

PENSION AGE IS CHANGING!

There are some very important changes to the qualifying ages for state retirement pension, being brought in from April 2010 as a result of the implementation of recent Pensions Acts. They will have significant knock-on effects on many other benefits.

If you (or your partner) are a man or woman who will reach the age of 60 on or after 6 April 2010, you should read this leaflet.

The Coalition Government has speeded up the process – see later.

Note: There are other changes from April 2010 concerning, amongst other things, the contribution conditions for state retirement pension but they are not covered in this leaflet.

WHAT IS 'PENSION AGE'?

The Department for *Work* and *Pensions* has its name precisely because it divides claimants into those of 'working age' and those classed as of 'pension age'. The benefits available to each group are different and are claimed through different sections of the Department.

Claimants of 'working age' claim through the Jobcentre Plus offices, are mostly expected to be aiming to work and will be subject to a work-focused interview regime whilst those of 'pension age' are free from this and will claim through The Pension Service. Also, 'pension age' benefits are more generous both in amounts paid and in rules governing the level of savings allowed before means-tested benefits are affected.

For benefit purposes, 'pension age' has had two meanings:

- [1] the age at which you become entitled to state retirement pension
- [2] the age at which you are classed as a 'pensioner' for other benefits

These have not always been the same. For example, the state pension age for men has been 65 but they have been able to claim Pension Credit instead of Jobseekers Allowance or Income Support from the age of 60 (and thus be released from the work-focused regime at that point, even though their state retirement pension age had not been reached).

Both meanings of 'pension age' will be changing from 6 April 2010. The change to state retirement pension age will, at present, only affect women but the change to pension age for other 'pensioner' benefits will affect both men and women.

You will, therefore, from now on need to check when your own personal 'pension age' is to find out what benefits are available to you.

PENSION AGE AND.....

[1] STATE RETIREMENT PENSION

The age at which you can claim your state retirement pension, has long been 60 for women and 65 for men.

From 6 April 2010, the state retirement pension age for women will begin to be increased. There will be a gradual rise which will be phased in over ten years and will affect all women born between 6 April 1950 and 5 April 1955.

It will mean that women's state retirement pension age will rise by one month every two months between 2010 and 2018. Women born on or after 6 April 1955 will have the same state retirement pension age as men - 65.

Examples:

- ❖ If you are a woman born between 6 April 1950 and 5 May 1950, your state retirement pension age is 6 May 2010

- ❖ If you are a woman born between 6 September 1951 and 5 October 1951, your state retirement pension age is 6 March 2013

Note: see chart at end of leaflet for full list of dates or visit the state pension age calculator on: www.direct.gov.uk/statepension

[2] OTHER BENEFITS

The dividing line between the '*Work*' and the '*Pensions*' parts of the DWP has, for most purposes, been at the age of 60. This has, for example, been the transition point between ceasing to claim Income Support, and the starting point for claiming Pension Credit

This is particularly important as Pension Credit has more generous capital rules, and pays more each week.

This dividing line will be raised to 65, for both men and women, over the next ten years in line with the gradually increasing state retirement pension age for women.

This means that, for both men and women, the age at which they can stop claiming Jobseekers Allowance or Income Support and start claiming Pension Credit will be gradually increasing and this will, in addition, affect (amongst other things):

- Council Tax Benefit(CTB) and Housing Benefit(HB) which have different [more generous] rules for 'pensioners'

- Entitlement to Winter Fuel Payments

Examples:

- ❖ Frank born on 7 June 1950 will be 60 on 7 June 2010 but did not qualify for Pension Credit or the pensioner level of CTB/HB until 6 September 2010
- ❖ Peter born on 15 November 1952 will be 60 on 15 November 2012 but will not qualify for Pension Credit or the pensioner level of CTB/HB until 6 July 2015

Note: see chart at end of leaflet for full list of dates or visit the state pension age calculator on: www.direct.gov.uk/statepension

The changes will also affect working age women, by extending the age at which women can stop claiming 'working-age benefits', such as

- Bereavement benefits (Widowed Parents / Mothers Allowance, Bereavement payment, Bereavement Allowance)
- Employment and Support Allowance
- Incapacity Benefit
- Jobseekers Allowance
- Reduced Earnings Allowance

The age at which these benefits will stop will be gradually going up from 60 to 65 over the ten year period. (People receiving Severe Disablement Allowance who have not been transferred to ESA may continue to receive it past state pension age unless their pension gives them a higher amount)

CONCESSIONS UNCHANGED

Some of the 'pensioner concessions' will, for the moment, still be available from the age of 60 as they were not necessarily linked to state pension age. They are:

- Exemption from prescription charges
- Exemption from eye test charges
- Legal Aid scheme higher capital allowance
- Warm Front Grants (subject to eligibility conditions)

FUTURE SHOCK!

The pension age for both men and women will eventually rise to 68.

A similar process of gradual change, affecting those born on or after 6 April 1959, will take place between 2024 and 2046 to reflect the further rise in state pension age from 65 to 68. This will also change the qualifying ages for Attendance Allowance, Disability Living Allowance and Savings Credit as they are all currently 65.

LIST OF NEW PENSION AGES FROM APRIL 2010

<u>Date of Birth</u>	<u>State Pension Age (women)</u> <u>Other benefits 'Pension Age' (men and women)</u>
06/04/1950 – 05/05/1950	06/05/2010
06/05/1950 – 05/06/1950	06/07/2010
06/06/1950 – 05/07/1950	06/09/2010
06/07/1950 – 05/08/1950	06/11/2010
06/08/1950 – 05/09/1950	06/01/2011
06/09/1950 – 05/10/1950	06/03/2011
06/10/1950 – 05/11/1950	06/05/2011
06/11/1950 – 05/12/1950	06/07/2011
06/12/1950 – 05/01/1951	06/09/2011
06/01/1951 – 05/02/1951	06/11/2011
06/02/1951 – 05/03/1951	06/01/2012
06/03/1951 – 05/04/1951	06/03/2012
06/04/1951 – 05/05/1951	06/05/2012
06/05/1951 – 05/06/1951	06/07/2012
06/06/1951 – 05/07/1951	06/09/2012
06/07/1951 – 05/08/1951	06/11/2012
06/08/1951 – 05/09/1951	06/01/2013
06/09/1951 – 05/10/1951	06/03/2013
06/10/1951 – 05/11/1951	06/05/2013
06/11/1951 – 05/12/1951	06/07/2013
06/12/1951 – 05/01/1952	06/09/2013
06/01/1952 – 05/02/1952	06/11/2013
06/02/1952 – 05/03/1952	06/01/2014
06/03/1952 – 05/04/1952	06/03/2014
06/04/1952 – 05/05/1952	06/05/2014
06/05/1952 – 05/06/1952	06/07/2014
06/06/1952 – 05/07/1952	06/09/2014
06/07/1952 – 05/08/1952	06/11/2014
06/08/1952 – 05/09/1952	06/01/2015
06/09/1952 – 05/10/1952	06/03/2015
06/10/1952 – 05/11/1952	06/05/2015
06/11/1952 – 05/12/1952	06/07/2015
06/12/1952 – 05/01/1953	06/09/2015
06/01/1953 – 05/02/1953	06/11/2015
06/02/1952 – 05/03/1953	06/01/2016
06/03/1953 – 05/04/1953	06/03/2016
-----	See below*
06/04/1953 – 05/05/1953	06/05/2016
06/05/1953 – 05/06/1953	06/07/2016
06/06/1953 – 05/07/1953	06/09/2016
06/07/1953 – 05/08/1953	06/11/2016
06/08/1953 – 05/09/1953	06/01/2017
06/09/1953 – 05/10/1953	06/03/2017
06/10/1953 – 05/11/1953	06/05/2017
06/11/1953 – 05/12/1953	06/07/2017
06/12/1953 – 05/01/1954	06/09/2017
06/01/1954 – 05/02/1954	06/11/2017
06/02/1954 – 05/03/1954	06/01/2018

Date of Birth**State Pension Age (women)****Other Benefits 'Pension Age' (men and women)**

06/03/1954 – 05/04/1954	06/03/2018
06/04/1954 – 05/05/1954	06/05/2018
06/05/1954 – 05/06/1954	06/07/2018
06/06/1954 – 05/07/1954	06/09/2018
06/07/1954 – 05/08/1954	06/11/2018
06/08/1954 – 05/09/1954	06/01/2019
06/09/1954 – 05/10/1954	06/03/2019
06/10/1954 – 05/11/1954	06/05/2019
06/11/1954 – 05/12/1954	06/07/2019
06/12/1954 – 05/01/1955	06/09/2019
06/01/1955 – 05/02/1955	06/11/2019
06/02/1955 – 05/03/1955	06/01/2020
06/03/1955 – 05/04/1955	06/03/2010
06/04/1955	06/04/2020

* In the Spending Review, the Government announced proposals to speed up the increase in pension age so that it will reach 65 in 2018 instead of 2020 with men and women's pension age then rising to 66 by 2020. This will affect people born between 6 April 1953 and 5 April 1960.

The new timetable will be as follows:

Date of Birth**State Pension Age (women)****Other Benefits 'Pension Age' (men and women)**

06/04/1953 – 05/05/1953	06/07/2016
06/05/1953 – 05/06/1953	06/11/2016
06/06/1953 – 05/07/1953	06/03/2017
06/07/1953 – 05/08/1953	06/07/2017
06/08/1953 – 05/09/1953	06/11/2017
06/09/1953 – 05/10/1953	06/03/2018
06/10/1953 – 05/11/1953	06/07/2018
06/11/1953 – 05/12/1953	06/11/2018
06/12/1953 – 05/01/1954	06/03/2019
06/01/1954 – 05/02/1954	06/07/2019
06/02/1954 – 05/03/1954	06/11/2019
06/03/1954 – 05/04/1954	06/03/2020
06/04/1954 – 05/04/1960	66 th birthday

NOTE: The previous government had already introduced legislation to increase the State Pension age for men and women born on or after 6 April 1960 to 66 from 2026 and then to 67 from 2036 and 68 from 2046. The present government is considering further changing this timetable with a view to bringing forward the latter two changes as well.

The information in this factsheet is correct as of April 2011
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