

# Time to end the 'frozen pensions scandal' affecting 480,000 retired Britons abroad

EXCLUSIVE: Campaigners are calling for an end to an 'injustice' where Britons who have retired abroad receive lower pensions.

By [Martyn Brown](#) 13:46, Fri, Nov 17, 2023 | UPDATED: 13:47, Fri, Nov 17, 2023

Calls are mounting on the government to end the “frozen pensions scandal” for half a million Britons who moved abroad after retirement.

The decades-long policy means they get around half the amount of pensioners living in the UK despite having worked here and paid National Insurance.

It comes as a new report highlights that 60,000 veterans are missing out on thousands of pounds each year because of the government’s reluctance to change the rules.

The “forgotten heroes” are among those who have left the UK to join families who had settled in other Commonwealth countries like Australia, Canada, New Zealand and South Africa.

Official figures show that there are around 480,000 [state pension](#) recipients living in countries where payments do not grow in line with rising costs and wages.

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Those relying on these frozen pensions are not covered by the "[triple lock](#)", which ensures retirees in the UK are shielded from inflationary pressures.

In the UK state pensions rise every April by the highest of wages, the rate of inflation or 2.5 per cent.

Under the terms of Britain's departure from the EU, arrangements to adjust pension payments were extended to Britons living on the Continent.

Additional agreements have since been signed with non-EU member states, such as Iceland, to index [state pension](#) payments to retirees living there.

However, despite a long campaign from British expats in a number of Commonwealth countries no such agreement has been made to increase their payments.

As part of continuing trade talks between Canada and the UK, the Ottawa government has floated the possibility of putting an agreement in place to cover British pensioners living in the country.

The policy means that a pensioner retiring in the UK now receives a basic [state pension](#) of £156.20 per week, a pensioner who retired or emigrated to Canada as a pensioner in 2001 has their pension frozen at £72.50.

The government says it increases the value of pensions in other countries where it is legally required to do so.

The report - National Service: A forgotten period of British history - by the Canadian Alliance of British Pensions highlights how the Government's "frozen pensions policy" is impacting those who served in the Armed Forces.

Peter Sanguinetti, who served as a Lance Corporal in the Royal Hampshire regiment for two years, estimates he has missed out on £23,000.

He had built up a [state pension](#) through his work in the rope-making industry

as well as through his years as a National Serviceman.

Mr Sanguinetti ended up having to drive school buses in his 80s, before [Covid](#) meant he could not carry on.

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He said: "I paid my full national insurance contributions for 24 years expecting to receive the appropriate [state pension](#), never thinking that because I would one day live in Canada the British government would steal from me what is rightfully mine."

Terry Doyle was a Gunner with the Royal Artillery from 1959 to 1961. He worked in the UK for more than 40 years before moving to Canada.

He said: "I feel cheated, conned and disgusted at the continued cynical, hypocritical and unprincipled attitude of successive UK governments in denying me what I paid for during 40 plus years."

Senior Conservative MP Sir Peter Bottomley, a vice chair of the All Party Parliamentary Group on Frozen Pensions, said: "It's a scandal that has been running for decades too long. This needs changing and it needs changing fast. The government's head is in the sand, these pensioners can't put their hands in their pockets and meet living costs."

Dennis Reed, director of the SilverVoices campaign group, said: "This policy can have a devastating impact on the lives of those affected and, for some, the income lost can mean a retirement of poverty.

"It has been a running sore for many years and the government must deal

with this injustice now. It should be in every political party's election manifesto."

Lord Foulkes, also a vice chair of the APPG on Frozen Pensions, said the Government has repeatedly rejected overtures from Canada to strike a reciprocal agreement.

"It is the Treasury who are the ones who veto it," he said. "It sours the usual friendly relations between the UK and Canada."

A Government spokesperson said: "Our priority is ensuring every pensioner receives the financial support to which they are entitled.

"We understand that people move abroad for many reasons and we provide clear information about how this can impact on their finances.

"The Government's policy on the uprating of the UK [State Pension](#) for recipients living overseas is a longstanding one of more than 70 years and we continue to uprate state pensions overseas where there is a legal requirement to do so."