

State pension is set to top £10k for first time ever next year

Pensioners are now in line to get a rise of £962 next year due to rising inflation - but a sea of rising costs mean they may not be much better off in real terms

Pensioners look set to get a state pensions of over £10k for the first time ever (Image: PA)

The state pension is on track to top £10,000 a year for the first time ever in April although some MPs have warned that pensioners will not be much better off due to the spiralling [cost of living crisis](#).

The maximum state pensions anyone can get under the 'new' system is £185.15 a week - or £9,627.80 a year - but this will be boosted next year and it's all due to rocketing inflation according to [The Mirror](#). This financial year, which started in April, all benefits went up by 3.1% in line with a decision to increase the state pension by that amount.

Pension rises are normally based on a triple lock that sees them go up by whichever is the highest: inflation, average wage increases or 2.5%. But wages jumped at the end of furlough, in what was described by Work and Pensions minister Therese Coffey as 'an anomaly', so the Department of Work and Pensions (DWP) announced last September it would set the wages element aside, and instead use the inflation figure of 3.1% at that time. Had the average wage increase been used, pensions would have jumped by eight per cent in April.

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Therese Coffey has pledged that the triple lock will be reinstated next year -

and if 10% per cent rise is applied, pensions will go up to £203.66 a week or £10,590.32 a year. All other benefits would then get the same percentage increase.

However, the high level of inflation means state pensioners will perhaps only be 8p a week better off in real terms. Labour analysis of Bank of England figures shows that annual pensions worth £6,930 13 years ago will only see a real terms increase to £6,934 by next March.

Shadow Work and Pensions Secretary Jonathan Ashworth said: “Having promised at the General Election to help pensioners with the cost of living, the Conservatives then broke the triple lock. That means the state pension has been slashed in real-terms and pensioners face hardship. They deserve so much better.”

The DWP's largest payout is the State Pension, with 12.5 million recipients, followed by Universal Credit, which has 5.6 million claimants according to the latest figures. Around 40% of those on Universal Credit are working and claim the benefit to top up low wages.

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