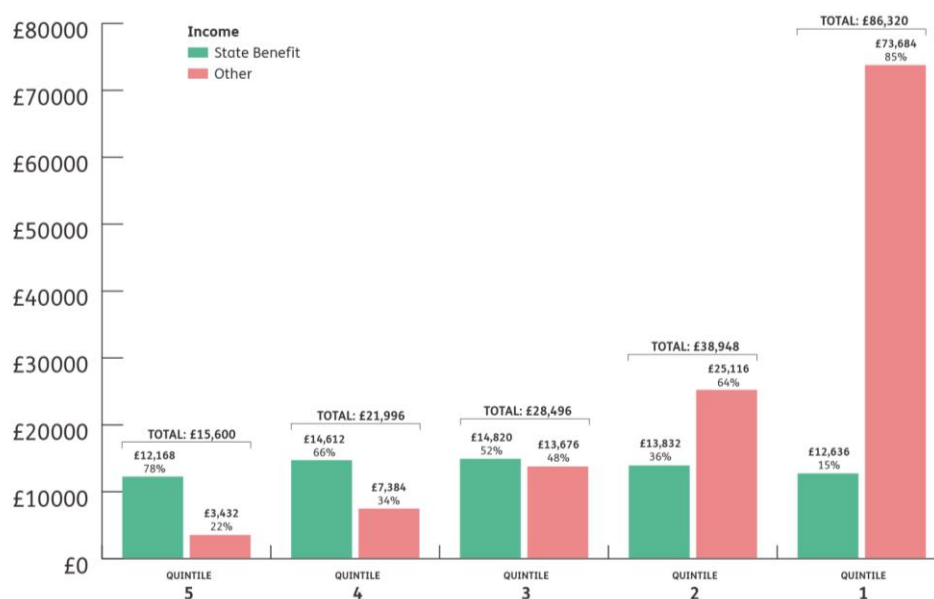
It is a similar story for pensioner couples with the poorest obtaining £12,168 a year in benefits, £500 a year less than the top quintile and £2,652 less than retired couples in the middle quintile.

State Benefits account for 78% of their annual income, a proportion that steadily decreases through the quintiles.

**Stephen Lowe** pointed to Just Group’s data obtained from working with pensioner homeowners as evidence that many could boost their income simply by claiming their full Benefits entitlement.

“We found when delivering advice that half of all pensioner homeowners are not claiming any benefits beyond the State Pension and a further fifth are not claiming their full entitlement.

Gross annual income for pensioner couples -  
split by income quintile, showing State Benefit versus other sources



“Many assume that because they own their property they are not entitled to extra support, but we would encourage all retirees to check whether they are eligible to additional income which could be worth thousands of pounds each year. A good online source is [direct.gov.uk](https://www.direct.gov.uk) but Citizens Advice and other charities might also be worth contacting.”

#### Notes to Editors:

- 1 - [DWP, Pensioners’ Incomes Series: financial year 2017 to 2018](#)
- 2 - [Joseph Rowntree Foundation, A Minimum Income Standard for the UK in 2019](#)
- 3 - [Just Group, Mind the gap: we’re already at ‘State Pension Shortfall Day’](#)

## About Just

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, care and defined benefit de-risking markets, Just has been trusted to manage over £19 billion of customers' retirement savings and has helped customers release over £4.6 billion from their properties.

Just provides the following wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees:

### Marketed Products

- De-risking solutions for pension scheme trustees who want to remove the financial uncertainty of operating defined benefit pension schemes;
- Individually underwritten retirement income products delivering a guaranteed income for life and flexible pension plans offering customers the options to blend secured and unsecured income;
- Long term care plans that provide those people moving into residential care with peace of mind by knowing a regular payment will be made to the care provider for the rest of their life;
- Lifetime mortgages for people who want to safely release some of the value from their home.

### Professional services

- Regulated financial advice and guidance services for individuals wanting help in using their pension savings and/or releasing some of the value from their home; and
- A range of business services tailored for our corporate clients, ranging from consultancy and software development to fully outsourced customer service delivery and marketing services.

Developed through the use of its specialist underwriting systems, Just boasts unrivalled intellectual property ("IP") which provides it with competitive advantage in the markets in which it operates. We utilise this IP, alongside a capital efficient business model, to develop products and services to provide customers with better outcomes and to drive profitable growth.

Our scalable and responsive operating systems allow us to provide automated underwriting for the vast majority of cases, giving financial intermediaries confidence that they can rapidly get real-time guaranteed prices for their clients. This commitment to helping customers is reflected in our proud record of awards for innovation and service.

The companies within Just Group are authorised and regulated in the United Kingdom by the Financial Conduct Authority and / or the Prudential Regulation Authority.

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