

Funding the Future

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The [FT features a story](#) in all the papers this morning, highlighting Sunak's bung to pensioners, who are the only group left in society likely to favour the Tories:

Rishi Sunak will on Tuesday announce a £2.4bn tax cut for pensioners, in a move intended to shore up the key Conservative "grey vote" and stabilise the party's chaotic start to the general election campaign.

The UK prime minister will announce plans to unfreeze the personal allowance for pensioners, in a bid to stop millions of people who receive the basic state pension from being dragged into the tax system.

Sunak said the move would be worth £100 for 8mn pensioners next year, rising to about £300 a year by the end of the next parliament. "This bold action demonstrates we are on the side of pensioners," he added.

Three thoughts.

First, as with the ludicrous conscription idea, it seems that Sunak can find the capacity to spend when it suits him.

Second, this is not a tax cut. It is a lifting of allowances to prevent tax being paid. Given that the state pension system is not set up to deduct tax at source, in pure admin terms this makes sense.

Third, why is it only pensioners who need protection from fiscal creep?

I expect Labour to copycat this.

Both parties need to be asked who they will penalise as a consequence given their utterly unnecessary dedication to balanced books.

The lack of need to penalise anyone needs to be highlighted by interviewers.