

State Pension

WHAT IT IS AND
HOW TO CLAIM





What is State Pension?

State Pension is a regular payment from the Government that most people can claim when they reach their State Pension age. It is based on your National Insurance (NI) contributions or National Insurance (NI) credits.

As of April 2016, there are two different systems for claiming the State Pension.

If you reached your State Pension age on or before 5 April 2016, you will claim under the pre-2016 State Pension rules. This will apply to you if you are a man born on or before 5 April 1951 or a woman born on or before 5 April 1953.

What is State Pension age?

State Pension age is currently 65 for men. It is gradually increasing for women from 60 to 65 – it will be 64 and 6 months in April 2018.

From December 2018, the State Pension age for both men and women will start to increase to reach 66 by October 2020.

You can check your state pension age by calling the Age Scotland helpline or by using the **calculator** at:

www.gov.uk/calculate-state-pension.

If you are due to reach State Pension age in the first five years of the new scheme, you can get an estimate of your new State Pension. Call the **Future Pension Centre** on 0800 731 0175 or visit **www.gov.uk**

If you reached State Pension age on or before 5 April 2016

If you reached State Pension age on or before 5 April 2016, the old rules for the State Pension system will apply to you.

Under the old rules, the standard rate of State Pension is £125.95 a week but very few people receive exactly this amount. You may be entitled to Additional State Pension on top of this or receive less because you do not have enough years of NI contributions.

If these rules apply to you, you will receive a full State Pension if you have 30 years of NI contributions. This includes NI contributions made whilst working and contributions credited to you when, for example, you were caring for a child or disabled person, or claiming certain benefits.

If you have fewer than 30 years of contributions, you will receive less than the standard amount: $\frac{1}{30}$ of the full State Pension amount for each year of contributions. You could choose to pay voluntary contributions to cover gaps in contributions – to find out if this is an option and cost-effective for you call the NI helpline on 0300 200 3500 for more information.

If you do not receive the full State Pension, it could be possible to claim a pension based on the contributions of your husband, wife or civil partner or the contributions of a former partner if you are divorced, widowed or your civil partnership has ended.

Many people also receive Additional State Pension (also known as the State Second Pension, formerly known as SERPS) as part of their State Pension payment. The amount depends on their earnings or whether they claimed certain benefits.

If you reach State Pension age after 5 April 2016

If you reach State Pension age after 5 April 2016, the new State Pension rules will apply to you. The standard amount of the new State Pension is £164.35 per week from April 2018 but not everyone will receive this amount.

Under the new rules introduced from April 2016, you will receive the full State Pension if you have 35 years of NI contributions. This includes NI contributions made whilst working and contributions credited to you when, for example, you were caring for a child or disabled person, or claiming certain benefits.

You need at least 10 years of contributions to receive any State Pension. If you have made contributions for between 10 and 34 years, you will get a proportion of the full pension.

You may receive more if you have any Additional State Pension already built up under the old rules. However if you contracted out of the Additional State Pension scheme, as many people did, you may receive less than the full amount.

Unlike the old State Pension system, you will not usually be able to claim a pension based on the NI contributions of your husband, wife or civil partner, although there are some exceptions, detailed information is available here: **www.gov.uk/new-state-pension**

How do I claim my State Pension?

Your State Pension will not be paid automatically, you have to claim it. You should receive a letter and booklet from the Pension Service about four months before you reach your State Pension age. If you have not received it three months before that date contact the Pension Service and tell them that you want to make a claim.

There are different ways to claim:

- Ask for a claim form or make a telephone claim by calling the **Pension Service** on **0800 731 7898**
- Download a claim form or **claim online** at **www.gov.uk/new-state-pension**

Can I claim State Pension and carry on working?

Yes - any money you earn will not affect your State Pension, but it may affect your entitlement to other benefits such as Pension Credit, Housing Benefit and Council Tax Reduction. State Pension is taxable, so you may need to pay more income tax.

Can I put off claiming my State Pension?

Yes – this is known as deferring your claim, and means you will get extra pension when you do claim. The rules are different for people who reached their state pension age before or after 6th April 2016. Detailed information is available here:

www.gov.uk/deferring-state-pension.

My circumstances have changed

If you go into hospital or move into a care home, your State Pension will continue to be paid no matter how long you are there. If you move abroad, you will continue to get your State Pension. Let the Pension Service know when you plan to move.

Your State Pension will increase every year if you move to an EEA (European Economic Area) country or a country that has a special arrangement with the UK. Contact the **International Pension Centre** for more information, **0191 218 7777**.



Useful organisations

Age Scotland helpline **0800 12 44 222**

The Age Scotland helpline provides information, friendship and advice to older people, their relatives and carers.

If you need an interpreter, simply state the language you need. Stay on the line for a few minutes and the helpline will do the rest.

You can call us on **0800 12 44 222** for a copy of our publications list or download copies from our website at **www.agescotland.org.uk**.

Future Pension Centre

Provides State Pension statements and information.

Tel: 0800 731 0175

www.gov.uk/future-pension-centre

National Insurance helpline

Contact them to find out more about making voluntary contributions.

Tel: **0300 200 3500**

Pension Service

Provides information about State Pension and how to apply.

State Pension claim line:

Tel: **0800 731 7898**

Citizens Advice Bureau (CAB)

Your local Citizens Advice Bureau can provide you with face-to-face information and advice. To find your local Bureau, contact

Citizens Advice Direct on **0808 800 9060** or see the **Citizens Advice Scotland** website **www.cas.org.uk/bureaux**.



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