

Freedom of Information request 2012-3474

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Information request

The projected number of men and women who will start to receive State Pension in 2015, 2016 and 2017 who will not have basic State Pension and additional State Pension that will amount to £142.70 per week (the basic level of the means test or Pension Credit Standard Minimum Guarantee for a single pensioner).

DWP response

Based on the department's forecasting models:

1. Around 310,000 men are projected to start receiving State Pension between April 2015 and March 2016. Around 90,000 of these men are estimated to have a gross State Pension of less than £142.70 per week (in 2012/13 earnings terms), which is around 25% of all men in this cohort.
2. Around 170,000 women are projected to start receiving State Pension between April 2015 and March 2016. Around 90,000 of these women are estimated to have a gross State Pension of less than £142.70 per week (in 2012/13 earnings terms), which is around 55% of all women in this cohort.
3. Around 310,000 men are projected to start receiving State Pension between April 2016 and March 2017. Around 70,000 of these men are estimated to have a gross State Pension of less than £142.70 per week (in 2012/13 earnings terms), which is around 20% of all men in this cohort.
4. Around 100,000 women are projected to start receiving State Pension between April 2016 and March 2017. Around 60,000 of these women are estimated to have a gross State Pension of less than £142.70 per week (in 2012/13 earnings terms), which is around 55% of all women in this cohort.
5. Around 310,000 men are projected to start receiving State Pension between April 2017 and March 2018. Around 60,000 of these men are

estimated to have a gross State Pension of less than £142.70 per week (in 2012/13 earnings terms), which is around 20% of all men in this cohort.

6. Around 100,000 women are projected to start receiving State Pension between April 2017 and March 2018. Around 50,000 of these women are estimated to have a gross State Pension of less than £142.70 per week (in 2012/13 earnings terms), which is around 50% of all women in this cohort.

Figures have been rounded to the nearest 10,000 or 5%.

The cohort of women asked about is affected by State Pension age equalisation. This is why there are significantly more men than women starting to receive State Pension between April 2015 and March 2018. These figures will include a small number of individuals that have deferred their pension from previous years.

These estimates are of gross State Pension outcomes. Some people will not receive all of their State Pension directly from the state as they will have contracted out of Additional Pension. Gross State Pension amounts include Additional Pension rights accrued in private pension schemes during periods of contracting out. Estimates of gross State Pension also include inherited and derived rights. These estimates do not include income from means tested benefits.

Estimates of the numbers of individuals who are projected not to receive a gross State Pension above £142.70 were derived from the Department's Pensim2 model. This is a dynamic micro-simulation model designed to project pensioners' incomes to 2100. As such, the model is best suited to comparing long-term trends and differences between groups rather than to providing short range estimates. The figures above should only be used as an indication of the number of individuals that would not have a gross amount above £142.70. Please also note that the Pensim2 model is based on a sample of the population so the estimates given above are subject to sampling uncertainty.

Amounts are in 2012/13 earning terms.

State Pension forecasts are presented by financial year rather than calendar year.

Source:

DWP Forecasting Division: Budget 2012
DWP PENSIM2 model

Further benefit caseload forecast information is published at:

<http://research.dwp.gov.uk/asd/asd4/index.php?page=expenditure>