

Uprating frozen UK state pensions estimated to cost £4.6bn

By [Alina Khan](#), 25 Jul 23

Around 480,000 recipients of the state pension living overseas do not get increases

The cost of uprating the state pension in frozen rate countries could be £860m in 2023/24, Department for Work and Pensions (DWP) statistics have revealed.

UK state pensions for overseas residents are increased in-line with the annual index-linked increases where there is a legal requirement to do so.

As of March 2022, there were approximately 480,000 recipients of the UK state pension living overseas who do not get pension increases with 84% residing in Australia, Canada and New Zealand.

However, figures from the Department for Work and Pensions showed that uprating the state pension in frozen rate countries could cost £4.59bn (\$5.89bn, €5.33bn) between 2023/24 and 2027/28.

Estimated cost of uprating state pension

Year	Estimate cost
2023/24	£860m
2024/25	£940m
2025/26	£930m
2026/27	£930m
2027/28	£930m
Total (2023/24- 2027/28)	£4.59bn

Source: DWP

The estimates are based on the latest available data from the 5% extract of DQP's State Pension administrative data, the Quarterly Statistical Enquiry (QSE).