

Freedom of Information request 5174/2013

Received 5 December 2013

Published

Information request

Request please on the Single-tier State Pension - women born between 1951 and 1953 PDF, 13 page

In this govt publication of 8.11 2013 standard notes under social security and pensions at the bottom of page 9 there is a link to the cohort dob's women as above.

the text as above says that these women will be £6 a week better off if they were in the single tier pension.

However that is not assisting me so

Would you please supply me as soon as possible please the following the quartile decile quantile and mean loss for these women ranges eg £1 to eg £22

and also to how many of the 70 000 that is the govt no (10%% of the 700 000 in the birth range 6.4.51 to 6.4.53

this the per cent 10% that govt says will have less than the ST rate published

- are in the ranges eg
5 000 will be £3 worse off pw
10 000 will be £10 worse of pw than the predicted rate for ST of £145.40

The rate in the note was referring to a pension of £131 DWP also used this figure which is not the ST rate so please use the £145 figure DWP Foundation amount thank you

You would have already have the answer for around one third of the women as around that amount of women have already reached state pension age, that is women born 6 April 1951 to 5 Feb 1952 are already at the SPA.

In this birth group which I figure would be around 320 000 women how many or percentage have deferred their SP? thank you for asap acknowledgement and answer

DWP response

Distribution of state pension outcomes for women born between 6th April 1951 and 5th April 1953

The £6 difference referred to in the document¹ is the difference in the median amount of state pension which this group of women would receive under the two different systems. This represents the difference in the mid-points of the distributions of state pension amounts, rather than an average or typical difference in the amount received. The figure does not account for other elements of the state pension reforms, such as changes to entitlement to means-tested benefits, that might affect their overall position. The typical outcome for an individual woman would be that her pension at State Pension age would be the same under either system.

You mentioned “the 10% that [government] says will have less than the [single tier] rate published”. We do not recognise this figure, as the majority of women in these cohorts would have a pension that is less than the illustrative full single tier rate of £144pw under either system. The median single tier valuation for women in this cohort is £131pw, and the table below gives the estimated decile distribution of current system pension outcomes at State Pension age for women born between 6 April 1951 and 5 April 1953.

We think that you may be referring to the 10% for whom we estimate that the single-tier system and a state pension age of 65 would give a higher total retirement income than they will receive under the current system and with a State Pension age under 65.

Figure 1: Estimated distribution of weekly state pension outcomes for women born between 6 April 1951 and 5 April 1953

	Weekly state pension in 2012/13 earnings terms
10 th Percentile	£102
20 th Percentile	£112
30 th Percentile	£117
40 th Percentile	£121
50 th Percentile	£125
60 th Percentile	£128
70 th Percentile	£132
80 th Percentile	£138
90 th Percentile	£148

Source: DWP analysis using Pensim2

Women born between 6 April 1951 and 5 April 1953 who have already reached State Pension age

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/187020/2-note-on-women-cohort-1951-53.pdf

We do not receive administrative data on new pensioners immediately so we are unable to provide comparable figures for the cohort, born between 6 April 1951 and 5 February 1952, who have already reached State Pension age, or an assessment of the extent to which they have deferred claiming their pensions.

Of all individuals who claimed their state pension in 2011/12, approximately 10% received a lump sum. In September 2012 deferral increments were paid to approximately 9% of all pensioners.