



Value Protection – the ‘best kept secret’ of retirement planning?

- Little-known option tackles one of retirees’ biggest worries when buying an annuity
- Value protection ensures cash spent on annuity is not lost, even in event of early death

Global economic worries combined with attractive rates have increased interest in annuities from retirees keen to secure a flow of guaranteed income for the rest of their lives. However, many worry their investment could be wasted if they don’t survive for long.

An often-overlooked option – Value Protection – addresses this concern head on. It ensures that the full investment in the annuity is paid out, either as income to the retiree during their lifetime or as a lump sum to beneficiaries in the event of early death.

Retirement specialist Just Group says that Value Protection is the ‘best kept secret’ in retirement planning. Only 7% of annuities sold in 2024/25 included Value Protection although the proportion is edging higher as the word spreads.

Just Group director David Cooper said: “Annuities are the only retirement income solution that guarantees to keep paying for as long as you live but retirees often worry some of their money will be kept by the provider if they die too soon.

“Value Protection can offer a full ‘moneyback guarantee’ at modest cost. Any money not paid to the retiree as income during their lifetime is paid to their beneficiaries, up to the value of the initial investment.”

A healthy 65-year-old using a £100,000 pension pot to buy an annuity can generate about £7,172 income a year from an annuity that includes 100% Value Protection. In the event of death five years after purchase, they would have received £35,860 income, leaving £64,140 to be returned to beneficiaries.

Annual annuity income	Age 60	Age 65	Age 70
No value protection	£6,897	£7,559	£8,456
100% value protection	£6,629	£7,172	£7,745
Reduction per year	-£268	-£387	-£711

Quotes from 16/3/26 based on level single-life annuity, S66 9BJ postcode

“Selecting Value Protection does have a cost in terms of a reduced income and the exact amount will depend on the proportion of the fund the retiree wants to protect, their age along with their individual lifestyle factors and health history. But we think many would find the cost quite modest compared to the promise that the money invested will be paid back,” **said David Cooper.**

News release

“It’s also worth being aware that next year, when unused pensions are set to become subject to the Inheritance Tax rules, Value Protection lump sums will be included in the estate, which may be a consideration for some retirees.”

“Annuities are often portrayed as a bet you can only win by living a long time but they offer more options than many people expect and can address all the ‘what ifs’ of retirement. Options allow you to protect the income, the capital or both, and to guard against inflation or early death. A well-structured annuity can deliver peace of mind through all the stages of retirement.”

Annuity buying tips:

- www.moneyhelper.org.uk – the government’s money and pensions guidance service offers access to free, independent and impartial guidance service Pension Wise and also has a useful online tool allowing quick comparisons of annuity rates and options.
- Employ an expert – an annuity broker or regulated adviser will work with you to better understand your goals, to choose the right options and shop around for the best deal.
- Full disclosure – providing details of your lifestyle and medical history is the only way to get a personalised annuity rate based on your unique situation.
- Don’t settle for less – seek out the highest offer because small differences in annuity offers can add up to large amounts over a long retirement.

ENDS

Enquiries

Media

Lucy Grubb, Head of Corporate Communications

Vanessa Newland, Group PR Manager

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

Temple Bar Advisory

Alex Child-Villiers
Sam Livingstone
Juliette Packard

Telephone: +44 (0) 20 7183 1190

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 more than £30 billion of customers’ retirement savings and has helped customers release over £7 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;
- 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.

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

The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

