

Consultation Response

Third State Pension age review: independent report call for evidence

Department for Work and Pensions

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phil.mawhinney@ageuk.org.uk

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Age UK

7th Floor, One America Square
17 Crosswall
London
EC3N 2LB
T 0800 169 87 87 F 020 3033 1000
E policy@ageuk.org.uk

www.ageuk.org.uk

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About this consultation

In August 2025 the Government announced the third review of the State Pension age. The review will be informed by an independent report. The Department for Work and Pensions appointed Dr Suzy Morrissey to produce this report. This document is a response to the call for evidence for that report.

Key points and recommendations

1. **There has been no clear increase in life expectancy (LE) since the COVID-19 pandemic.** Even pre-pandemic, improvements had been stalling for almost a decade. There are significant inequalities in LE between groups.
2. LE is important but as a metric by itself is very blunt. It doesn't capture important and substantial inequalities in health, disability and other factors affecting people's ability to work. **Healthy life expectancy (HLE) – which has also declined in recent years – should also be a key indicator.**
3. Given these trends and inequalities, and the need to weigh up the harm caused to some people when the State Pension age (SPa) rises, the Government should take a cautious approach to SPa policy – **now would be a bad time to raise the SPa further or faster.**
4. **SPa policy cannot be made in isolation from other policy areas.** The Government should take into account improvements and risks in these connected areas – employment, social security, social care and private pension savings.
5. **Supporting more people in their 50s and 60s – including those with health problems, disabilities and/or caring responsibilities – to stay in work or move (back) into work should be a priority.** This will take time but is a win-win situation in the long run – more people in work for longer will increase their income and ability to save while boosting the economy and reducing welfare spending. This vision is the more challenging but better alternative to rushed SPa changes for fiscal savings.
6. **Rises in the SPa cause financial harm (including poverty) to some people just below the SPa.** This was the case with the rise to 66 and will be for further rises, likely of greater magnitude as they affect chronologically older people. **There is a need to mitigate this harm.**
7. **Everyone within three years of their SPa who is realistically unable to work again, and claiming certain disability/incapacity benefits and/or Carer's Allowance, should have access to greater financial support through the social security system.** This should be introduced when the SPa rises to 67. Although this would entail extra public spending, it would be in the context of the fiscal savings resulting from the rise to 67.
8. Mixed-age couples have one partner above SPa and the other below. Every rise in the SPa exposes progressively older people *above* the SPa – often well into their 70s – to the working-age mean-tested benefits system, which provides less support. **There should be a middle/compromise rate of benefits, such as a supplement to UC, for those couples.**

About Age UK

Age UK believes every older person should be included and valued. We're working locally, nationally and internationally to change the way we age. Together with our partners, we're changing the day-to-day experience of getting older through essential services and local support. We transform older people's wellbeing in the ways that matter most to them – whether that's getting online or getting more active. Our specialist, impartial advice helps change older people's worries into answers. And our friendship services change loneliness and isolation into comfort and connection. We campaign to put older people at the heart of public policy and shift the way ageing is treated and represented.

Introduction

The age at which the State Pension becomes available is hugely significant – for the public, it acts as a milestone and is often at the centre of retirement planning and household decision making, while for the Government it's an indicator that both determines social norms and economic decision making. This Independent Review is therefore very important and will play a key part in the Government's decision making.

For many people, a higher State Pension age (SPa) can be hugely problematic. While some can stay in work for longer, or otherwise manage the fact they have to wait longer to receive a State Pension, many others will struggle when the SPa rises. This is particularly the case for people in their mid-60s who are living on a low income, often out of work, potentially for years, due to illness, disability or caring responsibilities. This is documented in our previous research, which is available on our website.¹

A rise in the SPa means such people must wait for longer until they get their State Pension, causing additional hardship in the meantime. Some in this situation try to move into work or increase their hours but find it extremely difficult – not least due to ageism in the labour market, but also due to other factors like ill health or skills deficits. The rise from 65 to 66 led to an increase in the poverty rate for 65-year-olds. We expect similar – if not larger – financial impacts when the SPa rises to 67 (between 2026 and 2028) and then 68 (between 2044 and 2046).

In the context of the SPa review, this is Age UK's primary concern: **that SPa policy – the timetable of rises to 67 and 68, any potential speeding up of these and/or introducing further future rises – will cause financial (and wider) harm to disadvantaged people when they are in their mid-60s.** We approach this review mindful of the fiscal pressures the Government is under but keen to impress on policymakers the need to mitigate rather than exacerbate this harm.

SPa policy is influenced by trends in life expectancy (LE). The SPa rises we have seen and that are planned reflect the rising LE of recent decades. However, rising LE has stalled, even before the COVID-19 pandemic, plus there are significant inequalities in LE. Some groups – including people living in deprived areas or of a more disadvantaged socio-economic position – are more likely to die at younger ages, receiving the State Pension for less time. These trends and inequalities should inform a cautious approach to SPa policy – now would be a bad time to raise the SPa further or faster.

It is important not only to look at how long people live but also how long they live *in good health*. This relates to people's ability to stay in work up to 66 (or 67/68). As with LE, increases in health life expectancy (HLE) have stalled and there are substantial inequalities between groups. Although there are limitations in the HLE measure, it is worth noting that as the SPa is rising, HLE is declining. That is not a good context for changes to SPa policy.

Key in this consultation is what factors the Government should consider when making SPa policy. We argue that there are several wider policy issues that should inform SPa policymaking. Key among these is people's ability to work. The current group of people in their 50s and early 60s face significant challenges in terms of economic inactivity, long-term illness, unpaid caring responsibilities and ageism in the labour market. If these challenges persist, a rising SPa will cause significant hardship. Relatedly, the way the social security system supports people just below SPa and unable to work due to poor health is important, in terms of how much financial support they get and their requirements to look for work. It is also important to consider unpaid carers. Financial support for carers whose responsibilities prevent them from working or limit their ability to work is inadequate, and there is a need for more support to stay in work. Finally, there is a risk these pressures mean people use any private pension savings in the years before their SPa, leading to inadequate incomes throughout retirement.

The importance of these issues means policymakers need to make careful, holistic judgements. For that reason, we do not support the introduction of an Automatic Adjustment Mechanism.

Our key recommendation is that the Government develops new ways to mitigate the inevitable financial harms of a rising SPa, targeting those most at risk.

Specifically, everyone within three years of their SPa who is realistically unable to work again and claiming certain disability/incapacity benefits and/or Carer's Allowance, should have access to greater financial support to help them avoid living in poverty until they reach their SPa.

Consultation questions

4.1 Life Expectancy

a) What are the advantages and disadvantages of linking SPa to life expectancy?

Life expectancy (LE) is an important factor in SPa policy, by which we mean the timetable of rises to 67 and 68 and any potential speeding up these and/or adding a future rise to 69. However, LE has some significant disadvantages and limitations.

i. Inequalities

The first disadvantage is that average/headline LE does not show the significant inequalities in how long people live. Table 2 in the appendix shows a range of these inequalities. The large inequalities related to area level deprivation and socio-economic occupation are especially concerning. These include:

- Among females, there is an 8.4-year gap in period life expectancy at birth between those living in the most and least deprived areas by (area decile, England, 2020-22). Among males, there is a 10.4-year gap.

- Among males, there is a 9.1-year gap in period life expectancy at birth between those in the highest and lowest occupation categories (England & Wales, 2012-16). Among females, there is a 5.7-year gap.

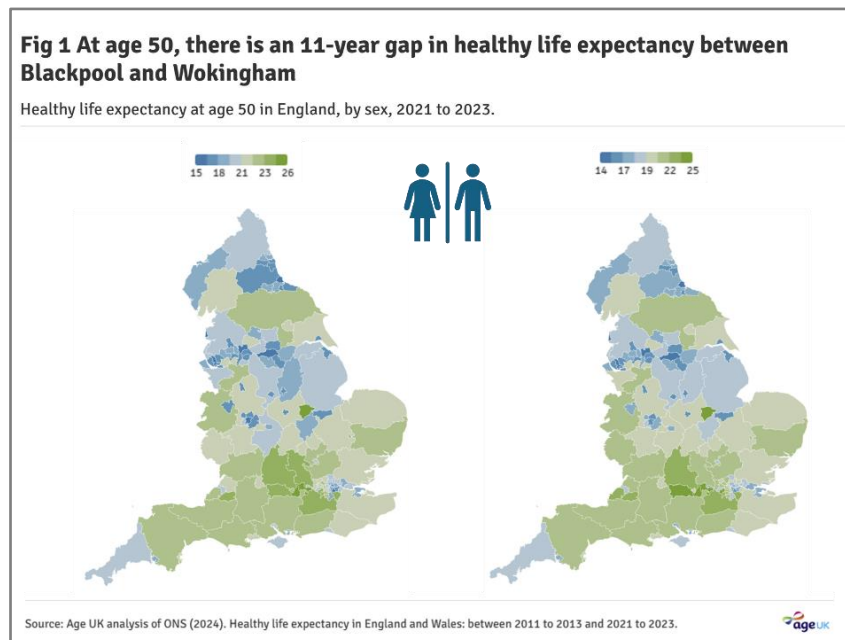
There are other inequalities for which there are not robust data, so the extent of inequality is unknown. For example, there is a debate on the robustness of data by ethnic background.²

The key point is that making SPa policy on the basis of average/headline LE will disadvantage those people who have lower LE, as they will receive the State Pension for a shorter period.

ii. Accounting for health/ability to work

The second limitation of LE is that it gives no indication of how long people remain able to work, for which the length of time people remain in good health or disability-free can be a useful, if imperfect, proxy. Healthy and disability-free life expectancy are important measures. In particular, they give valuable indications of the scale of inequalities in health between different groups and of how population health is changing over time.

There are significant inequalities in healthy life expectancy (HLE) at birth by geography and area deprivation. In 2018-20, '*Female [HLE] at birth in the most deprived areas was 19.3 years fewer than in the least deprived areas in 2018 to 2020; for males it was 18.6 years fewer*'.³ Similarly, there are significant inequalities in HLE at age 50. Figure 1 shows that for both men and women there is variation of 11 years between people in some of the most and least deprived areas. People with HLE at 50 of 14/15 years will not reach their SPa (66) in good health. Many of these will be unable to work.



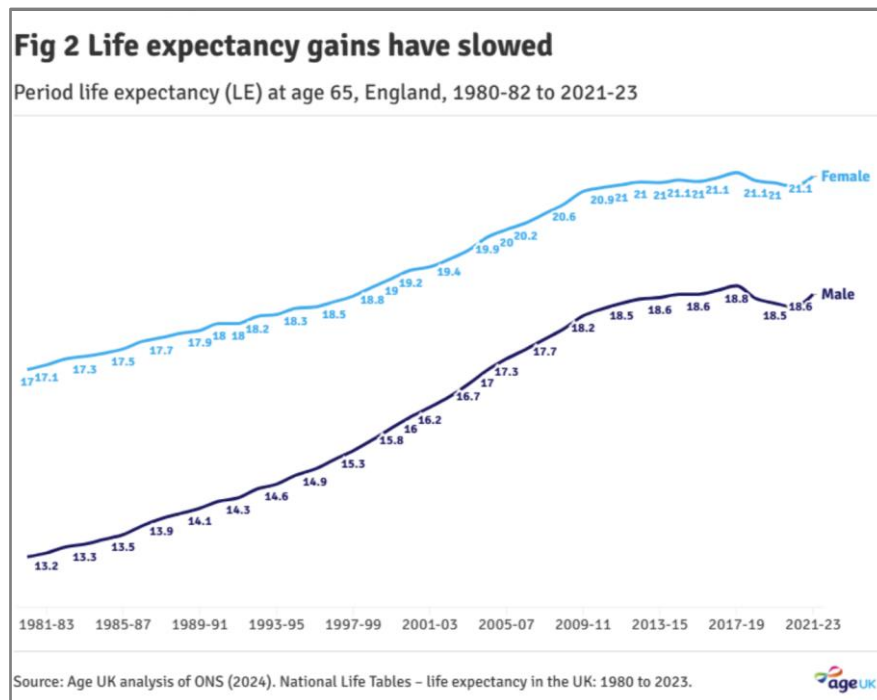
Similarly, the House of Commons Library reports that:

68 of the 151 local authorities had a HLE [at birth] of less than 61 years (the Government's target for halving the gap in HLE) in 2021 to 2023. No local authority in the North East had an average HLE of 61 [or older].⁴

Given that 61 is well below the (rising) SPa, and that this relates to a government target, there could be a pre-condition for any SPa policy changes to do with this, e.g. a target for the minimum number of LAs that have a HLE of 61 or higher.

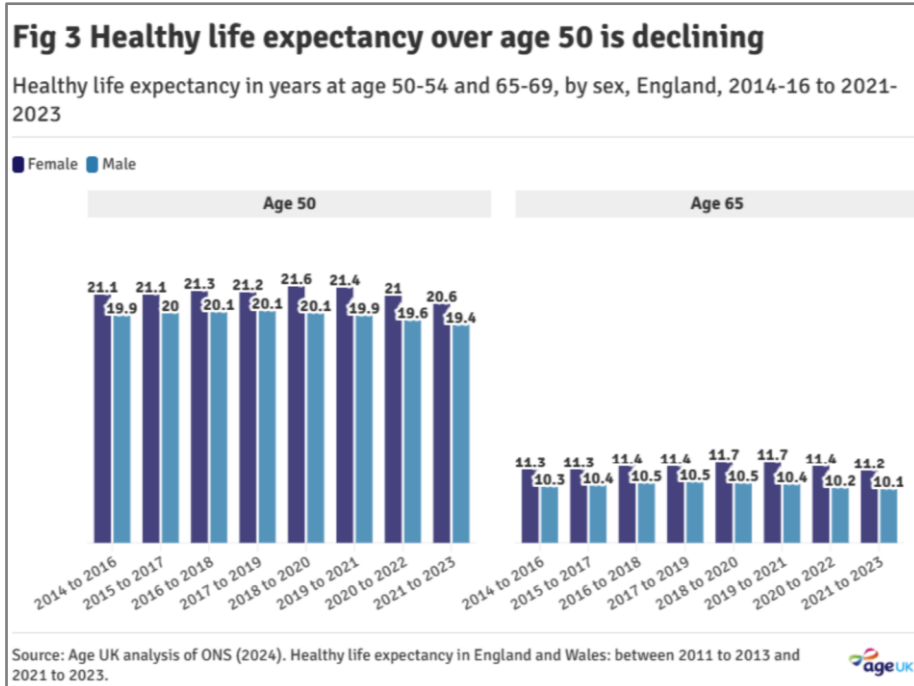
iii. The post-COVID pandemic trends show no clear improvements

The COVID-19 pandemic is significant in our understanding of trends, given the increase in mortality and ill health during that period. Figure 2 shows fairly consistent increases in LE at 65 for men and women from 1981-83, which slowed after 2011, then flattened through to 2021-23. The data for LE at birth and at 50 in England show a similar trend.⁵

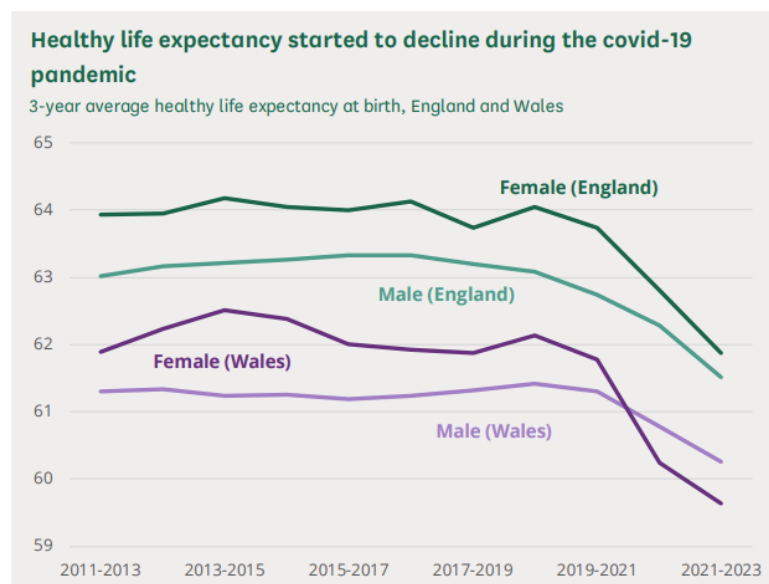


So, the long-term increase in LE halted from early in the 2010s and the pandemic caused a decrease. Post-pandemic data may or may not show a clear resurgence of upwards trends. The 2020 Marmot review showed that ‘Among women in the most deprived 10 percent of areas, life expectancy *fell* between 2010-12 and 2016-18’ [our emphasis].⁶ **This uncertain context – both pre- and since the pandemic – should act as a brake on any SPa policy changes.** At the very least it means there is a limit to how much weight can be put on projections on future cohort LE.

There is a similar picture with HLE trends. As shown in figure 3, HLE at 50 and 65 for men and women was increasing until around 2020, since when it has decreased. Again, the years just before 2020 saw some measures plateauing. **It is especially concerning that HLE is declining as the SPa is rising. That means, among more disadvantaged groups, an increasing period of time between reporting being no longer in good health and the SPa.**



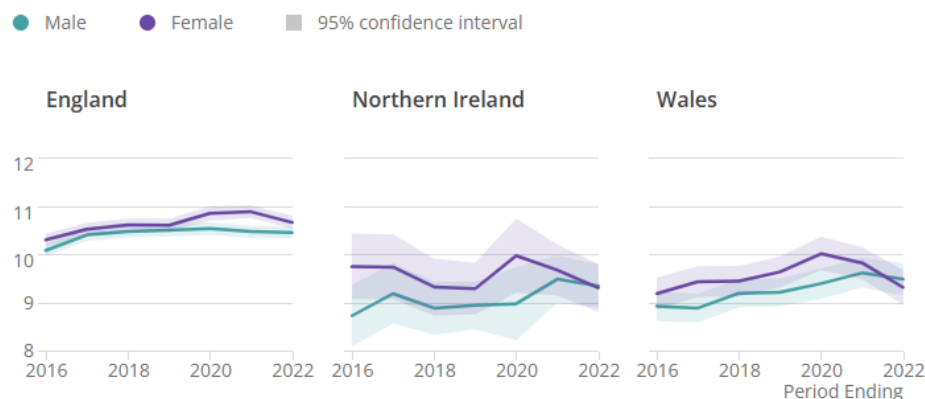
The chart below⁷ shows a similar pattern, this time for HLE at birth. HLE was broadly plateauing between 2011-13 and 2019-21, since when it has fallen sharply. For example, between 2017-19 and 2021-23, female HLE at birth fell by 1.9 years in England and 2.2 years in Wales. It's striking that these declines are for all men and women, i.e. not just those in more deprived areas. It is a hugely worrying development that means SPa policy, for now, should be cautious and conservative.



Disability-free life expectancy (DFLE) is a 'harder' measure than HLE, in that it is based on the Equality Act definition of disability, whereas HLE is based on a person's judgement of their health. However, like HLE it is not a perfect proxy for someone's ability to work – some people with a disability are able to work, others without a disability but with various health problems are unable to.

What is key is the trend – DFLE at 65 was falling, as shown in the charts below (ONS⁸), in 2020-22. Clearly this will have been affected by the COVID-19 pandemic. But, again, the charts show a mixed picture even before 2020. While HLE and DFLE have limitations as measures, they both show some deterioration, suggesting that people's good health – and therefore likely their ability to work – is not extending into older ages as it previously looked like it would. (At least on average – different groups will have different health trajectories.)

Disability-free life expectancy (DFLE) at age 65 years by sex in England, Northern Ireland, Wales, and English regions, between 2014 to 2016 and 2020 to 2022



The overarching point is that the post-pandemic data so far indicate either plateauing or deterioration on multiple measures of LE/HLE, following pre-pandemic plateauing (and some deterioration). This concerning situation should inform a conservative/cautious approach at this point in time. It would be prudent to wait until the post-COVID data trends are clearer before making any significant SPa policy decisions. The Government can, after all, formally review the SPa or make policy at any time.

The Government could develop criteria for changing the SPa along these lines. It could include a measure of inequality in those criteria. For example:

- SPa policy will only be changed if and when post-pandemic data shows clear, persistent increases in LE and measures of HLE.
- SPa policy will only be changed if and when LE and measures of HLE for disadvantaged groups are not declining / if and when inequalities are narrowing.

Indeed, in its mission to 'Build an NHS fit for the future', Labour has promised to 'Improve [HLE] for all and halve the gap in [HLE] between different regions of England.'⁹

iv. Survival to SPa

It is important to account for the many people who do not survive to the SPa and so never receive any State Pension. For example, of all the men who turned 60, 5% had died by the time that cohort turned 66. For women, this was 3%.¹⁰ So, while the Government has LE measures available with different reference ages – at birth/50/65 – the *at birth* measure is useful to avoid discounting those who have died before 65.

Similarly, a lot of people die within a couple of years of getting their State Pension. Of all the men who turned 66, 6% had died by the time that cohort turned 70. For women, this was 4%.¹¹

b) How would linking SPa to life expectancy impact upon intergenerational fairness?

There are limits to viewing spending on the State Pension in terms of generations defined as 'working age' and 'pensioner'. One in ten (11%) people over SPa continue to work, while 12% of people aged 35-49, for example, are not employed (i.e. are unemployed or inactive).¹² Policymakers should take a more nuanced approach, for example, by recognising that there are people in their early-mid 60s who have worked for around 40 years already but are unable to continue working. A blunt approach to the SPa based on LE alone could increase the SPa to a point at which people in this position – who may have made more than the maximum number of National Insurance contributions to get a full State Pension – struggle through 3-5 or more years to reach their SPa.

4.2 Sustainability

- c) What role, if any, should State Pension age have for managing the cost of the State Pension in the longer term?
- d) What are the advantages and disadvantages of using SPa to manage the cost of the State Pension in the longer term?

The SPa is clearly a key factor that directly influences long-term spending on the State Pension. The existing timetable for SPa rises will help manage this cost. However, it is important that SPa policy is not viewed solely in terms of public spending. As we argue below, SPa policy must be made in relation to other relevant policy areas, most obviously employment but also including social security, social care and private pensions. It would be a strategic mistake to raise the SPa further without addressing the equally important issue of supporting more older people (and indeed younger people) to move into or stay in work.

SPa policy also needs to be informed by an accurate view of the range of people's lived experience. Plenty of people are healthy and able to work up to increasing ages and have good savings/pensions to support them; many others are in a different position, and their experience has to be considered and addressed. Indeed, if SPa policy is seen primarily as a lever to manage costs, it will lead to undesirable social outcomes in terms of a structural increase in people in their mid-60s unable to work, waiting a long time for their State Pension, languishing in financial hardship with declining health and wellbeing.

4.3 Automatic Adjustment Mechanisms

- e) What are the advantages and disadvantages of using Automatic Adjustment Mechanisms to make changes to SPa (i.e. if a certain factor changes, SPa is automatically increased or decreased as a result).
- f) What factors could be considered for use in an Automatic Adjustment Mechanism, and why?

We would be concerned about the introduction of an Automatic Adjustment Mechanism (AAM). We can see the appeal in that an AAM could 'take the politics out of' an electorally challenging area of policy. But that is also an argument *against* AAMs – these decisions *should* be political because, rather than being purely technocratic, they involve

value judgements and judgements about the effectiveness of related policy areas and wider conditions. For example:

- Is it reasonable or desirable to expect all 67-year-olds to work?
- Are employers supportive enough to help older workers stay in work for longer?
- Are the inequalities in LE and HLE acceptable/declining?
- How healthy is the wider economy, labour market and tax base?
- Is the working-age social security set up to fully support people just below the SPa who can't work?
- Is age discrimination in the labour market declining?

These judgements can only be taken democratically, by an elected Government. It is difficult to see how an AAM could adequately balance the various factors to be considered.

4.4 Factors for setting State Pension Age

- g) What other factors do you think the government should consider when making decisions regarding SPa? What are the advantages and disadvantages of using these factors?

We think this is a central question and outline below what we think are the key factors.

i. Ability to work to SPa

The central factor we want to highlight is people's ability to work up to SPa. The following discussion focuses on people currently aged 50-65 who would potentially be unaffected by any change in SPa policy. However, their experience shows the challenges that arise during this stage of life. The Government needs to monitor the extent to which cohorts ageing into this stage of life face the same barriers to working.

It is well-established that many people in their 50s and early-to-mid 60s live in circumstances that mean their chance of staying in, or getting back into, work is extremely small. In 2023 Age UK published *Waiting for an Age*,¹³ which reports qualitative research with people in these circumstances. We interviewed 20 people and received survey responses from nearly 1,500 people. Key themes, in terms of the barriers to work, include:

- People who spend a lot of time, sometimes full-time equivalent or more, providing unpaid care to a spouse/partner, elderly parent, disabled child or other relative (sometimes more than one).
- People who did manual or physically demanding work, often for decades, who are physically unable to keep working.
- People who have long-term health conditions and/or disabilities, which make it difficult/impossible to continue in, or move into, work and which could mean they have additional needs/costs.
- People who have made significant efforts to get back into work but with no success, with some feeling they have faced age discrimination.

The full report is available but here is a selection of quotes to illustrate the key themes:

"I am currently a full-time carer for my disabled husband so I cannot supplement my income by working. I exist on Carer's Allowance. I am 63 and have to wait another 3 years for my pension."

"I'm 63 and have osteoporosis and arthritis, I earn £70 a week and receive about £200 a month Universal Credit. I am already having to choose between eating and heating and what bills to ignore."

"[SPa is] 67 for me, I work in heavy industry which over the years take toll on your joints. Constantly having to keep up your strength and fitness to carry on your job, so sickness kicks in and feel as if you can't carry on at the level you used to be! So [I] have to retire on nothing, live off your hard-earned savings which were meant for retirement to keep you from the bread line. You have worked hard all your working life to enjoy your retirement in comfort and paid a huge amount into the system for this then to have the goalposts moved. It seems unfair!"

"As I am now 63 it has been very hard, I had to give up work due to my health. I could no longer do the job I was in. I was a health care assistant on nights. This had taken a lot out of me over the 40 years I had done it. I have been living off my savings the past 3 years. But I know my savings will run out before I am 66. I cannot make any future plans. I live on my works pension of £285 per month. This has been a miserable time in my life."

"It's an absolute nightmare! I'm 61 and have been struggling to find work since my 50's – I'm not even being selected for interviews anymore, despite being highly qualified and experienced."

"I don't like to think about the future."

The final quote is from someone providing full-time unpaid care to a loved one. It exemplifies the common feeling that people are too stressed in their difficult circumstances to think ahead or plan for the future.

Among recipients of Personal Independence Payment (PIP) aged 60-64, the most commonly reported primary disabilities indicate the kinds of health conditions or disabilities that people of this age experience. The most common group is musculoskeletal disease (general), reported by 27% of recipients, with musculoskeletal disease (regional) reported by a further 15%. Psychiatric disorders were reported by 20% of recipients and neurological disease by a further 14%.¹⁴

So, these life circumstances and health conditions (and others) can prevent people from working all the way up to SPa. The employment rate for people aged 60-64 in 2025 was 62% for men and 54% among women¹⁵ – already relatively low, although some people don't need to work due their circumstances (e.g. second earner, private pensions). But as highlighted by the Centre for Ageing Better, 'only 57% of people aged 50-65 with a long-term health condition are in work, compared with 73% of those aged 35-49.'¹⁶ Looking at 'economic inactivity', table 1 below shows the proportion of men and women of various ages and the reason for their inactivity. We note that being 'sick or disabled' is the biggest reason for being economically inactive, across sex and age (except for people aged 60-64 for whom 'retired' is the main reason, not shown in the table). Also note the 10% of women aged 50-54 who are sick or disabled – which seems high – and the 6% of the same group looking after home/family – much higher than for men, and which doesn't include those women juggling care with work.

Table 1. Economic inactivity, April-June 2025¹⁷

Sex	Age	Total 'economically inactive'	'Economically inactive – sick or disabled'	'Economically inactive – looking after home/family'
Women	50-54	18.9%	10.0%	5.8%
	55-59	27.3%	13.0%	5.4%
	60-64	43.6%	15.6%	5.0%
Men	50-54	11.2%	7.7%	1.5%
	55-59	18.6%	9.8%	1.6%
	60-64	36.4%	13.7%	2.0%

Many people aged 50-65 unable to work struggle with financial hardship and stress, unable to look to the future. They may use up any savings or access any private pensions they have earlier than planned, giving them less income from these sources later in life. Indeed, among people aged 60-64, 22% were living in poverty in 2023/24.¹⁸ This is the joint highest rate among all age groups over 24. As the SPa rises, this period of time out of work waiting for their State Pension will be extended for many people.

An increase in the SPa has directly resulted in an increase in poverty for those just below it. The IFS analysed the impacts from the rise in SPa from 65 to 66 between 2018 and 2022. It said:

*The key impact of this was that 65-year-olds missed out on state pension income of £142 per week on average. These reductions in state pension income meant that the absolute income poverty rate for 65-year-olds rose by 14 percentage points, or nearly 100,000 people, to reach 24% by late 2020.*¹⁹

As the SPa rises to 67 and 68, we can expect to see similar if not greater rises in poverty among 66- and then 67-year-olds. It's likely these poverty impacts will intensify with each subsequent rise – people affected will be one year older each time and so may have a higher chance of being in poor health (for longer), of having been unemployed for longer or of using up any limited saving or private pensions for longer.

The IFS study also found that the rise in the SPa to 66 resulted in more 65-year-olds receiving income from employment – rising from 23% to 33%.²⁰ This is the incentive to work in action. However, there are reasons to be wary that this is a purely good thing that will be replicated with subsequent SPa increases. One, the impact on employment is relatively limited – 'over 90% of people do not change their employment decisions at age 65 due to the reform.'²¹ Two, the impact is largely from people *already in work staying in work* rather than people out of work moving (back) into work. Three, the situation for 66-year-olds when the SPa rises 67 could be different – being a year older could mean people are on average less healthy and less able to (stay in) work. On this point, the evidence for stalling HLE is important.

Nuance is needed. A rising SPa can prompt some people in work to stay in work for longer, boosting their financial situation and wellbeing (due to social and other factors). However, it pushes very few unemployed or inactive people (back) into work, especially those who have been out of work for a number of years. Such people are much more likely to continue living on a very low income, either outside the welfare system or claiming Universal Credit. Plus, some people staying in work for longer may pay a price in their health for doing so. As someone in their early 60s told us:

“I work in care and have done for many years. Due to wear and tear of this work over time I now have issues with my shoulders, like hundreds of people! I am struggling to keep working, live on my own but have to keep working full time which is putting strain on me. By the time I can retire I will be another disabled person leaning on the state instead of enjoying what time I have left!”

According to the Centre for Ageing better (CFAB), ‘Nearly half a million people aged 50 to 65 with long-term health conditions would return to the workforce if the right support were in place.’²²

There is not the space to detail how the Government could make progress on this. But we support CFAB’s work on best practice for employment support for older (disabled) people and the 50+ Employment Taskforce recommendation that the Government set employment targets for people aged 50-59 (80%) and 60-66 (55%) within the next 10 years.²³ Achieving this will require action on multiple fronts, including:

- Employers supporting people with disabilities, health issues or caring responsibilities to stay in work longer.
- This means promoting ‘inclusive employment practices such as flexible work, paid carers leave, support for health and wellbeing across workplaces to nurture an age-friendly culture.’²⁴
- Improved employment support for people in their 50s-60s.²⁵ People should be able to access this support more quickly upon losing, or being told they will lose, their job.
- Tackling the Access to Work backlog and ensuring the system is effective, speedy and sustainable.
- Tackling age discrimination in the labour market.

It will take time, investment and cross-government working to get to a place where more older people work for longer. It is not a quick fix. Achieving this as a pre-condition for any further SPa policy changes will require patience and commitment. But the prize is worth it – a win-win situation with more older people fulfilling their work ambitions, with a higher income and greater ability to save for retirement, as well as building a stronger economy and tax base, with lower welfare spending and the potential for further SPa changes (subject to further improvements detailed below).

ii. Social security for people unable to work due to health

A closely related factor is how well the social security system is functioning for people unable to work due to illness. This includes the appropriateness of the level of work conditionality and the adequacy of benefits.

The Government is introducing significant welfare reforms. The Universal Credit Act will reduce or freeze the payment rate of various health-related elements. The Government plans to scrap the Work Capability Assessment (WCA) and move to a system in which a reformed assessment for Personal Independence Payment (PIP) will also determine people’s eligibility for a new health-related element of Universal Credit (UC).

Although much of the detail is to be decided – including through the Timms review – there are widespread concerns. One concern we share is about scrapping the WCA. It focuses specifically on how people’s health prevents them from being able to work or look for work, and links directly to supplementary financial support (through Limited Capability for Work-Related Activity status). Moving to a system in which extra support is

based on a functional disability assessment (for PIP) is different. PIP is not related to people's ability to work – many recipients are in work, many are not. In our view, the Government should not scrap the WCA.

This is relevant to SPa policy because every time the SPa rises it exposes people of a higher age (e.g. people aged 66 by 2028) to this working-age system. The system is moving away from one that neatly recognises that a health condition or disability can prevent people from working and that provides extra financial support and protection from work conditionality, which can be blunt, harmful and ineffective. The prospect of 66-year-olds (and in future 67-year-olds) with long-term health conditions being excluded from extra financial support and subject to (harsh) work conditionality is hugely concerning. The Government needs to think in detail about how to develop a more flexible system for people approaching their SPa.

This isn't the place to go into more depth. The relevant key point is **that SPa policy cannot be made in isolation from the current set of welfare reforms. The Government certainly should not make any SPa policy decisions at least until the reforms are complete** (the Timms Review will report in Autumn 2026) and we know how older people with health conditions unable to work will be treated.

iii. Social care

Many people in their 50s/60s give up work (fully or partly) to provide unpaid care for family members, including partners or older parents, and sometimes also for children ('sandwich' care). Carers UK estimated in 2019 that 2.6 million people had given up work to care.²⁶ Women make up 6 in 10 (59%) carers and the biggest proportion of people caring are in the 55-59 age group.²⁷ Carer's Allowance pays a low amount and unpaid carers are 50% more likely to be in poverty than those who do not provide care (27% vs 18%).²⁸ Nearly half (47%) of carers have zero private pension savings at age 60-65.²⁹ Some carers are missing out on National Insurance credits because of not receiving Carer's Allowance when they should or not claiming Carer's Credit.

These people are often out of work for years before becoming eligible for the State Pension, unable to work (full-time) as they provide essential care, living on a low income and suffering poor health and burnout. ADASS reports that 76% of Directors of Adult Social Services saw an increase in the number of unpaid carers requiring support between 2023/24 and 2024/25, and 54% saw an increase in requests following carer breakdown over the same period.³⁰

Our system relies heavily on unpaid care. Without it, the NHS and social care systems would be under even greater pressure. Carers UK cites research estimating that the economic value of the support provided by unpaid carers in England and Wales is an estimated £162 billion per year. They say, 'Without the support of unpaid carers, [the NHS and social care] systems would collapse.'³¹

As the SPa continues rising, and people realise they have a longer time until they can access their State Pension, more people will face difficult choices – give up/reduce work to provide care but suffer the financial and health harms until and beyond SPa, or continue working and not provide the care that their loved one needs and may struggle to get elsewhere. This could become more critical over time as '[t]he numbers of disabled older people in households receiving unpaid care are projected to increase by 116%, from 2.1 million in 2015 to 3.5 million in 2040'.³²

The key point, again, is that SPa policy cannot be made disconnected from other areas of policy, in this case the social care system. There may never be a perfect social care system but until that system is significantly improved – such that people in their 50s/60s can better balance work and care and more easily access quality care for their loved ones – further rises to the SPa will exacerbate existing problems.³³

iv. Private pensions

With many people having defined contribution (DC) pension savings, which can of course be accessed flexibly from age 55 (at present), they may be tempted to draw on these savings to support them in the event they are unable to earn a sufficient income. We are concerned that this is not the intended use of pensions, and that people may run down their retirement funds before they even reach SPa. This could mean that people will use their private income and end up living in poverty and/or falling back on state support as they get older.

The Government must ensure that the welfare and pension systems work together to protect people against this eventuality. While we do not advocate for restrictions on the pension freedoms, and there are indeed many positive uses for people's DC savings prior to them reaching SPa, **the system must ensure that people are protected from life on a low income in other ways, for example by making sure that people do not need to use their DC savings for day-to-day essential expenses.** This could mean boosting income for people really struggling (such as Universal Credit rates or support with energy bills) or setting people on an automated path for accessing DC income later on through improved take-up of Investment Pathways and the provisions on 'default decumulation' in the current Pension Schemes Bill.

In addition, many people have little or no savings of this kind. The Government has revived the Pensions Commission largely because of this, highlighting that 55% of all working age adults are not saving into a pension; 72% of all 'workers' (including self-employed people). Those with lower earnings are less likely to be saving.³⁴ Those with a small private pension can struggle especially if they have illness or caring responsibilities. A 61-year-old respondent to our 2022 survey said:

"It's extremely difficult. I am unable to work due to ill health. I have a minimal work pension and rely on my husband to pay the bills, etc. My work pension doesn't even cover food bills for a month."

A 64-year-old said:

"I am one of the generation of people who were affected by two changes in the state pension qualifying age. I took early retirement and am now an unpaid carer surviving off a small work pension and dwindling savings."

There is a particular private pension challenge for 'Gen X' – people in their mid-40s to late 50s – who were 'caught in the gap' between the declining system of defined benefit pensions and the introduction of auto-enrolment into defined contribution pensions. That cohort is most concerned about the future. In polling in 2024, '45% [of Gen X] said they expected to be worse off in retirement compared to 39% of Baby Boomers still working and 29% of Millennials.'³⁵ This cohort will have an SPa of at least 67.

The Pensions Commission will undoubtedly make recommendations to help more people save into private pensions. Helping people with the transition to retirement is also

a crucial issue for the commission to consider and is closely linked to policy on the SPa. We recommend the Government waits until the commission has reported and pays careful attention to any thoughts about accessing pensions before taking any decisions about SPa. Even then, it will have to manage the risk that people make early and sub-optimal private pension decisions that cause low income and poverty later in life.

v. Mitigating the harmful effects of the rising SPa

We have argued for some time that some people are unable to work up to SPa and face unavoidable financial hardship in the years below it. Each rise in the SPa lengthens this difficult period and exposes people a year older to increased poverty. They reach SPa in poor health and with relatively few years in which to receive their State Pension. In polling conducted in January 2025, 44% of people aged 60-64 said they will struggle financially from now until they reach their SPa. This rose to half (51%) among women. Looking at the slightly younger group aged 50-54, half (51%) felt they will struggle until their SPa, rising to 54% among women.³⁶ One 63-year-old told us:

"[I] have multiple health conditions which have stopped me working. I have been working for 47 years and am now at the mercy of the benefits system. This is horrendous for me – why, oh why can't I have my pension now – I've earned it. Instead, I am at risk of losing my home because benefits won't pay the full rent. I could be homeless due to this. The worry is never ending."

In this context, **the Government should develop new ways to mitigate the inevitable financial harms of a rising SPa, targeting only those most at risk with additional financial support.** This is the key point in this response. In practice, such support could be delivered through the working-age social security system, rather than through early access to the State Pension. However, it should be understood and framed as **age-related support** – essentially State Pension-related support but delivered through an alternative route for pragmatic reasons, i.e. to maintain a universal SPa.

We believe that everyone who is realistically unable to work again and aged within three years of their SPa should have access to greater financial support, to help them avoid living in poverty until they reach their SPa. This additional support would be carefully restricted to certain groups who are not realistically able to work again – most importantly people claiming certain disability/incapacity benefits and/or Carer's Allowance – to prevent the cost from being prohibitive. We have long argued this case³⁷ and believe it is still the optimal way of mitigating the damaging impacts in a cost-effective way. In 2016 we commissioned the Pensions Policy Institute to model the viability of different ways of doing this, with the results available online.³⁸ We believe that such support should be introduced as the SPa rises to 67 in the next few years.

The IFS has also proposed similar options. One is to provide a 70% increase on the UC standard allowance for everyone one year below the SPa. This would target people on low incomes and would cost 'around £600 million, or a tenth of the exchequer gain coming from a one-year rise in the state pension age.'³⁹ The second, more narrowly targeted option, would be only for those receiving both UC and health-related benefits, again one year before SPa. Similarly, the 2017 independent (Cridland) report recommended that when the SPa reaches 68, people aged 67 should be able to access means-tested benefits set at a level similar to Pension Credit one year before SPa. It justified this on the following basis:

We expect that the eligible recipients of this benefit will have significant barriers to any level of employment because of ill health and/or caring responsibilities for a long period of time before reaching the [SPa]. They will also have insufficient household wealth to support themselves while waiting. We also expect that these groups of people are more likely to have a lower life expectancy than average and therefore would expect to receive the State Pension for a shorter period than average.⁴⁰

We note the principle that while such additional support would cost public money, it would be a fraction of the savings from raising the SPa – a fair trade-off.

vi. Mixed-age couples

Another factor or consideration is mixed-age couples, i.e. where one member is below SPa, the other is SPa or above. Until 2019, people in MACs were able to jointly claim means-tested pensioner benefits. Since 2019 they have only been eligible to claim working-age benefits, i.e. UC. These tend to be of lower value – the UC standard allowance is currently £628 per month for a couple over 25, compared to the standard couple rate for Pension Credit of £1,386 per four weeks.

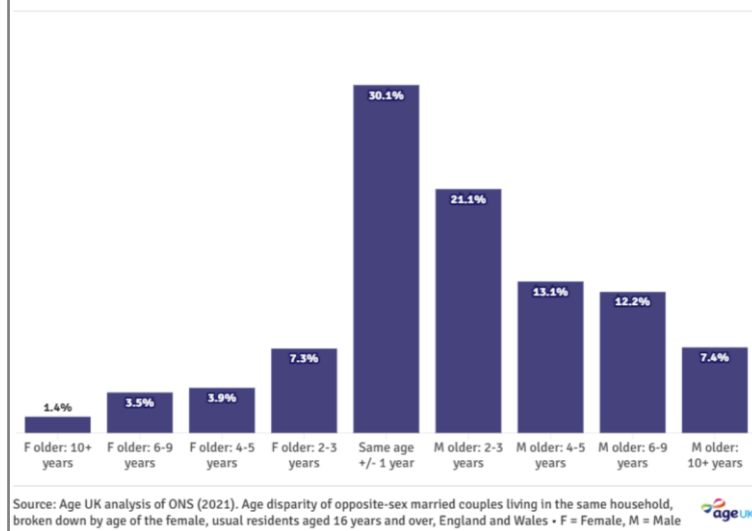
The challenge is that the older member of a MAC is over SPa and yet receives the lower level of support for working-age people who are out of work. In theory, this could be appropriate for a period on the basis that the younger member is of working age and so should be expected to work and support themselves as a couple. The reality for the oldest couples is that a 65-year-old could be struggling to find work (for the reasons discussed above) while the 70-year-old, for example, is either effectively expected to find work (which is often even more difficult) or survive on a low level of benefits.

The link to SPa policy is that each time the SPa rises, the older member of a MAC will be at ever older ages and stuck on working-age benefits. For opposite-sex married couples aged 55-64 in 2021, age gaps are common (figure 4).⁴¹ Four in ten (41%) of these relationships have an age gap of four or more years. Using this as a gauge, when the SPa reaches 67, roughly four in 10 opposite-sex married couples could include someone aged 70+. One in four (24%) couples could include someone aged 72+. As the SPa rises to 68 (and beyond?), the age of the older member would get even higher.

There is a gender dynamic to this. As the chart shows, it is much more common for the older member to be a man. Women tend to have lower HLE than men – so the women who are the younger member of a MAC may struggle to find work due to ill health arising at younger ages. And men are more likely to have a lower LE – so when men as the older member of a MAC are eventually eligible for pensioner benefits (when their partner finally reaches SPa), they may have very few years left to live.

The fact that the older member can access their State Pension when they reach SPa does mitigate this issue somewhat. However, where that person does not get a full State Pension – and depending on whether the younger member has much income or wealth – they could be missing out on means-tested support through pensioner benefits that they need.

Fig 4 Age disparity of opposite-sex married couples living in the same household, for females aged 55-64, England & Wales, 2021



The key point is that every rise in the SPa exposes progressively older people **above the SPa to the lower value working-age means-tested benefits system. We recommend there should be a middle or compromise rate of benefits, such as a supplement to UC for the relevant couples.** The Fabian Society has made such a proposal.⁴² Costs could be controlled by limiting it to couples where the younger member is within 3-5 years (for example) of the SPa. Such a policy would need to be designed carefully so it doesn't duplicate or interact problematically with any new support for people just below SPa who can't work, as discussed above.

h) Which of these factors (life expectancy, sustainability, other factors) do you think are most important for the Government to consider when making decisions regarding SPa, and why?

Of the factors we discuss under Q.h, the most important for the Government to consider is **the inequalities in people's ability to work up to SPa.** Within that, the two key factors are 1) supporting more older people to stay in, or get (back) into, work, and 2) mitigating the harm caused to people just below SPa who can't work through extra financial support. Improving these factors would square the circle – allowing SPa to rise to manage public spending while helping people to be financially secure. It would also go some way to preventing the structural growth of a group of people in their mid-60s living in poverty.

While the Government clearly has to manage public spending, it should also consider the value in improving people's security, health and wellbeing in the years before SPa. If introduced at the same time as an SPa rise there wouldn't be a clear need for 'additional' funds but instead that support would be paid for from the savings generated by that rise.

i) How might changes to SPa impact people differently? Which groups of people, regions or nations may be most impacted by changes to the State Pension age, and why?

The key impact of changes to the SPa for the Government to consider and mitigate is that affecting people who are unable to work having to wait longer until they can access

the State Pension (and pensioner benefits). We have outlined the groups for whom this is particularly applicable –

- People with long-term health conditions and/or disabilities that keep them out of work.
- People who provide intensive unpaid care for relatives, including ‘sandwich’ carers supporting children and elderly parents.
- People who are long-term unemployed, especially those who have been out of work for years, do not have the skills to get into appropriate work or who have done manual/ physically demanding work for decades.

These groups often overlap. For example, people who provide intensive unpaid care often develop health and care needs themselves. Carers UK highlight that ‘nearly half (49%) of unpaid carers reported at least one adverse health effect from providing unpaid care.’⁴³ People who have done manual or physically demanding work for decades may have developed health problems. As the TUC point out, these jobs exist across a range of industries –

*People in low paid and manually intensive jobs are also at far greater risk of being forced out of the labour market early. Those working with heavy machinery and in ‘elementary occupations’ like cleaning or security are particularly vulnerable, closely followed by people in caring and other service occupations and retail and customer service.*⁴⁴

Ethnicity and class are also important. We note the TUC finding that ‘Black and ethnic minority (BME) and working-class workers are significantly more likely to be forced out of work before they can access their state pension.’⁴⁵ Expanding on the ethnicity point, they highlight –

While BME workers are less likely to retire early than their white counterparts, those that do leave the labour market early are significantly more likely to do so because of poor health, and more than twice as likely to do so because of caring responsibilities. Just 17 percent of BME people who are economically inactive aged 50-65 have retired, compared to 40 percent of economically inactive white people, reflecting a wide ethnicity gap in average pension wealth.

Appendix

Table 2. Selected inequalities in life expectancy

Variable	Measure	Groups	Gap (years)
Sex	Period life expectancy at birth, UK, 2021-23 ⁴⁶	Women = 82.8, Men = 78.8	4
	Period life expectancy at age 65, UK, 2021-23 ⁴⁷	Women = 21.0, Men = 18.5	2.5
Area level deprivation	Female period life expectancy at birth, England, 2020-22 ⁴⁸	Most deprived decile = 77.7 Least deprived decile = 86.1	8.4
	Male period life expectancy at birth, England, 2020-22 ⁴⁹	Most deprived decile = 72.6 Least deprived decile = 83.0	10.4
Region	Period life expectancy at birth, female, GB region, 2021-23 ⁵⁰	NE = 81.4, NW = 81.6, Yorks. & Humber = 82.1, E. Midlands = 82.6, W. Midlands = 82.5, East of England = 83.6, London = 84.1, SE = 84.1, SW = 84.0	2.7
	Period life expectancy at birth, male, GB region, 2021-23 ⁵¹	NE = 77.4, NW = 77.5, Yorks. & Humber = 78.1, E. Midlands = 78.7, W. Midlands = 78.4, East of England = 80.0, London = 79.8, SE = 80.3, SW = 80.1	2.9
	Period life expectancy at age 65, female, GB region, 2021-23 ⁵²	NE = 20.2, NW = 20.3, Yorks. & Humber = 20.6, E. Midlands = 20.8, W. Midlands = 20.9, East of England = 21.5, London = 21.8, SE = 21.8, SW = 21.8	1.6
	Period life expectancy at age 65, male, GB region, 2021-23 ⁵³	NE = 17.9, NW = 17.9, Yorks. & Humber = 18.3, E. Midlands = 18.5, W. Midlands = 18.4, East of England = 19.1, London = 18.9, SE = 19.3, SW = 19.3	1.4
Local area ⁱ	Period life expectancy at birth, gap across local areas within nation, GB, 2021-23 ⁵⁴	England: Men = 6.2 England: Women = 5.6 Scotland: Men = 6.3 Scotland: Women = 5.5 Wales: Men = 4.4 Wales: Women = 4.2	
Socio-economic	Period life expectancy at birth, male, occupation, England & Wales, 2012-16 ⁵⁵	• 'Higher managerial and professional' (NS-SEC Class 1)ⁱⁱ = 83.6 • 'Routine' (NS-SEC Class 7) = 78.1 • 'Unclassified' (not classified to a socioeconomic class) – 74.5	9.1
	Period life expectancy at birth, female, occupation, England & Wales, 2012-16 ⁵⁶	• 'Higher managerial and professional' (NS-SEC Class 1) = 85.5 • 'Routine' (NS-SEC Class 7) = 81.5 • 'Unclassified' (not classified to a socioeconomic class) = 79.8	5.7

ⁱ Local areas include lower tier local authorities (LTLAs) in England, unitary authorities in Wales and council areas in Scotland. The gap in life expectancy across local areas refers to the difference between the values located at the 2.5th and 97.5th percentiles, to exclude extreme outliers.

ⁱⁱ See ONS explanation of the National Statistics Socio-economic Classification (NS-SEC) classifications: [Trend in life expectancy by National Statistics Socioeconomic Classification, England and Wales - Office for National Statistics](#)

- ¹ [waiting-for-an-age-report-january-2023.pdf](#)
- ² [Ethnic inequalities in mortality rates and life expectancy in England and Wales: Why we should treat experimental statistics with caution - NHS – Race and Health Observatory](#), [Ethnic inequalities in later life - Nuffield Foundation](#)
- ³ [Health state life expectancies by national deprivation deciles, England - Office for National Statistics](#)
- ⁴ House of Commons Library (2025). Inequalities in Life Expectancy. [CBP-10324.pdf](#)
- ⁵ [Health trends and variation in England, 2025](#), fig. 1.8.
- ⁶ [the-marmot-review-10-years-on-executive-summary.pdf](#)
- ⁷ House of Commons Library (2025). Inequalities in Life Expectancy. [CBP-10324.pdf](#), chart uses data from [Healthy life expectancy in England and Wales - Office for National Statistics](#)
- ⁸ [Health state life expectancies in England, Northern Ireland and Wales - Office for National Statistics](#)
- ⁹ [Mission-Public-Services.pdf](#)
- ¹⁰ [Age UK analysis of ONS \(2024\). National Life Tables: England, 1980-1982 to 2021-2023.](#)
- ¹¹ [Age UK analysis of ONS \(2024\). National Life Tables: England, 1980-1982 to 2021-2023.](#)
- ¹² [Economic labour market status of individuals aged 50 and over, trends over time: September 2025 - GOV.UK](#)
- ¹³ [waiting-for-an-age-report-january-2023.pdf](#)
- ¹⁴ Age UK analysis of Stat-Xplore, Sept 2025, data as of July 2025.
- ¹⁵ [Economic labour market status of individuals aged 50 and over, trends over time: September 2025 - GOV.UK](#)
- ¹⁶ [Supporting-Disabled-Older-Workers-summary-report.pdf](#)
- ¹⁷ [Economic labour market status of individuals aged 50 and over, trends over time: September 2025 - GOV.UK](#), table 11.
- ¹⁸ Age UK analysis of Stat-Xplore, June 2025.
- ¹⁹ [Latest increase in state pension age from 65 to 66 led to income poverty rates among 65-year-olds more than doubling | Institute for Fiscal Studies](#)
- ²⁰ [R211-How-did-increasing-the-state-pension-age-affect-household-incomes.pdf](#)
- ²¹ [R211-How-did-increasing-the-state-pension-age-affect-household-incomes.pdf](#)
- ²² [Work | The State of Ageing 2025 | Centre for Ageing Better](#)
- ²³ [Supporting-Disabled-Older-Workers-summary-report.pdf](#)
- ²⁴ [Could reducing the "age employment gap" achieve the government's 80% employment aim?](#)
- ²⁵ [Online Version: Supporting the 50+ workforce back into employment | Centre for Ageing Better](#)
- ²⁶ [Key facts and figures | Carers UK](#)
- ²⁷ [Key facts and figures | Carers UK](#)
- ²⁸ [State of Caring 2024](#)
- ²⁹ [The hidden financial penalty of caring | Phoenix Group](#)
- ³⁰ [state-of-health-care-of-older-people-in-england-2025.pdf](#)
- ³¹ [facts-about-carers-june-2025final.pdf](#)
- ³² PSSRU (2018) Projections of Demand and Expenditure on Adult Social Care 2015 to 2040. [5421.pdf](#)
- ³³ [20250716-the-uk-pensions-framework-final.pdf](#)
- ³⁴ [Finishing the job: Launching the Pensions Commission - GOV.UK](#)
- ³⁵ Standard Life (2024). The other millennium bug: Gen X apprehensive after slipping between DB and DC cracks
- ³⁶ Polling conducted by Opinion, January 2025, 1,503 respondents.
- ³⁷ Age UK (2016), [Response to the Independent Review of the State Pension age](#)
- ³⁸ Pensions Policy Institute (2016), <https://www.pensionspolicyinstitute.org.uk/research-library/research-reports/2016/2016-07-20-briefing-note-83-how-could-the-effect-of-rises-in-spa-be-mitigated-for-the-most-vulnerable/>
- ³⁹ [Targeted support could help mitigate consequences of state pension age increases for many on low incomes | Institute for Fiscal Studies](#)
- ⁴⁰ [Independent Review of the State Pension Age, Smoothing the Transition, Final Report](#)
- ⁴¹ [People's living arrangements in England and Wales - Office for National Statistics](#)
- ⁴² [Pre-retirement-poverty-long-version-COMplete-1.pdf](#)
- ⁴³ [facts-about-carers-june-2025final.pdf](#)
- ⁴⁴ [Older workers after the pandemic: creating an inclusive labour market | TUC](#)
- ⁴⁵ [Older workers after the pandemic: creating an inclusive labour market | TUC](#)
- ⁴⁶ [National life tables – life expectancy in the UK - Office for National Statistics](#)
- ⁴⁷ [National life tables – life expectancy in the UK - Office for National Statistics](#)
- ⁴⁸ [Health trends and variation in England, 2025](#)
- ⁴⁹ [Health trends and variation in England, 2025](#)
- ⁵⁰ [Life expectancy for local areas of Great Britain - Office for National Statistics](#)
- ⁵¹ [Life expectancy for local areas of Great Britain - Office for National Statistics](#)
- ⁵² [Life expectancy for local areas of Great Britain - Office for National Statistics](#)
- ⁵³ [Life expectancy for local areas of Great Britain - Office for National Statistics](#)
- ⁵⁴ [Life expectancy for local areas of Great Britain - Office for National Statistics](#)
- ⁵⁵ [Trend in life expectancy by National Statistics Socioeconomic Classification, England and Wales - Office for National Statistics](#)
- ⁵⁶ [Trend in life expectancy by National Statistics Socioeconomic Classification, England and Wales - Office for National Statistics](#)