

Written evidence from Later Life Ambitions [HAB0301]

Introduction

Later Life Ambitions (LLA) brings together the voices of over 250,000 older people through three organisations: the National Federation of Occupational Pensioners (The NFOP), the Civil Service Pensioners' Alliance (The CSPA), and the National Association of Retired Police Officers (NARPO). We campaign nationally, regionally, and locally on a wide range of issues to improve the lives of our members and older people more generally.

In this response LLA will highlight some of the challenges and inequalities affecting older cohabiting partners. A significant proportion of older people are cohabiting, and often older people cohabit with a new partner after a spouse has passed away. Many do not wish to remarry but do wish to live with their new partner, making cohabiting an attractive option.

Cohabiting is important for ensuring companionship for many in later life, making it an effective cure for loneliness, which we know disproportionately impacts the older population. The Office for National Statistics (ONS) found that people who were not living as part of a couple were significantly more likely to report experiencing loneliness "*often/always*", "*some of the time*" or "*occasionally*" than those who were¹.

Living with someone can also improve health outcomes, when compared to living alone. A study from the Health Foundation found that older people who are living alone are 50% more likely to visit Accident and Emergency departments, than those who live with others². This could be because those living with others are not as lonely, which we know negatively impacts physical health, or it could be that in the event of a fall, more assistance is needed of the NHS, given the lack of immediate support at home. The study also found that there is increased risk of someone becoming an inpatient in hospital if they live alone.

Cohabiting is often the cheaper alternative, and with the reality of pensioner poverty, it is unsurprising that many older people are opting out of expensive weddings or managing to live alone. The ONS found that those who live on their own are among the least financially secure household types. 64% of those who cohabit with their partner say they always or mostly have money left at the end of the month; this number reduces to only 51% of those who live alone³.

We believe there should be as few barriers as possible to ensure that older people are not disadvantaged if they decide to cohabit with their partner instead of marrying.

We also wish to highlight two specific points generated from the experiences of our members. The first is the differential treatment of cohabiting partners to married couples or

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<https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/lonelinesswhatcharacteristicsandcircumstancesareassociatedwithfeelinglonely/2018-04-10#things-you-need-to-know-about-this-release>

2 <https://www.health.org.uk/news-and-comment/news/older-people-living-alone-are-50-more-likely-to-visit-ae-than-those-who-live-with>

3

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/articles/thecostoflivingalone/2019-04-04>

those in a civil partnership regarding access to survivor's pensions and other financial entitlements, such as inheritance or savings accounts.

The second is the need for pensions for life regardless of future relationship status. Two of LLA's partner organisations, the CSPA and NARPO are campaigning to secure pensions for life for their members. Currently there are rules on certain civil service and police pension schemes which dictate that after being widowed, if someone cohabits with a new romantic partner, they lose their entitlement to their spouse's pension. This issue extends to those who choose to marry their new partner also. This often results in those in later life being unable to move in with their new partner and begin a life together because they cannot afford to do so, due the removal of the pension. We believe this is wrong and limits the freedom and human right for individuals to have a family life.

What equalities issues are raised by the lack of legal protection for those in cohabiting relationships?

One of LLA's partners NFOP, has been advocating for members who have experienced different treatment to that of his married peers in relation to his pension. Current laws mean that in order to receive a survivor's pension or inheritance, following the death of your partner, cohabittees must fill in long and intrusive forms to prove they are "*dependent*", which still do not guarantee their entitlement to their partner's belongings or finances. By contrast married couples must only provide proof of their marriage certificate in order to secure their entitlement.

By law pension schemes must assume that married couples and/or civil partners are in "*financially dependent relationships*" and therefore there is no requirement for scheme holders to provide proof. By contrast, those in long term co-habiting relationships must produce evidence to the Trustees of the pension scheme which demonstrates the existence of a mutually financially dependent relationship. Typically, such evidence could include joint mortgage or tenancy arrangements, joint insurance policies or joint bank accounts. Whilst many cohabiting couples may have this evidence, they are asked to fill in lengthy forms detailing their financial information. After this, they are still not guaranteed access to their partner's pension as the decision ultimately rests at the discretion of the Trustees. LLA are keen to raise awareness of this issue and the impact on older cohabiting partners. Whilst we understand the need for trustees to protect the integrity of the pension scheme, it does not seem fair for cohabiting partners to have discriminatory and cumbersome checks simply because they have chosen not to marry.

The lack of legal protection for those in cohabiting relationships is also impacting our member's ability to access pensions for life. The CSPA and NARPO have been campaigning on behalf of widows and widowers of civil servants and police officers to be entitled to their spouse's pension regardless of their future relationship status. Currently rules on a certain civil service and police pension schemes mean that after being widowed, if someone marries or cohabits with a new romantic partner, they lose their entitlement to their spouse's pension contributions. This means that survivors face the impossible choice between financial security and isolation or loss of income for love and companionship.

Whilst this issue is impacting many of our members who are in the later stages of their life, it has also impacted some since they were middle aged. Expecting people to live alone from their forties without their partner is unfair and unrealistic. This issue disproportionately impacts women, many of whom were widowed young. Many of these women did not work

and instead raised children to support their husbands, meaning they do not have a pension of their own to rely on. The rules suggest that an individual must be dependent on her new partner and removes her right to an income independent of her current relationship. Regardless of age, that should not be acceptable, and nobody should not be forced into deciding whether they should forfeit their independence for love. As one of our members put it, this is an unnecessary and “Victorian approach” to pension scheme management.

“After my husband died, I initially only had my widows’ pension as income. I checked with the DWP and was told that because I was 42, I was too young to qualify for any help as a widow and, because both my children were over 18 and working, I would not qualify for a widowed mothers’ pension either. They could only advise that I return to full time work (I had stopped work the year before as I wanted to go to college to do an Access to Higher Education course with a view to going to University).

I believe it is a Victorian approach to widows to insist that they lose their widows pension should they remarry or cohabit as a couple – this is basically saying that women should be dependent on their existing partner, even if their deceased partner had paid in for many years into the pension fund in the belief that it would provide security in the event of their death”.

Elaine, CSPA Member*

**All names have been changed to protect our members’ anonymity.*

The policy has impacted people’s personal lives and forced them to forfeit happiness in later life. We should all have a right to family life and being forced out of companionship in later life is likely to contribute to increased loneliness. As we emerge from the pandemic, which has isolated millions of older people, the Government must look at ways to make it easier for them to live fulfilled and happy later lives. Changing the pension scheme rules to allow older people to live with the person they love and continue to receive the pension contributions is one small act which would make a big difference.

“My husband died in 2008. I received the pension as do both of my two daughters. I met someone in 2010 and we sat down and worked our finances out to live together with our 6 children in 2012. We lasted 3 years. It was such a financial burden for us to try and live off just his wage coming in that it formed cracks. I lost all my own financial independence. I left in 2016. I had to fight to get my widows pension reinstated and it took about 4-5 months. There is no way now I will consider ever living with someone again because I simply can’t afford it. I have had to put my own career on hold to be able to look after our children alone. They are now 12 and 15. My next worry is that when they leave school, I will lose their part of the pension also any tax credits I receive but I haven’t been able to work the hours I would like to get back into the workforce. I’m on countdown to how and when I will survive financially in the future.

Tina, NARPO Member*

**All names have been changed to protect our members’ anonymity.*

Should legal changes be made to better provide for the children of cohabiting partners?

Children of cohabiting older couples are impacted by the challenges that their parents face due to their living status. Strains on finances can cause tensions within families and this can be made worse following the death of a loved one. The cumbersome and emotionally taxing process of proving your relationship with the deceased is often frustrating for both the cohabitee and their family, who might be highly reliant on the pension or inheritance that they are unable to access.

Equally, for those impacted by the removal of widow's pensions if they remarry or cohabit with a new partner, being forced to choose between happiness or money is putting our members in a difficult position with their children. If a couple decides to live together and forgo the income they would have received from the survivor's pension, many will need to use their savings to supplement their state pension in order to live, reducing, or even removing, the amount that can be used to support their children.

"The situation has had a significant impact on me and my family. We considered not getting married due to the financial hardship the removal of the pension will be. As a Church Minister, my fiancé is not entitled to a pension of his own leaving us very little to live off of when he retires. The serious implications for our finances have caused friction within my family as it will mean we need to rely on savings to live, which squeezes any savings or inheritance I was hoping to pass on to my children. This has caused a lot of heartache and after this past year, where we have faced huge challenges caused by the pandemic, this really hasn't helped."

Jill*, CSPA Member

*All names have been changed to protect our members' anonymity.

Should cohabiting partners have the same rights as those who are married or in a civil partnership?

Whilst we understand the need for pension trustees to protect the integrity of the pension scheme, we feel it is unacceptable to place a significantly greater burden of proof on cohabiting couples than married couples or those in civil partnerships. It cannot be right that after enduring a long and arduous process there is still no guarantee that those who have spent their lives with someone will have financial security, following the death of that loved one. This means people are passing away without knowing whether their partner will be financially supported, which is highly stressful, emotionally difficult, but also unnecessary. Whilst we agree that checks of some form are needed, we ask the Committee to urge the Government to examine this issue further and explore the possibility of equalising the processes for accessing income in the event of a partner passing away with that of married couples or those in civil partnerships.

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