



Single pensioners on full State Pension need more than £5,000 extra income a year to reach Minimum Income Standard

- Single pensioners require £5,698 and pensioner couples an extra £4,795 on top of full State Pension to reach Joseph Rowntree's Minimum Income Standard
- Pension pots at age 66 worth £78,600 for a single pensioner and £66,150 for pensioner couples required to fill the income gap
- Shows size of additional pensions, savings and investments required to supplement State Pension to achieve "adequate standard" of living in retirement

Analysis from **retirement specialist Just Group** uncovers the extra income pensioners need – on top of the current full new State Pension – to reach a Minimum Income Standard¹ in retirement.

A single pensioner receiving the full State Pension of £11,502 a year would still need an additional £5,698 income from pensions, savings and investments to reach the Joseph Rowntree Foundation Minimum Income Standard of £17,200 a year.

To purchase a Guaranteed Income for Life delivering £5,698 a year of income, a single person would need a pension pot equivalent to £78,600² by the time they reached State Pension Age at aged 66.

The picture is healthier for pensioner couples. Due to combined State Pensions totalling £23,005 a year and being able to share household costs, they would require an additional £4,975 income to bridge the gap to the Minimum Income Standard of £27,800. That would require a combined pension fund of about £66,150.

It's important to note that when one partner dies the surviving partner would lose one State Pension income, so thought would have to be given to providing an adequate income for the surviving partner.

Single pensioner living alone			
Minimum Income Standard	Full State Pension	Annual Top-up required	Pension pot needed
£17,200	£11,502	£5,698	£78,600

Pensioner couple			
Minimum Income Standard	Two full State Pensions	Top-up required	Pension pot needed
£27,800	£23,005	£4,795	£66,150

Stephen Lowe, group communications director at retirement specialist Just Group, said: "The Joseph Rowntree Foundation's Minimum Income Standards are a helpful guide for the income pensioners are likely to need to live in dignity during retirement.

"Even assuming pensioners are receiving the full State Pension – which we know many are not – they will still need to find thousands of pounds of year of extra income to bridge the gap to the Minimum Income Standard.

News release

“It demonstrates the importance of building up additional sources of income throughout a working career, whether that is through the pension system, using property as a reservoir of wealth or accumulating additional savings and investments.

“The good news is that for many people the amounts needed to supplement the State Pension are achievable but it should be noted that this is only enough for ‘a dignified socially acceptable standard of living.’ Many people will have other ambitions and they should consider whether their current savings are on track to meet those expectations.

“There are a range of services that pension savers can look towards for help and guidance on whether they are on track for the retirement they want. The government’s free, independent and impartial guidance services, Pension Wise and MoneyHelper, are good places to start.”

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Notes to Editors

Research

1 – Joseph Rowntree Foundation, A Minimum Income Standard for the United Kingdom in 2024:

<https://www.jrf.org.uk/a-minimum-income-standard-for-the-united-kingdom-in-2024>

2 – Annuity rates based on a 66 year-old in reasonable health with a £50,000 purchase price, paid monthly in advance with no escalation and a 5-year guarantee

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