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None of these hypothetical policies could be delivered by 2016 due to legal and operational reasons - no assessment has been made of the delivery challenges that would be faced or what that would mean for a viable implementation date. The estimates do not include delivery costs.

The transitional arrangements outlined would require all primary legislation. Even if a legislative vehicle could be found, this could not be introduced before some of those affected by 2011 Act start to reach State Pension age under the legislated for timetable. For example, the first cohort affected by the 2011 changes are women born 6 April 1953 to 5 May 1953, who will reach State Pension age on 6 July 2016.

Table A - Transitional arrangements considered during the passage of the Pensions Act 2011 through Parliament

The table below shows all of the options considered by the Government during the passage of the Pensions Act 2011. Following consideration of these options, the Government chose to adopt option 10 as set out below. The costs provided for the other options were correct as of 2011 when they were considered, as alternative options to Option 10. The remaining options are not for current consideration.

No.	**Description**	**Net additional DWP benefit expenditure** relative to the expenditure impacts of the original timetable published in the Pensions Bill at introduction (2010/11 terms)	**Date assessed**
Variant State Pension age (SPa) timetables			
1	Proposed by the Opposition during the passage of the Pensions Bill: i. Retain 1995 Act timetable for equalisation; increase men's and women's SPa to 66 between April 2020 and April 2022 ii. Increase women's SPa to 64 by January 2018; increase women's SPa to 65 by May 2019; increase men's and women's SPa to 66 by March 2021 iii. Increase men's SPa to 66 by April 2020 as under the original proposals; increase women's SPa to 66 by March 2021	i) £10bn ii) £7.3bn iii) £2bn	i) – iii) March 2011

2	Increase women's SPa from 63 to 65 between April 2016 and March 2019; increase men's and women's SPa to 66 by September 2020. (Caps maximum increase at 18 months for one cohort)	£3.3bn	February - March 2011
3	Increase women's SPa from 63 and 6 months to 65 between April 2017 and March 2019; increase men's and women's SPa to 66 by September 2020. (Caps maximum increase at 18 months for one cohort)	£4bn	February - March 2011
4	Increase women's SPa from 63 to 65 by November 2018 as under the original proposals. Increase men's and women's SPa to 66 by November 2020. (Caps maximum increase at 16 months for 13 cohorts)	£1.9bn	February – March 2011
5	Increase women's SPa from 63 to 65 by November 2018 as under the original proposals. Hold at 65 until May 2019 then fast track to 66 by September 2020. (Caps maximum increase at 18 months for 1 cohort)	£2.8bn	February - March 2011
6	Increase women's SPa from 63 to 65 by September 2018; increase men's and women's SPa to 66 by September 2020. (Caps increase at 18 months for 15 cohorts but with more rapid acceleration at the start)	Cost-neutral	March 2011
7	Increase women's SPa from 63 to 65 by November 2018 but with steeper increase for early cohorts; increase men's and women's SPa to 66 by September 2020. (Caps increase at 18 months for 10 cohorts but early cohorts would see rise of 16 months)	Cost-neutral	March 2011
8	Increase women's SPa from 63 to 65 by November 2018 but with steeper increase for early cohorts; increase men's and women's SPa to 66 by November 2020. (Caps increase at 16 months)	£1.6bn	March 2011
9	Increase women's SPa from 63 to 65 by March 2019 (maintaining fast-track timetable until March 2018); increase men's and women's SPa to 66 by March 2021. Increase men's and women's SPa to 66 and 3 months by September 2021. (Caps increase at 12 months for those born before 6 April 1955; those born on or after 6 April 1955 would have increase of more than 12 months.)	£3.1bn 2016/17 to 2020/21	March 2011
10 (Amendment made by the Government)	Increase women's SPa from 63 to 65 between April 2016 and November 2018 as under original proposal. Increase men's and women's SPa to 66 between December 2018 and October 2020. (Caps maximum increase for women at 18 months.)	£1bn	March 2011
11	Increase women's SPa from 63 to 65 by March 2019 (but with more graduated increase for early cohorts compared to option 9) increase men's and women's SPa to 66 by March 2021. Increase men's and women's SPa to 66 and 3 months by September 2021 (Caps increase at 12 months for those born before 6 April 1955; those born on or after 6 April 1955 would have increase of more than 12 months.)	£3.5bn 2016/17 to 2020/21	April 2011
12	Increase women's SPa from 63 to 65 between April 2016 and March 2019. Increase men's and women's SPa to 66 by March 2021. (Caps maximum increase at 12 months.)	£3.1bn	June 2011
Variants combined with bringing forward the increase in SPa to 67			
13	Increase women's SPa from 63 to 65 between April 2016 and March 2019. Increase men's and women's SPa to 66 by March 2021. Increase men's and women's SPa to 67: a) between April 2021 and March 2023	£3.bn 2016/17 to 2020/21	May 2011

	b) between July 2021 and April 2024 c) between August 2021 and April 2025 d) between October 2021 and April 2027 e) between December 2021 and April 2029 (Caps maximum increase for women born before 6 April 1955 to 12 months. Range of increases of between 13 months and 2 years compared to Pensions Act 1995 timetable for people born April 1955 to April 1962)		

Pension Credit - The qualifying age for Pension Credit minimum guarantee (PCMG) is aligned to women's SPa. The following options looked at the impact of breaking that link for a temporary period to enable access to PCMG before SPa while retaining the pension age timetable as introduced (66 by April 2020).			
14	Freeze qualifying age at 63 from 2016 until 2020; increase from 63 to SPa (66) in 2020	£1.9bn	January 2011
15	Freeze qualifying age at 65 from December 2018 until 2020; increase from 65 to SPa (66) in 2020	£0.1bn	January 2011
16	Increase qualifying age to 65 by 2020 on legislated timetable; increase to 66 in 2020	£0.6bn	January 2011
17	Freeze qualifying age at 65 from December 2018; retain indefinitely at 1 year below SPa	£1.4bn estimated to the end of 2025/26, although costs would continue beyond that date	January 2011
18	Increase qualifying age to 65 by November 2018 on proposed timetable; freeze at 65 until September 2019 then fast-track increase to 66 by January 2021	£0.2bn	February - March 2011
19	Increase qualifying age to 65 on 1995 Pensions Act timetable; fast-track increase to 66 between April 2020 and July 2021.	£0.75bn	February - March 2011
20	Increase qualifying age to 64 years 6 months between April 2016 and March 2018; increase in parallel to existing timetable to reach 66 by March 2021.	£0.3bn	February - March 2011
21	Proposed by the Opposition during the passage of the Pensions Bill 2010: Increase qualifying age to 65 by 2020 in line with Pensions Act 1995 timetable for women's SPa; hold qualifying age at or below SPa from 2020	£1.9bn to 2025/6 assuming PCQA remained at 65 from 2020. £0.8bn if PCQA increased to 66 by 2022	March 2011
Alternatives to amending the timetable			
22	One-off payment for women facing largest increases in SPa	Not costed	April 2011
23	Transitional payment equivalent to whole or part of State Pension the person would have received under the original (Pensions Act 1995) timetable	Not costed	April 2011

Table B - Illustrative costings produced for hypothetical policies, as requested by the Minister for Pensions since June 2015 to give an indication of the fiscal impacts of such policies.

None of these hypothetical policies could be delivered by 2016 due to legal and operational reasons - no assessment has been made of the delivery challenges that would be faced or what that would mean for a viable implementation date. The costings are illustrative and it should be noted that they are not of the same quality standards used in DWP analytical outputs (such as Impact Assessments) but are fit for the purpose they were requested for.

The estimates do not include delivery costs.

No.	Description	Net additional DWP benefit expenditure	Date assessed	Notes
1	Change Pension Credit Qualifying Age (PCQA) for men and women to the 1995 Act SPa timetable (from 17/18 to to 19/20)	Cumulative cost of £1.0 bn (2017/18 to 2019/20)	September 2015	• Costs would continue beyond this if PCQA remained below the legislated SPa past 19/20. • The overall cost will be higher than this, because Pension Credit passports to Housing Benefit, and because of the possible increased incentive to give up work before SPa and claim Pension Credit. • Costs do not take into account the small off-setting savings in reduced expenditure on working-age benefits.
2	Paying Women with an SPa increase of greater than 12 months under the 2011 Act changes an amount equivalent to the full basic State Pension for the additional increase over 12 months	£1.5bn (2015/16 terms)	June 2015	
3	Introducing a means-tested payment of £120 per week to men and women reaching SPa under the 1995 Act timetable (from 17/18 to 19/20)	Cumulative cost of £0.8 bn (2017/18 to 2019/20)	January 2016	• These costs would continue beyond this if the payment continued past 19/20. • It does not take into account any behavioural impacts; which could further increase the costs due to the increased incentive to give up work and claim this payment instead. • There will be some offsetting savings from reduced expenditure on working-age benefits; these have also not been taken into account.

Table C - Costing requested by the Work and Pensions Select Committee in February 2016

The Work and Pensions Select Committee requested an estimate of the cost of reversing the 1995 Act changes. The illustrative costs are shown below. It should be noted that they are not of the same quality standards used in DWP analytical outputs (such as Impact Assessments) but are fit for the purpose they were requested for. The estimates do not include delivery costs.

No.	Description	Net additional DWP benefit expenditure	Date assessed	Notes
1	Reversing the current legislated increases in women's SPa until 2020/21 – i.e. keeping women's SPa at 60 for women born in the 1950s. This assesses the cost of the policy reversal put to the Work and Pensions Select Committee (WPSC) by the WASPI campaign: **Oral evidence to WPSC 16 December 2015 – Anne Keen**:… Basically, what we are asking – and we feel this is a very fair ask – is for the Government to put all women in their 50s, born on or after 6 April 1951 and affected by the state pension age in exactly the same position they would have been in had they been born on or before 5 April 1950.	£77bn minimum – £28.6bn in 2016/17, and then £48.6bn over the four years that follow.	February 2015	For simplicity and transparency, the cost estimates are based on the average value of State Pension for women at on-flow in the May 2015 quarter (as such, estimates are in 2015/16 terms), and the estimated female population each year who would now receive their State Pension at 60 rather than at the currently legislated SPa (from 60 up to and including 66). Costs would continue to accrue after 2020/21 for as long as women's SPa was less than 66. This estimate is based on the following assumptions: • State Pension amounts have not been uprated by the Triple Lock; • Estimates do not reflect the introduction of the new State pension from April 2016, and will therefore likely be an under-estimate; • Women born from 1 January 1960 would immediately move to having an SPa of 66, which means no women at all would reach SPa until 2026 unless a taper was introduced at further cost in multiple billions of pounds; • Men will continue to reach SPa based on the currently legislated timetable (under the Pensions Act 2011), which would perpetuate inequality between men and women that the EU would be unlikely to approve; Estimates do not include: • loss of tax and National Insurance revenues from people stopping work sooner; • additional costs for other pensioner benefits; • costs that would continue to accrue after 2020/21 for as long as women's SPa was less than 66; • payments to men which would be required by law if the Government created a new inequality. • savings that might be made on in-work benefits that would not be paid if these women were receiving a State Pension.

Table D – Proposal suggested at Opposition Day debate on 24th February 2016.

No.	Description	Net additional DWP benefit expenditure	Notes
1	Paying a lower state pension for a longer period throughout the pensionable age of the women affected	Not costed	Primary legislation would be needed to pay a lower state pension in this way. While this option has not been costed, even if a lower pension rate was actuarially calculated (on state pension received), this option would impact on other state expenditure and receipts. The benefits and costs arising from changes to state pension age in the Pensions Act 2011 were outlined in the Impact Assessment: - Increased income tax and National Insurance payments of £8.3 billion By working an extra year after reaching state pension age, a woman with average earnings could have over £17,500 extra income after tax as well as increasing their pension pot by around 4% (equivalent to an extra £160 per year over their retirement), compared to stopping work at their state pension age. There would also be knock on impacts on Pension Credit expenditure and other means-tested benefits, as well as Winter Fuel Payments. Furthermore, independent research shows that reductions in working lives could have large impacts on the economy. - For example, adding one year to working lives would result in sustained increases to GDP of over 1%. To put this into perspective, if 2014 GDP had been 1% higher, this would have added £17bn to the economy.