Factsheet 19

State Pension

April 2024

Inside this factsheet

This factsheet has information about the new State Pension for people reaching State Pension age on or after 6 April 2016. It also has information about the old State Pension for people who reached State Pension age before 6 April 2016.

It explains how to claim your pension and what to do if you have a change of circumstance.

The information in this factsheet is correct for the period April 2024 to March 2025.

Benefit rates are reviewed annually and uprated in April but rules and figures can sometimes change during the year.

The information in this factsheet is applicable to Great Britain.

Contact details for any of the organisations mentioned in this factsheet can be found in the *Useful organisations* section.

Contents

1 What is State Pension?

State Pension can be paid when you reach State Pension age, provided you fulfil National Insurance contribution conditions and make a claim. The amount you are entitled to is not affected by your income and capital but it is taxable.

This factsheet focusses on the new State Pension which was introduced on 6 April 2016 for people reaching State Pension age on or after that date. This applies to:

men born on or after 6 April 1951

women born on or after 6 April 1953.

If you were born before these dates, you remain on the pre-2016 State Pension schemes. Men born between 6 April 1945 and 5 April 1951 and woman born between 6 April 1950 and 5 April 1953 come under the old State Pension, see section 11. If you were born before these dates, you come under another State Pension scheme. You should seek specialist advice if you have specific queries, as the rules are more complex and are not detailed in this factsheet.

The Department for Work and Pensions (DWP) is responsible for State Pensions and other benefits. Older people deal mainly with the Pension Service which is part of the DWP. HM Revenue and Customs (HMRC) deal with National Insurance contributions.

The new State Pension full amount is £221.20 a week for 2024/25. The amount received is usually based on National Insurance (NI) contributions you paid during your working life or NI Credits (paid when claiming certain benefits). To be paid the full amount, you must have paid or been credited with 35 full years of NI contributions or credits. You may get paid more or less than the full amount.

If you have between 10 and 34 years of NI contributions and credits, you receive a proportionately lower amount. If you have less than 10 years contributions, you are not entitled at all. For contributions made before 6 April 2016, transitional arrangements apply to take the pre-2016 record into account. These can increase your State Pension to more than the full amount. For information on what counts as NI contributions, see section 5.

2 State Pension age

Note
There are exceptions to these rules if you are entitled to very little State Pension based on your own NI contributions. This could be because you -rate NI contributions, or you are widowed, or your civil partner has died.

See section 8 for information about increasing or inheriting State Pension from a spouse or civil partner.

You can claim State Pension when you reach State Pension age. Currently this is 66 for men and women. From 6 May 2026, State Pension age will start increasing again and will reach 67 by 6 March 2028 (affecting anyone born between 6 April 1960 and 5 April 1977).

You can find out your own State Pension age and the date you reach it by using the calculator at *www.gov.uk/calculate-state-pension* or by phoning the Future Pension Centre on 0800 731 0175.

Government undertakes regular reviews of State Pension age, with the next review due within two years of the next Parliament.

3 Current rates

The full weekly rate for new State Pension is:

New State Pension	£221.20

The full weekly rates for the old State Pension are:

Category A pension	£169.50
Category B pension based on late Insurance contributions	**£169.50**

However, a deduction is made from both calculations if you were in a contracted-out personal or workplace pension scheme prior to 2016, for example, as a member of a public-sector pension. In this case, you paid lower NI contributions because you paid into a contracted-out pension, or some of your NI contributions were paid towards your private pension instead of Additional State Pension.

4.1 If your starting amount is less than the full amount

You may be able to receive a higher rate of State Pension by adding more qualifying years to your NI record until you reach 1 0 [1 136.58 71p63(fy)-3(i)-3(ng)7(y)-3(eP.)-3(ou)-3(

out personal or workplace

4.3 No NI contributions/credits prior to 6 April 2016

Your State Pension is calculated entirely under new State Pension rules. You must have at least 10 qualifying years on your NI record to get new State Pension (there are exceptions see section 8 about increasing or inheriting Pension from a spouse or civil partner).

You can claim in the following ways (see overleaf).

Online

Go to *www.gov.uk/get-state-pension* to make your claim

There is an online helpdesk to help you through the process if you have difficulty, or you can:

Telephone: 0800 169 0154

Textphone: 0800 169 0254

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You can authorise someone else to collect your money from a bank, building society or PayPoint outlet. If you are unsure about your payment options, a local advice agency may be able to help.

Payment starts from the day you reach State Pension age, unless you are in the old State Pension system, when it

8.2 Inheriting a protected payment

You can inherit half of a
once you start claiming your own State Pension if your marriage or civil partnership began before 6 April 2016 and ***both*** the following apply:

they reached, or would have reached, State Pension age on or after 6 April 2016, and

they died on or after 6 April 2016.

8.3 Inheriting a deferral payment

If a spouse or civil partner reached State Pension age before 6 April 2016 and they received extra State Pension due to deferral, you may inherit some of their extra State Pension once you start claiming your State Pension. ***Both*** of the following must apply:

you were married or in a civil partnership when your partner died, and

you did not remarry or form a new civil partnership before you reached State Pension age.

8.4 Women who paid Reduced Rate contributions

Until April 1977, married women could choose to pay a reduced rate of NI contributions (known as the
Even after this date, anyone already doing so could continue paying the reduced rate.

This right stopped immediately on divorce, or if you chose to revoke your election and started paying the full rate. It also stopped automatically at the end of two complete tax years during which you earned below the level at which NI contributions must be paid, or you stopped working.

This affects entitlement based on your NI contributions, because the reduced-rate NI contributions do not count towards qualification for State Pension.

If you are a woman with little or no State Pension entitlement as a result, the rules allow State Pension to be worked out differently. This depends on your right to pay reduced-rate NI still applying at some point in the 35 years before the start of the tax year when you reach State Pension age.

If you meet this condition, you do not need the minimum 10 qualifying years to get a State Pension. You may get a State Pension that is either:

the old pre-2016 lower rate basic State Pension of £101.55 a week (if married or in a civil partnership and your partner has reached State Pension age), or

the old pre-2016 rate of basic State Pension of £169.50 a week (if widowed, divorced, or your civil partnership was dissolved).

You get any Additional State Pension and Graduated Retirement Benefit built up before 6 April 2016 on top. This is paid when:

you or your spouse or civil partner reach State Pension age (whichever is later), or

you reach State Pension age (if widowed or divorced), or

you are widowed, divorced or your civil partnership is dissolved after you reach State Pension age.

You get this amount if it is more than you would be paid under new State Pension rules based on your own NI record.

8.5 Divorce or dissolved civil partnership

A court *pension sharing order* divorced or dissolve your civil partnership.

You get an extra payment on top of your State Pension if your ex-partner is ordered to share their Additional State Pension or protected payment with you.

Your State Pension is reduced if you are ordered to share your Additional State Pension or protected payment with your ex-partner.

9 Change in your circumstances

You must report all changes in your circumstances that might affect your State Pension to the Pension Service. This includes the following:

9.1 Going abroad or living there

State Pension is payable without time limit if you go abroad. If you are going abroad for some time, you can arrange for State Pension to be paid in the country where you live. If you remain abroad, the annual State Pension increase is only paid if you live in a European Economic Area (EEA) country, Gibraltar, Switzerland, or a country with which the UK has an arrangement.

Note

For more information about receiving your State Pension while living abroad, contact the International Pension Centre.

9.2 Going into hospital

State Pension continues to be paid however long you are in hospital.

If you receive another benefit like Attendance Allowance (AA) and payment is combined with your State Pension, then AA can be affected by a hospital stay so you should tell the DWP.

9.3 Going into a care home

State Pension is not affected if you go into a care home but it is taken into account as income if the local authority help pay your fees.

Note

In Scotland, this does not affect free personal and nursing care. For information about paying for care in **England**, see factsheet 10, *Paying for permanent residential care*. In **Scotland,** see the guide *Care homes: funding*. In **Wales**, see Age Cymru factsheet 10w, *Paying for a permanent care home placement in Wales*.

10 Other entitlements at retirement

The age when you can claim State Pension may not be the same as the age at which you retire from work. You may stop work before or continue working after

Unemployment and sickness

If you become sick or unemployed after State Pension age, you cannot usually claim *working age* such as Universal Credit, unless your partner is under State Pension age. You may be able to get Statutory Sick Pay from your employer. You may be eligible for Pension Credit if you work and have a low income. See factsheet 48, *Pension Credit,* for more information.

Occupational and personal pensions

If you have a private pension pot, you may be able to access payments while you work contact your pension scheme for more information or see factsheet 91*, Pension Freedom and benefits*.

10.3 Other benefits after State Pension age

You may be entitled to claim other benefits, such as Pension Credit, Housing Benefit and Council Tax Reduction/Support. You may be entitled if you work, but this depends on income and capital.

You may be entitled to Attendance Allowance which is not means-tested and helps with the extra costs of illness or disability.

Some benefits *overlap* with State Pension, including (CA) or

State Pension forecast (section 3.1)

How to claim your State Pension (section 6)

Decisions and payments (section 7)

Change in your circumstances (section 9)

Other entitlements at retirement (section 10)

Other aspects of the old State Pension work quite differently to the new State Pension rules so read this section carefully. See overleaf for more.

Your old State Pension can be made up of a combination of:

Basic State Pension (section 11.1)

Additional State Pension (section 11.2)

Graduated Retirement Benefit (section 11.2)

Other payments (section 11.3).

11.1

To qualify, you must live in the UK on your 80th birthday or the date of your claim if later and have lived in the UK for 10 years or more in any 20-year period after your 60th birthday. In some circumstances, you may be eligible if you lived in another EEA country.

11.2 Additional State Pension

If you get a Category A or B State Pension, you may get Additional State Pension (ASP). You can qualify for ASP even if you do not get any basic State Pension. The maximum amount of ASP is £218.39 a week.

From 1978 to 2002, ASP was built up under the State Earnings-Related Pension Scheme (SERPS), and from April 2002, under the State Second Pension (S2P), based on earnings above the Lower Earnings Limit (LEL).

LEL is the income threshold dictating when you are treated as paying NI contributions as an employee (see section 12.1).

State Second Pension

Employees with earnings above the limit were entitled to an extra earnings-related payment. You can be treated as though your earnings were equal to this if, throughout the year, you were:

- entitled to long-term Incapacity Benefit (or would have been if you satisfied contribution conditions)
- paid Severe Disablement Allowance
- paid contributory Employment and Support Allowance in some cases
- awarded Home Responsibilities Protection (HRP) (see section 12.3)
- receiving credits as a carer or foster carer or receiving Child Benefit for a child under the age of 12 (only since April 2010 see section 12.3).

To qualify for a year of S2P prior to April 2010, you had to fulfil one criteria for a whole tax year. For example, you could not qualify if you provided care for part of a year and met the disability conditions for the rest of the year, or paid NI contributions for part of the year and entitled to HRP for the rest of it.

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If you were widowed or your civil partner died before you reached State Pension age, you can only inherit a deferral payment if you did not remarry or form a new civil partnership before State Pension age.

Note

If you are a widower or surviving civil partner who reached State Pension age before 6 April 2010, you must have been over State Pension age when

W *paid* NI contributions, this includes people with earnings between £123 and £242 a week who do not actually pay NI but are treated as having paid NI contributions.

Employees pay Class 1 NI contributions as a percentage of earnings, and these are collected with Income Tax. Employers also pay NI contributions. If you have insufficient NI contributions for a full State Pension but have not reached State Pension Age, you may be able to increase your State Pension by working and paying NI contributions.

Contracting out

A deduction is made from your State Pension if you were *contracted out* pension scheme for example, a member of a public-sector pension. This means you paid lower rate NI contributions into a contracted-out pension, or because some NI contributions were paid into your private pension rather than going towards Additional State Pension. It was not possible to contract out of the basic State Pension.

You could you only contract out of Additional State Pension if you earnt more than the Lower Earnings Limit and paid standard-rate Class 1 NI contributions. Check if you were contracted out by looking at old payslips. If the NI contributions line has the letter D, E, L N or O next to it, you were contracted out. You were not contracted out if it has a letter A. If there is a different letter or you are unsure, check with your employer or pension provider.

You are more likely to have contracted out if you worked in public sector organisations and professions such as the NHS, local councils and the civil service, fire services, teachers, police forces and the armed forces.

Note
Contracting out was abolished from 6 April 2016 and everyone now automatically pays standard National Insurance.

Self-employed

You no longer need to pay Class 2 contributions when self-employed. If your relevant profits are at or above the small profits limit, you continue to have access to State Pension without paying Class 2 contributions. If your relevant profits are below the small profits limit, you can choose to make voluntary Class 2 contributions, see section 12.4.

Working abroad

NI contributions paid abroad may help you qualify for State Pension if you worked in an EEA country, or one with a reciprocal agreement with the UK.

12.3 NI credits

If you are under State Pension age, you can be entitled to a credit in place of a NI contribution, if you:

receive Universal Credit, Working Tax Credit, or Employment and Support Allowance

z receive Income Support (1 0 595.32 841.92 reW*nBT/F1 15.96 Tf1 0 0 1 223

You need to apply to get Carer's Credits, credits as a foster parent or
credits, you should apply for these credits before the end of the tax year following the one in which you are entitled to them. Late applications may be accepted if there is a good reason for not applying earlier.

Grandparent s credits must be applied for after the end of the tax year following the one in which you are entitled to the credits. You need to apply for credits for military spouses and civil partners but there are no time limits for applying.

NI credits so would not need HRP. Whether you have done any work is irrelevant. You get HRP if you qualify and have not paid or been credited with enough NI contributions for the tax year to count as a qualifying year.

HRP should be given automatically if you qualified because you were getting Child Benefit or Income Support as a carer. You must apply for HRP if you qualified because you looked after someone getting AA, Constant AA, or DLA, or were a foster parent, or qualified under one condition for part of a tax year and under another for the rest of the year.

If you were self-employed but earning below a certain amount, payment of Class 2 NI contributions was voluntary. You can choose to pay these retrospectively (within the same time limits as Class 3 above). If you would be eligible to pay Class 2 contributions, these are cheaper than Class 3 and if you are paying these in working age, Class 2 also count towards claims for other contributory benefits.

Sometimes, a small amount of Class 2 or 3 payments can make a big difference. For example, a few extra weeks NICs may enable a whole year to count (ame3.92 re.792 re y)-3(rs)-3

Useful organisations

Citizens Advice
England or Wales go to www.citizensadvice.org.uk
Northern Ireland go to www.citizensadvice.co.uk
Scotland go to www.cas.org.uk
In England telephone 0800 144 8848
In Wales telephone 0800 702 2020
In Scotland telephone 0800 028 1456

National network of advice centres offering free, confidential, independent advice, face to face or by telephone.

Disability Service Centre
www.gov.uk/disability-benefits-helpline

Provides advice or information about claims for Disability Living Allowance, Personal Independence Payment or Attendance Allowance.

Attendance Allowance (AA)
Telephone 0800 731 0122

Disability Living Allowance (DLA)

If you were born on or before 8 April 1948
Telephone 0800 731 0122

If you were born after 8 April 1948
Telephone 0800 121 4600

Personal Independence Payment helpline
Telephone 0800 121 4433

Future Pension Centre
Telephone 0800 731 0175

Gov.uk
www.gov.uk

Official government website with information about pensions planning, State Pension, and workplace, personal and stakeholder pensions.

HM Revenue and Customs
www.gov.uk/government/organisations/hm-revenue-customs

Contact HMRC for more information about taxes and National Insurance contributions. The National Insurance contributions office is listed below.

HM Revenue and Customs Tax Credits Office