

# Flexible Payments from Pensions

## July 2019 Official Statistics



HM Revenue  
& Customs

**£2.75bn**  
IN FLEXIBLE  
PAYMENTS **↑**  
**21%**

This quarter (Q2 2019), £2.75 billion was withdrawn from pensions flexibly, a 21% increase from £2.27 billion in Q2 2018. In total, over £28 billion has been flexibly withdrawn from pensions since flexibility changes in 2015.

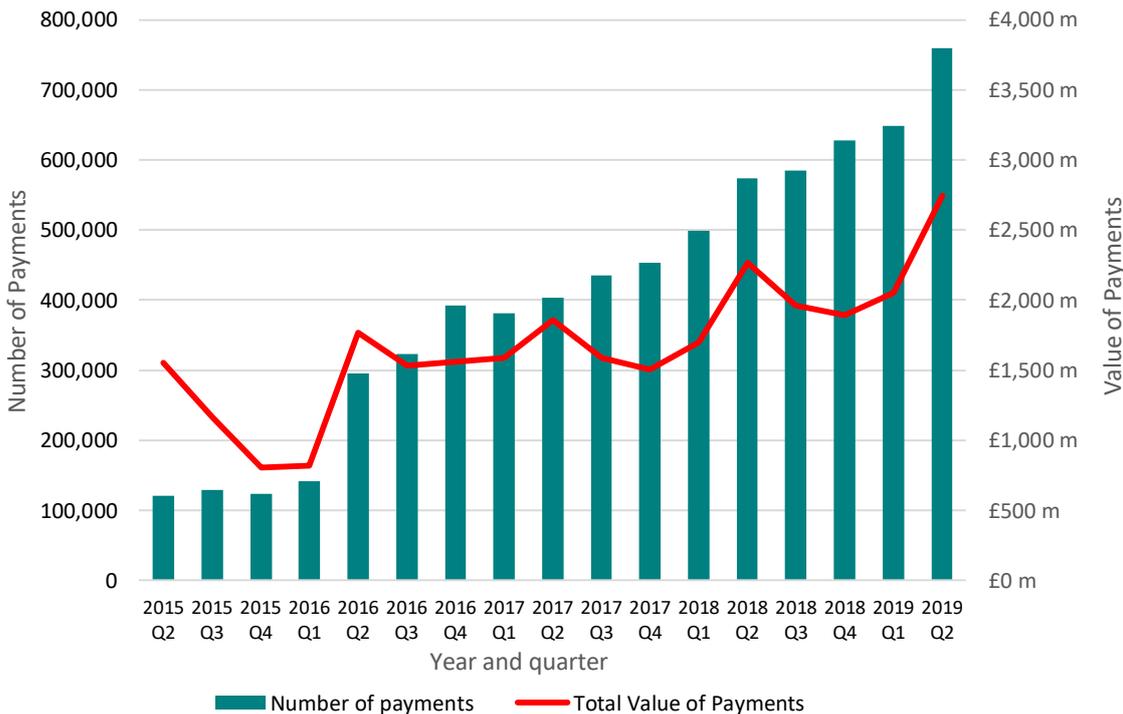
A record 336,000 individuals withdrew from pensions this quarter, a 27% increase from 264,000 in the same quarter last year. Total withdrawals in Q2 are typically larger than in other quarters, as some taxpayers plan their withdrawals around the start of the new tax year. Previously this has been driven by larger value withdrawals in Q2, but this year this is driven by increased numbers of individuals withdrawing.

**336,000**  
INDIVIDUALS **↑**  
**27%**

The average amount withdrawn per individual in Q2 2019 was £8,200, down from £8,600 in Q2 2018. Since reporting became mandatory in 2016 Q2, average withdrawals have been falling steadily and consistently, with peaks in the second quarter of each year.

**£8,200**  
AVERAGE  
WITHDRAWAL **↓**  
**5%**

Number of flexible payments from pensions and value of flexible payments from pensions



## Background to Pensions Flexibility

Pension freedom tax rules allow members of defined contribution pension schemes to access their pension savings early, provided they have reached the normal minimum pension age (currently 55).

Scheme members can take their pension benefits in a number of ways. This could be as one or more payments a year for a number of years, several payments a year over a shorter timeframe or the full value of the fund could be taken in one payment.

HMRC only receives information on taxable flexible payments. Tax free payments or any elements of payments that are not taxed are not included in these statistics.

The numbers published for 2015-16 are not comprehensive, as to manage the burden on industry, reporting was optional for 2015-16, but compulsory from April 2016. The increase in reported payments seen in 2016 Q2 onwards is expected to partly result from this.

### About this release

This publication includes the number of flexible payments made from pensions, the number of individuals who have received these flexible payment and the total value of all flexible payments reported to HMRC.

Further information regarding pension flexibility can be found in the below link:

[Pension Flexibility Guidance](#)

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### Feedback

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