

Thousands of pensioners missing out on state pension

[Amy Austin](#) May 12 2021



About 250,000 people aged 70 or above who are entitled to some level of state pension are missing out as they are not aware of the rules and claims procedures, LCP has warned.

According to latest population estimates there are 8.78m people in Great Britain aged seventy or over, but only 8.53m of these receive a state pension – a difference of a quarter of a million people.

Steve Webb, partner at LCP, said these figures were “shocking” adding that

as there is a special state pension payable to those over 80, which does not depend on National Insurance Contributions, it was hard to understand why 100,000 people over the age of 80 were still on zero pensions.

He said: "The government needs to do much more to identify those who are on zero state pensions and to make sure that they draw the pension to which they are entitled."

A DWP spokesperson said: "We want everyone to claim the benefits to which they may be entitled and we urge anyone of State Pension age – or their family and friends – to check if they are missing out on financial support.

"Anyone that thinks they may be eligible to receive a State Pension can find out how to apply via Gov.uk."

LCP's report, published today (May 12), claims there are several legitimate reasons why not everyone aged 70 or above would be expected to be getting a state pension.

This includes long-term deferral, National Insurance gaps or other benefits cancelling out or reducing their pension entitlement.

But LCP said this only explained a fraction of the missing pensioners.

It said there was no evidence that the number of 'missing' pensioners declined with age, suggesting that people deferring into their early 70s but claiming in their late 70s were not having much effect on the figures.

Plus even those with a very poor NI record can still access a state pension two ways – either through the married women pensions route, where they can claim 60 per cent basic pension based on their husband's contributions, or the over 80s category D entitlement – where the amount received does not depend on a NI record.

The rate of the Category D pension is currently £82.45 per week or £4,000 per year.

To qualify, people need to be 80 or over; been resident in England, Scotland or Wales for at least ten out of the last 20 years; and been an 'ordinary resident' of the UK, Channel Islands, Isle of Man or Gibraltar.

LCP found there were about 107,000 people (65,000 women and 42,000 men) in Great Britain who were aged 80 or over but had zero state pension.

LCP believes that a large proportion of this group could make a successful claim for a Category D state pension if they were made aware of it.

If 100,000 people aged 80 or over claimed their £82.45 per week, this would cost over £400m per year in extra state pension payments.

LCP said reasons why this age group may not be claiming included lack of awareness, language barriers, practical barriers - such as needing to obtain a national insurance number; and mental capacity.

Therefore it has recommended that local authorities and health services run a campaign to raise awareness.

It has also called on the government to remove the need for a claim at age 80, and instead pay Category D pensions automatically.

It stated: "For older people with cognitive impairments in particular, removing the need to complete a claims process could remove an important barrier to people getting what they are entitled to."

amy.austin@ft.com

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