

# JUST.

## NEWS RELEASE

Friday 1 November 2019



### Retirees warned not to fall into “I’ve never felt better” income trap

- New rules introduced today to help retirees shopping around for guaranteed lifetime income
- Just Group says optimising income depends on being open about health and lifestyle

Putting on a brave face could be costly for retirees seeking to turn their pensions into guaranteed lifetime income, retirement specialist **Just Group** has warned.

New rules come into force today designed to help pension savers make the most of their pensions by encouraging them to fully disclose health and lifestyle information that could enable them to secure higher incomes.

“People seeking secure retirement income should be prepared to answer questions about their health and lifestyle or it could be costly,” said **Stephen Lowe**, group communications director at **Just Group**.

“The rules oblige financial firms to ask health and lifestyle questions in order to help shop around for the optimum product. They have until January 1<sup>st</sup> to comply but, frankly, retirees need to avoid firms that are delaying because they are not doing their job properly.

“This is not the time to be shy or embarrassed but to talk about your medical history, current state of health, give personal details such as height and weight, and talk about lifestyle including smoking history or alcohol consumption.

“We now have such sophisticated techniques for gathering and processing information on a host of factors that nobody is ‘average’ or ‘standard’. The details make a real difference to the amount of lifetime income available. Saying ‘I’ve never felt better’ is not going to give the insight needed to find the best deals.”

Financial Conduct Authority (FCA) research found that 39%-48% of pension savers buying a guaranteed income for life from their own pension provider may have been eligible for higher rates due to health history or lifestyle factors.

While retirees looking to buy secure lifetime income already have to be shown the difference between their own provider’s rate and the best rate in the market, it is only from today that they are obliged to ask about health and lifestyle and to use that information to generate a market-leading quote.

Just Group said that all pension savers considering taking income from their pensions, or reviewing the income they are currently taking from pensions, should fully disclose their health.

“Having an accurate idea of how much guaranteed income for life you can generate from a pension provides a good baseline for all other non-guaranteed options to be considered,” said Stephen Lowe.

He said that nearly 75,000 guaranteed income for life plans were sold in the 12 months to March 2019. 38% of them offered ‘enhanced’ rates due to health or lifestyle factors, but that is below the two-thirds Just Group’s own research reveals could be eligible.

He said consumers should take three key steps before accessing their pensions:

- Take the free, impartial and independent guidance from Pension Wise.
- Ensure the firm takes into account your medical history and lifestyle information in order to personalise the quotes to your own circumstances.
- Go online to [retirementhealthform.co.uk](https://retirementhealthform.co.uk) for the industry-standard form designed to capture all the information needed to optimise the income you are offered.

## Enquiries

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### Notes to Editors:

#### 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;

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- 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.