



Love & money – single pensioners face ‘premium’ of thousands of pounds as they can’t share basic living costs with significant other

- Single pensioners on full State Pension face shortfall of £2,897 a year income to achieve PLSA’s ‘minimum’ retirement living standard
- Meanwhile, a couple both receiving full State Pensions reach the ‘minimum’ with an additional £604 a year on top

Single people need to accumulate significantly more personal investments and savings in order to maintain the same standard of living in retirement as couples.

Analysis by retirement specialist **Just Group** reveals single pensioners face a ‘premium’ of thousands of pounds because they can’t share basic living costs with a significant other.

Assuming a full State Pension of £11,502 a year, the single person has a shortfall of about £2,897 a year income to achieve the £14,400 ‘minimum’ retirement living standard calculated by the Pensions and Lifetime Savings Association as a guide to the annual amount people need to spend.

However, a couple who are both receiving full State Pensions will have achieved the ‘minimum’ retirement living standard of £22,400 and have an additional £604 a year income on top.

Stephen Lowe, group communications director at retirement specialist Just Group, said the figures show the financial advantages of coupling up and being able to split the costs.

“Roses are red – and can help keep you out of the red too!” he said.

“The figures reinforce the importance of building up some private pension savings or other investments while you are working and then using them wisely when you reach retirement.”

He said that for a single 65-year-old to secure the £2,897 a year income after tax to take them up to the minimum income standard would require a pension fund of about £50,000. The couple will have already achieved the minimum income standard from State Pension but any small amount of pension will boost their incomes higher, given an even higher standard of living.

“Small pension funds tend to be seen as a problem that many people solve by withdrawing the money the first chance they can,” said Stephen Lowe.

“For many people those small pension funds will make the difference between not quite having the spending power to reach the minimum retirement living standard or being able to surpass it and enjoy more treats.”

Pension savers starting to think about how best to generate income from their retirement pots can receive professional support from sources such as the government-backed Pension Wise service which offers free, impartial and independent guidance.

Enquiries

Media

Stephen Lowe, Group Communications Director

Lucy Grubb, Head of Media & PR

Telephone: +44 (0) 1737 827 301
press.office@wearejust.co.uk

Temple Bar Advisory

Alex Child-Villiers
Sam Livingstone
Alistair de Kare-Silver
Juliette Packard

Telephone: +44 (0) 20 7183 1190

Notes to Editors:

1 – PLSA, Retirement Living Standards: <https://www.retirementlivingstandards.org.uk/>

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