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Now is not the time to scrap the 'triple lock' for UK pensioners

Could poverty amongst pensioners be on the rise?



by [Stephen Lambert](#) — 20-09-2023 17:30 in [Community](#), [News](#), [Politics](#) Reading Time: 5 mins read

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For many people, it feels like the nation's pensioners have never had it so good. Old age pensions and benefits like Pension Credit have been protected through the government's 'triple lock'. Now it's been widely reported that central government may abolish this in the near future on the grounds of affordability.

'Woopies' (well-off older persons)

Pensioners' incomes have risen. A new 'grey economy' has emerged in the last two decades to meet the needs and aspirations of better-off pensioners – often referred to as 'Woopies'.

Although a significant minority of older people aged over 65 are better off today, many more have little or no occupational pension and depend on state benefits to which they're entitled – though the value of state pension is expected to rise by 8% next year.

According to the social scientist Martin Slattery in his book, *The Sociology of Ageing*, pensioner poverty has been re-discovered. It's on the increase again.

Now is not the time to scrap the 'triple lock'.



The history

Previous studies have revealed that older people are at a higher risk of relative poverty than average. At the turn of the twentieth century, Rowntree in his famous survey in York, found a high risk of poverty in old age.

Although the post-war social security system abolished the abject grinding poverty of the inter-war years – research by Chris Philipson in the 1970s revealed that millions of older people across the UK weren't sharing in the fruits of national prosperity. They were trapped in relative deprivation.

From 1979 to 1998, income inequality in old age widened. The income of the top 40% of pensioners increased by two-thirds, whereas for the bottom fifth real growth rose by only 10%. By 1994 one-third of pensioners were paying income tax and were comfortably off, one-third were at or below the official poverty line and the rest were somewhere in-between.

For Slattery, inequality in retirement is both class and gender-based reflecting often inequalities experienced in working life. Blue-collar manual workers are less likely to be covered by good, work based final salary-pension schemes. Working class women often had to rely on their husband's record of national insurance stamps rather than fully qualifying in their own right.

Years spent in bringing up children, unemployment, or in low paid work, or in firms not providing work pensions, have all tended to reduce the amount of income available to women when they stop paid work. For these pensioners, particularly the over-75s, poverty is both deep and corrosive.

By 1997 New Labour pledged to eradicate pensioner poverty. The Minimum Income Guarantee, later re-branded Pension Credit, was brought in to provide a decent income in old age.

In the next decade, pensioner poverty was halved. According to the think-tank, the Joseph Rowntree Foundation, pensioner poverty is on the increase again.

To the modern day

Poverty in retirement began worsening in 2012-13.

By 2017, 16% of older people aged over 65 were living in poverty. For those in social housing, the figure was 31% and for those caught in the private rented sector it was a staggering 36%.

In 2022 1.9m pensioners were trapped in poverty and this figure could rise again if the Government stop the 'triple lock' in 2026.

The over-75s, mostly single or widowed women, are 50% more likely to be in poverty than the 66-74 age group. In fact, one in four of the over-75s is eligible for Pension Credit (£202 for a single pensioner) because their income is so small.

As Ros Altmann, a Conservative Peer and pensions expert, points out the British Basic State Pension is one of the lowest in Europe and pensioners' contribution to the economy, in unpaid jobs such as grandparenting or community care for loved ones is massive. Millions of our pensioners make up the Welfare State's 'forgotten army'.

Yet research by the charity Age UK reveals that many older people aren't claiming the money they are entitled to. 880,000 eligible older persons in Britain are not getting Pension Credit. Four in 10 of the region's pensioners are not claiming it.

The value of unclaimed age-related benefits like Attendance Allowance, council tax help, and housing benefit amounted to £35bn in 2023 – an increase of £400mn from 2017. Voluntary bodies like the Search Project in Newcastle and Citizens Advice are playing a key role in encouraging 'take-up' of pension credit amongst older people. Yet more needs to be done by central government to tackle the increased poverty in old age.