

Independent Report on State Pension age – Call for Evidence

1. Foreword from Dr Suzy Morrissey

- 1.1 The Pensions Act 2014 requires the government to review State Pension age periodically. For the purposes of each review, the Secretary of State must appoint an individual to prepare an independent report on specified factors which are relevant to the review.
- 1.2 I have been appointed by the Department for Work and Pensions (DWP) Secretary of State to prepare an independent report for the government to consider ahead of the third review of State Pension age. I have been asked to make recommendations on a framework that the Secretary of State can use when considering future State Pension age arrangements, in light of the long-term demographic pressures the country faces.
- 1.3 My report must include the key factors government should consider in determining State Pension age for future decades. This includes the merits of linking State Pension age to life expectancy, the role of State Pension age in managing the long-term sustainability of the State Pension, and the international experience of Automatic Adjustment Mechanisms for making decisions about State Pension age. Read the [full Terms of Reference for my report](#).
- 1.4 Most of us will expect to receive at least some State Pension once we reach State Pension age. The impact of decisions around State Pension age are far-reaching. Therefore, I want to make sure I have heard views from a broad range of organisations, experts and individuals throughout the course of my review, including those who have an interest in the wider social and economic impacts of an ageing society.
- 1.5 In Section 4, I have set out specific questions where I wish to receive evidence. Those questions are related to the key areas I have been asked to report on by the Secretary of State. I would encourage interested individuals and organisations to consider and respond to any of these questions. Further information on how to respond can be found in Section 6.

2. Policy Context

Entitlement and funding

- 2.1 The State Pension is a regular payment from the government that most individuals can claim when they reach State Pension age. The amount an individual receives depends on their National Insurance record and the number of years they have contributed.
- 2.2 For those reaching State Pension age from 6 April 2016, the new State Pension applies in place of the old State Pension. The new system means that the full amount of the benefit can be received after 35 qualifying years (with transitional arrangements in place to recognise pre-2016 National Insurance records) with individuals beginning to accrue some access provided they have 10 'qualifying years' on their National Insurance record.
- 2.3 The State Pension may form only one part of an individual's retirement income as they may also have money from additional sources such as a private pension and / or earnings. Individuals do not have to claim the new State Pension as soon they reach State Pension age and there is a choice to delay (or defer) claiming it. Deferring claiming the State Pension means an individual may get an increase in the amount of their State Pension when they do claim it.
- 2.4 The financing of the State Pension has largely remained the same since the modern National Insurance scheme was established by the *National Insurance Act 1946*. Workers and their employers pay National Insurance contributions into the National Insurance Fund which then pays out the State Pension (alongside other sickness and unemployment benefits) - this is unfunded and is often referred to as a "Pay As You Go" system. This means that State Pension payments paid to current pensioners are financed from National Insurance contributions paid by current workers.

State Pension age timetable

- 2.5 From 1948 until 2010, State Pension age was 60 for women and 65 for men. The Pensions Act 1995 introduced the equalisation of State Pension age for men and women, increasing State Pension age for women from 60 to 65 between 2010 and 2020.
- 2.6 In 2005 the Pensions Commission recommended increasing State Pension age in line with increasing life expectancy projections, setting out a principle for "each generation to enjoy the same proportion of life contributing to and receiving state pensions." The Pensions Act 2007 subsequently made provisions to increase State Pension age from 65 to 68 in stages between 2024 and 2046.

- 2.7 The Pensions Act 2011 brought forward both the timetable for equalising State Pension age at 65 to November 2018, and the increase in State Pension age to 66 to between 2018 and 2020. The Pensions Act 2014 brought forward the increase to 67 to between 2026 and 2028.
- 2.8 The current legislated timetable is for State Pension age to rise to 67 between 2026 and 2028 and 68 between 2044 and 2046.

How State Pension age is set

- 2.9 In the UK, the Pensions Act 2014 legislated for a periodic State Pension age Review to assess ‘whether the rules about pensionable age are appropriate, having regard to life expectancy and other factors that the Secretary of State considers relevant’. It must be informed by findings from two independent reports – one from the Government Actuary, and one from an independent person appointed by the Secretary of State to consider specified factors relevant to the Review.
- 2.10 In other countries, changes to State Pension age may come about through different decision-making processes, including Automatic Adjustment Mechanisms (AAMs). AAMs are predefined rules that automatically change set parameters, based on demographic, economic or financial indicators. For example, AAMs have been used to link State Pension age to life expectancy in various ways in other countries (e.g. Estonia, Finland, Greece, Italy, the Netherlands, Denmark, Portugal, Slovakia).¹
- 2.11 AAMs can differ in various ways including the frequency of revisions to State Pension age, or the rate at which life expectancy increases translate to State Pension age increases. The UK does not currently rely on AAMs to set State Pension age.

¹ [Understanding decision making around changing the State Pension age: A review of international evidence - GOV.UK](#)

3. Analytical Context

Life Expectancy

3.1 The Office for National Statistics (ONS) produce various statistics on life expectancy in the UK. There are two key measures of life expectancy used by the ONS²:

- **Cohort-based life expectancy:** the average number of additional years a person would live considering assumed future changes in mortality for their cohort over the remainder of their life. This measure is regarded by the ONS as the more appropriate measure of how long a person of a given age would be expected to live on average.
- **Period life expectancy:** the average number of additional years a person would live if he or she experienced the age-specific mortality rates of the given area and time period for the rest of their life.

3.2 The ONS also publish data on 'healthy' life expectancy:

- **Healthy life expectancy:** a measure of the average number of years a person would expect to live in good health based on contemporary mortality rates and prevalence of self-reported good health.

3.3 Life expectancy at age 66 is increasing. The latest UK 2022-based cohort life expectancy projections show³:

- Male life expectancy at age 66 is projected to be 19.2 years in 2025, up 5.9 years from 1981. By 2050 this is projected to increase a further 1.9 years to 21.1 years.
- Female life expectancy at age 66 is projected to be 21.8 years in 2025, up 4.6 years from 1981. By 2050 this is projected to increase a further 1.9 years to 23.7 years.

3.4 However, these improvements are lower than forecasted in previous data releases.⁴ Figure 1 shows the trend in UK male cohort life expectancy at age 66 and Figure 2 shows the trend in UK female cohort life expectancy at age 66, both using the 2014-based and 2022-based projections. These charts show:

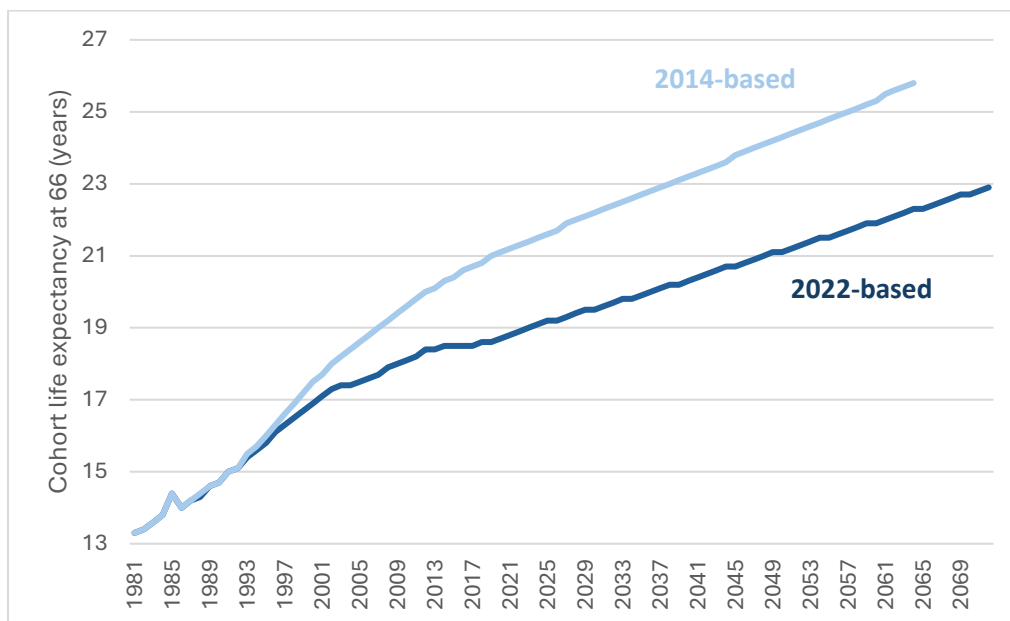
- Using the 2014-based cohort life expectancy projections, a male aged 66 in 2050 was projected to live on average another 24.3 years, compared to 21.1 years in the 2022-based projections.
- For females, the projected cohort life expectancy of a 66-year-old in 2050 was 26.3 years using the 2014-based projections, and 23.7 years in the recent 2022-based projections.

² [Period and cohort life expectancy explained - Office for National Statistics](#)

³ [Expectation of life, principal projection, UK - Office for National Statistics](#)

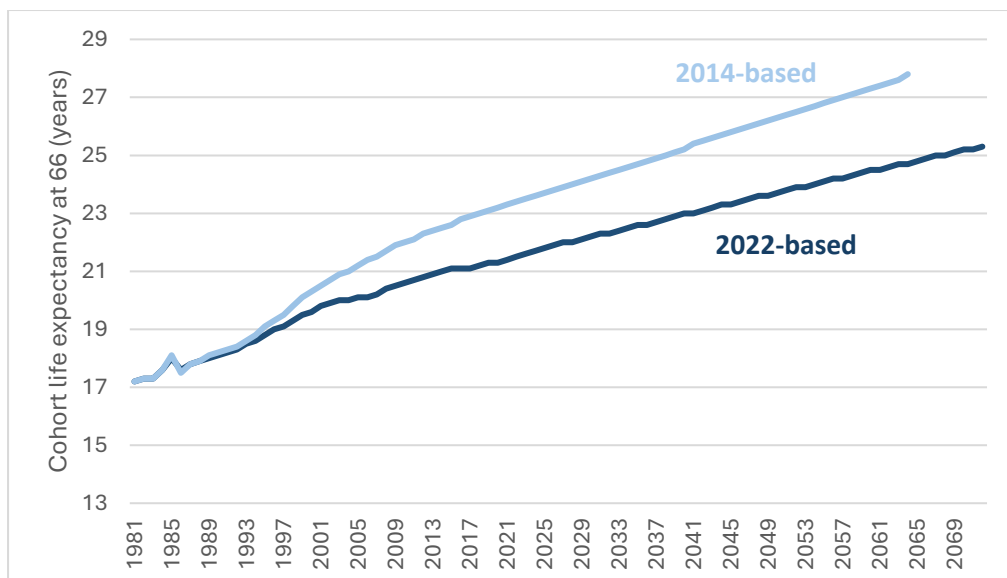
⁴ [Expectation of life, principal projection, UK - Office for National Statistics](#)

Figure 1: Male cohort life expectancy at age 66, UK (2014-based projections, 2022-based projections)



[Data for male cohort life expectancy at age 66](#)

Figure 2: Female cohort life expectancy at age 66, UK (2014-based projections, 2022-based projections)



[Data for female cohort life expectancy at age 66](#)

- 3.5 The measures in 3.2 and 3.3 are averages, and there is substantial variation by geography, deprivation and other factors. For example:
- Using the period-based life expectancy measure, the largest life expectancies at ages 65-69 in 2021-23 were found in the South-East of England, South-West of England, London and the East of England. Period-based life expectancy at ages 65-69 was lowest in Scotland and the North-East of England and North-West of England for both sexes.⁵
 - Using the 2022-based cohort life expectancy data⁶, males aged 66 in England are projected to live a further 19.3 years in 2025. This is longer than Northern Ireland (19.2), Wales (18.9) and Scotland (18.5).
 - Females aged 66 in England are projected to live a further 22.0 years. This is longer than Northern Ireland (21.6), Wales (21.3) and Scotland (20.7).
- 3.6 The trends in life expectancy at birth are broadly similar to those described above for life expectancy at age 66, using the 2022-based projections⁷:
- New-born boys in 2025 are projected to live for 87.1 years – up by 6.1 years from 1981. By 2050 this is projected to increase a further 2.5 years to 89.6 years. This is lower than the 2014-based projected life expectancy of a new-born boy in 2050 of 95.5.
 - New-born girls in 2025 are projected to live for 90.3 years – up 4.9 years from 1981. By 2050 this is projected to increase a further 2.2 years to 92.5 years. This is lower than the 2014-based projected life expectancy of a new-born girl in 2050 of 98.0.

Healthy life expectancy

- 3.7 The ONS and the National Records of Scotland publish data on healthy life expectancy in England and Wales, and Scotland, respectively.^{8 9} Healthy life expectancy shows considerable geographical variation. In 2021 to 2023, males in England could expect to spend 61.5 years of their lives in good health, compared with 60.3 years in Wales, and 59.6 years in Scotland; for females it was 61.9 years in England and 59.6 years in Wales, and 60 years in Scotland.

⁵ [Life expectancy for local areas of Great Britain - Office for National Statistics](#)

⁶ [Data related to Past and projected period and cohort life tables - Office for National Statistics](#)

⁷ [Expectation of life, principal projection, UK - Office for National Statistics](#)

⁸ [Healthy life expectancy in England and Wales - Office for National Statistics](#)

⁹ [Healthy Life Expectancy, 2021-2023 - National Records of Scotland \(NRS\)](#)

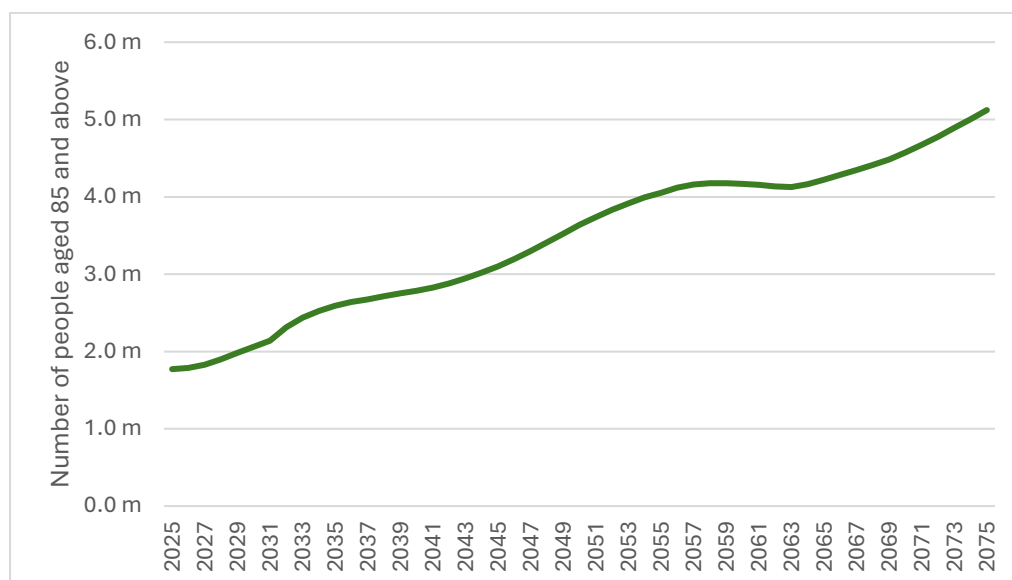
- 3.8 In 2021 to 2023, males aged 65 years in England could expect to spend 10.1 years in good health, compared with 9.8 years in Wales, and 9.6 years in Scotland; for females, it was 11.2 years in England and 10.4 years in Wales, and 10.7 years for Scotland.
- 3.9 Since the pre-coronavirus pandemic period (2017 to 2019), male healthy life expectancy (HLE) at birth in England has fallen by 1.7 years, in Wales by 1.1 years, and 1.9 years in Scotland; for females, it fell by 1.9 years in England, 2.2 years in Wales, and 2.2 years in Scotland.
- 3.10 The changes since the pre-pandemic period at age 65 are less significant. Male HLE at age 65 in England over the same period fell by 0.4 years, 0.2 years in Wales, and 0.4 years in Scotland; for females, it fell by 0.3 years in England, 0.5 years in Wales, and 0.2 years in Scotland.
- 3.11 A large difference in HLE between the highest and lowest ranked local areas in England was observed for males (17.9 years), growing by 22.0% since 2011 to 2013; for females it was 18.2 years, growing by 17.1% since 2011 to 2013. In Wales, the difference was smaller (11.0 years for males, 12.6 years for females) but these gaps increased by 13.3% and 16.5%, respectively.

Population Projections

- 3.12 The ONS recommend using the migrant variant for estimates of the future population size of the UK, which can be broken down by age.¹⁰ Using this variant, the number of people of State Pension age or over is expected to grow by 55% over the next 50 years, from 12.6 million people in 2025 to 19.5 million people in 2075.
- 3.13 People are also living longer lives. Figure 3 shows that the number of people aged 85 years and over is expected to increase by 189% over the next 50 years, rising from 1.8 million people in 2025 to 5.1 million by 2075.

¹⁰ [National population projections - Office for National Statistics](#)

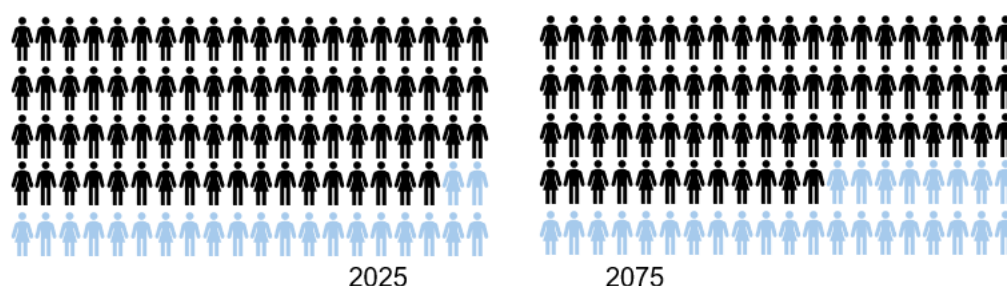
Figure 3: Projected number of people aged 85 or above, UK (2022-based projections – migrant variant)



Data for projected number of people aged 85 or above

3.14 Figure 4 shows that around 1 in 4.5 people over 16 are over State Pension age in 2025 (22% of the over-16 population). However, as a result of these demographic changes, this figure is expected to increase to around 1 in 3.5 people in 2075 (28% of the over-16 population).

Figure 4: Projected change in age group as a proportion of the over-16 population, 2025 to 2075, pension-aged population in blue



State Pension Expenditure

3.15 DWP estimates¹¹ show that forecast expenditure on the State Pension in 2025/26 is £146 billion. In nominal terms, this has increased by 63% over the past 10 years and 183% over the past 20 years. Accounting for inflation, spend on the State Pension has increased by 19% over the past 10 years and 70% over the past 20 years.

¹¹ [Benefit expenditure and caseload tables 2025 - GOV.UK](#)

- 3.16 Expenditure on the State Pension is forecast to increase. By 2029/30, DWP forecast expenditure on the State Pension to be £169 billion in nominal terms (£157 billion in 2025/26 prices). This is an increase of 16% in nominal terms in comparison to 2025/26, and an increase of 8% when accounting for inflation.
- 3.17 The Office for Budget Responsibility (OBR) also provide estimates of State Pension expenditure as a share of the economy. The proportion of GDP spend on State Pensions was broadly flat during the 1990s until 2007-08 – between 3.3 and 3.7 per cent of GDP.¹² The costs from increasing numbers of pensioners were broadly offset by slower growth in the average State Pension award than GDP per adult.
- 3.18 Since then, relatively slow growth of GDP, coupled with a continued rise in the number of pensioners and more generous uprating of pensions through the Triple Lock has further increased the costs of State Pensions as a proportion of GDP.
- 3.19 As part of their Fiscal Sustainability Report, the OBR also provide forecasts of State Pension expenditure.¹³ The OBR analysis shows that the around 5 per cent of GDP spent on state pensions in 2024-25 is, as a share of the economy, around 35 per cent higher than 50 years ago, and 15 per cent higher than in 2010-11.
- 3.20 The OBR forecast that State Pension expenditure as a per cent of GDP will reach 7.7 per cent of GDP by the early 2070s, around 50 per cent higher than today. This increase comes despite currently legislated increases to the State Pension.

Labour Force and Labour Market

Employment

- 3.21 Since the 1990s, there has been increasing participation in the labour market with marked increases amongst those closest to State Pension age.

¹² [Welfare spending: pensioner benefits - Office for Budget Responsibility](#)

¹³ [Fiscal risks and sustainability – July 2025 - Office for Budget Responsibility](#)

- 3.22 The latest available statistics¹⁴ show that in the 3 months to June 2025, the rate of employment for 16-64 year olds in the UK was 75.3% (32.6 million people). The employment rate for people aged 50 to 64 for the same period was 71.6%, increasing steadily during the 1990s from a low of 55.5% in the 3 months to September 1993¹⁵. This has been driven by increases in both full-time and part-time employment.

Unemployment¹⁶

- 3.23 The unemployment rate for those aged 50 to 64 has decreased by 0.5 percentage points from 2.9% in 2023 to 2.4% in 2024, a statistically significant change. The unemployment rate for this age group has been steadily declining over time - compared to 10 years ago, the unemployment rate has almost halved from 4.2% in 2014 to 2.4% in 2024.
- 3.24 Around 750,000 individuals aged 50 to 64 are either actively seeking work, or are inactive but are willing or would like to work.

Inactivity¹⁷

- 3.25 The inactivity rate in 2024 for those aged 50 to 64 (27.4%) remains higher than the pre-pandemic rate (25.5% in 2019). The most commonly cited reason for economic inactivity amongst those aged 50-64 was being sick, injured or disabled.
- 3.26 Of economically inactive people aged 50 to 64, women (17.6%) were twice as likely as men (8.9%) to report 'looking after home or family' as the main reason for not looking for work, a statistically significant difference. Meanwhile, the proportion of men giving the main reason as 'retired' (32.1%) was statistically significantly higher than women (27.4%).
- 3.27 State Pension age has a statistically significant impact on the employment and inactivity rates of older adults. From age 65 to 66 the employment rate decreases by more than 10.0 percentage points and the inactivity rate increases by a similar proportion.

¹⁴ [A01: Summary of labour market statistics - Office for National Statistics](#)

¹⁵ [A05 SA: Employment, unemployment and economic inactivity by age group \(seasonally adjusted\) - Office for National Statistics](#)

¹⁶ [Economic labour market status of individuals aged 50 and over, trends over time: September 2024 - GOV.UK](#)

¹⁷ [Economic labour market status of individuals aged 50 and over, trends over time: September 2024 - GOV.UK](#)

Average age of exit from the labour market

- 3.28 In 1950, the average age that women exited the labour market was 63.9 years, but had fallen to 60.3 years by 1986. Since then, the average age of exit for women has increased by 4.2 years to 64.5 years in 2024, the highest recorded level. For men, the average age of exit in 1950 was 67.2 years. It had fallen to 63 years by 1996, but has since increased by 2.7 years (to 65.7 years) in 2024.¹⁸

Female participation in the Labour Market

- 3.29 The proportion of females in employment has increased steadily over time, from 52.8% in the 3 months to March 1971 to 72.3% in the 3 months to June 2025.¹⁹ Although male participation remains higher, it has fallen from 92.1% to 78.4% in the same months.²⁰
- 3.30 Females aged 50 to 64 are considerably more likely than men of the same age to be in part-time employment.²¹

Changes in the type of employment

- 3.31 The types of industry that workers are employed in has been changing over time, with workers predominately working in the services sector. Since 1997, the share of people employed in the manufacturing sector has fallen from around 17%, to around 8% today.²²

¹⁸ [Economic labour market status of individuals aged 50 and over, trends over time: September 2024 - GOV.UK](#)

¹⁹ [Female employment rate \(aged 16 to 64, seasonally adjusted\): % - Office for National Statistics](#)

²⁰ [Male employment rate \(aged 16 to 64, seasonally adjusted\): % - Office for National Statistics](#)

²¹ [Economic labour market status of individuals aged 50 and over, trends over time: September 2024 - GOV.UK](#)

²² [EMP13: Employment by industry - Office for National Statistics](#)

4. Call for Evidence: Questions

4.1 Life Expectancy

- a. What are the advantages and disadvantages of linking State Pension age to life expectancy?
- b. How would linking State Pension age to life expectancy impact upon intergenerational fairness?

4.2 Sustainability

- c. What role, if any, should State Pension age have for managing the cost of the State Pension in the longer term?
- d. What are the advantages and disadvantages of using State Pension age to manage the cost of the State Pension in the longer term?
- e. What other factors relating to sustainability should the Government consider when determining State Pension age? What are the advantages and disadvantages of using these factors?

4.3 Automatic Adjustment Mechanisms

- f. What are the advantages and disadvantages of using Automatic Adjustment Mechanisms to make changes to State Pension age (i.e. if a certain factor changes, State Pension age is automatically increased or decreased as a result).
- g. What factors could be considered for use in an Automatic Adjustment Mechanism, and why?

4.4 Factors for setting State Pension Age

- h. What other factors do you think the government should consider when making decisions regarding State Pension age? What are the advantages and disadvantages of using these factors?
- i. Which of these factors (life expectancy, sustainability and other factors) do you think are most important for the Government to consider when making decisions regarding State Pension age, and why?
- j. How might changes to State Pension age impact people differently? Which groups of people, regions or nations may be most impacted by changes to the State Pension age, and why?

5. Freedom of information

- 5.1 The information you send us may need to be passed to officials within the Department for Work and Pensions, published in a summary of responses received and referred to in the published report. We may also share the information contained in your response, including any personal data, where required to by law, for example in relation to a request made under the Freedom of Information Act 2000.
- 5.2 By providing personal information for the purposes of the Call for Evidence, it is understood that you consent to its disclosure and publication. We will remove information which could identify individuals, such as email addresses and telephone numbers from these responses, but apart from this we may publish responses in full. You can limit or leave out personal information from your response if you would prefer to do so.

6. How to respond

Please answer as many or as few questions as you wish. When responding to a question, please:

- give specifics
- reference any sources of data and provide evidence where possible
- keep responses as concise as possible

Please send written responses to this email address:

Independent.StatePensionAgeReport@dwp.gov.uk

If you are unable to use digital communication methods, please post written responses to this address:

State Pension Age Review – Independent report
2nd Floor, Caxton House
Tothill Street
London
SW1H 9NA

7. Deadline for responses

The closing date for submitting written responses is **24 October 2025**.