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# State Pension changes: article

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## Suggested header image:



More information at:  
[www.gov.uk/yourstatepension](http://www.gov.uk/yourstatepension)



## Suggested article title:

The new State Pension: what the changes mean for you

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The new State Pension has been introduced for people who reach State Pension age on or after 6 April 2016. You'll be able to claim the new State Pension if you reach State Pension age on or after 6 April 2016. This applies to:

- men born on or after 6 April 1951;
- women born on or after 6 April 1953.

If you were born before those dates you'll be able to claim your State Pension under the old system instead.

You can check when you'll reach State Pension age at [www.gov.uk/state-pension-age](http://www.gov.uk/state-pension-age).

## How much will you get?

The amount of new State Pension you get will mainly depend on your own National Insurance record. You'll usually need at least 10 qualifying years on your National Insurance record to get any new State Pension.

As the new State Pension is normally based on your own National Insurance record you could get more or less than the full rate in certain situations. We will calculate the minimum amount of new State Pension you could get when you reach State Pension age. To do this, we do two calculations to work out your Starting Amount, which will be the higher of either:

- the amount you would get under the old State Pension rules (which includes basic State Pension and additional State Pension); or
- the amount you would have got under new State Pension rules.

Starting Amounts will include some adjustment for time contracted-out of the additional State Pension.

Unless you are already at the full new State Pension amount of £155.65 per week (2016/17 rate) or have reached State Pension age, you will add to your new State Pension by 1/35th of the full amount (about £4.45 for 2016/17) for each qualifying year on your National Insurance record from 6 April 2016.

# State Pension changes: article continued

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## Contracting-out

Most people reaching State Pension age after the introduction of the new State Pension will have been 'contracted-out' of the additional State Pension at some time – something they may be unaware of.

The old State Pension has two parts: basic State Pension and additional State Pension (sometimes called State Second Pension, S2P or SERPS). Anyone who has been contracted-out either paid National Insurance at a lower rate or some of their National Insurance contributions were used to contribute to a private pension instead of the additional State Pension. This will be taken into account when we work out your Starting Amount in the new system.

This means that although many people with more than 35 qualifying years will get a Starting Amount lower than the full rate of the new State Pension, many will have more than the new full rate if they add their State and contracted-out pension together. You could only be contracted-out of the additional State Pension if you were building a private pension instead. So you're not missing out, just getting the amount in a different way.

In April 2016, contracting-out - and the reduction in National Insurance that contracted-out employers and employees got - ended.

For more information on these changes and what they mean for you, visit [www.gov.uk/yourstatepension](http://www.gov.uk/yourstatepension).

An animation explaining contracting-out and the impact on the new State Pension can be found on Pension Tube. You can see this video and others like it at [www.youtube.com/PensionTube](http://www.youtube.com/PensionTube).