

JUST. NEWS RELEASE

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More than a third of retirees fail to check their State Pension forecast ahead of retirement

- 38% of retirees didn't check their State Pension forecast before retiring
- This rose to 46% among those who retired earlier than they expected to
- A fifth (17%) of retirees who checked their forecast found it more than £250 lower than expected

Research from retirement specialist **Just Group** reveals that more than a third of retirees did not check their State Pension forecast before they retired despite 1.2 million¹ households relying on the State Pension as their primary source of income in retirement.

The survey of more than 1,000 retired and semi-retired people aged over 55² found that four in ten (38%) had not checked their forecast, rising to 40% among those who had not yet reached State Pension Age (55-64 year olds) and 46% for those who claimed to have retired earlier than they had expected.

Among the two-thirds of retirees who checked their forecasted State Pension income, nearly a fifth (17%) said that it was – at a minimum – £250 less per year than they were expecting. On the other hand, one-in-ten (9%) retirees said that it was at least £250 more per year than they were expecting.

When people actually started to receive their State Pension, nine out of ten (90%) retirees said that what they received in reality was either the same as or more than the amount they were forecasted to receive.

State Pension as a % of gross annual income by quintile for retired households¹

	Bottom (poorest)	2	3	4	Top (wealthiest)
Number of households	1.72 million	1.65 million	1.62 million	1.52 million	1.42 million
Mean income	£12,767	£19,636	£25,934	£37,076	£74,573
State Pension	£7,461	£10,788	£11,548	£12,280	£12,843
State Pension as % of gross income	58%	55%	45%	33%	17%

Stephen Lowe, group communications director at retirement specialist **Just Group**, said: “The State Pension is the bedrock of retirement income for millions of retired households. It’s easy to see why people may assume they’ll simply get the full State Pension, but for many people this won’t be the case. The last thing these households need when they come to retire is the nasty surprise that their State Pension is less than they thought.

“The government offers a State Pension forecast service and we urge anyone approaching retirement to use it – ideally in advance of beginning to retire. It will tell you if you are likely to receive less State Pension than you thought and that will give you the opportunity to take steps to increase what you will actually receive.

"There are a number of factors that affect the total value of an individual's State Pension. People may be missing National Insurance credits because they were claiming benefits whilst they were ill, unemployed or for other such reasons. Going back to fill these gaps in your National Insurance record or buying extra credits can shore up the State Pension you're entitled to receive.

“Getting an accurate, up to date picture of what income you can expect in retirement is an important first step in planning later life finances.”

To request a State Pension forecast go to <https://www.gov.uk/check-state-pension> or contact the Future Pension Centre on the helpline 0800 731 0175.

For information National Insurance credits go to <https://www.gov.uk/national-insurance>

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Notes to Editors

1 – ONS, Expenditure of one and two adult retired households, mainly dependent on State Pensions, by sex of Household Reference Person

[Effects of taxes and benefits on household income - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

2 – Just Group, survey of 1,050 UK adults aged 55+ and retired/semi-retired conducted by conducted by Opinion between 17th and 27th August 2023

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 more than £26 billion of customers' retirement savings and has helped customers release over £6.5 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:

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- 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;
- 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;
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- 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.

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