

Freedom of Information request 560/2013

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Information request

How many women, who were affected by the increase in their State Pension age similar to your own, will have less than 35 years qualifying years when the proposed single-tier pension is introduced?

DWP response

We estimate that the number of women in Great Britain born between 6th July 1953 and 5th April 1955 is around 620,000. However, information on the number of qualifying years these women may have is not available at this time.

However, we do expect that by 2020, 85 per cent of people reaching State Pension age would have at least 35 qualifying years.

Transitional arrangements will be made for people who reach State Pension age after the reforms are implemented but who have made National Insurance contributions (or received credits) under the current system.

The transitional arrangements mean that nobody will get a State Pension lower than the valuation of their National Insurance record in the current scheme when single-tier is introduced, providing they meet the minimum qualifying years requirement.

A simple example is someone with 30 qualifying years for basic State Pension in the current system, with no additional State Pension and never contracted out; at the point the single-tier is implemented they would have a single-tier valuation of $30/35^{\text{ths}}$ of the full single-tier rate. This will still be more than the basic State Pension of £107.45 they would have been entitled to under the current scheme ($30/35^{\text{ths}}$ of £144 is £123.43, to the nearest penny).

Details of the transitional arrangements are published in chapter 4 of the White Paper, The single-tier pension: a simple foundation for saving, which can be found at www.dwp.gov.uk/single-tier-pension. Published along side the White Paper are impact assessments and a technical document on transition which you may find helpful.

Finally, the draft legislation covering the single tier pension has also been published and will be subject to pre-legislative scrutiny by the Parliamentary Work and Pensions Select Committee. You can find out more by looking at the Committee's home page on Parliament's website at www.parliament.uk/workpencom