What is the State Pension?

The State Pension is currently made up of:

- basic State Pension
- Additional State Pension

Most people who have paid National Insurance (NI) contributions, or received NI credits are entitled to some State Pension.

The amount you get depends on how many qualifying years you have on your NI record (or have been credited with) throughout your working life.

The State Pension is changing. If you reach State Pension age on or after 6 April 2016 you'll get the new State Pension.

When you can get the State Pension

You can claim State Pension when you reach State Pension age, even if you carry on working past this date.

The State Pension age for people born before 6 December 1953 is:

- 65 for men
- between 60 and 65 for women, depending on when they were born

For men and women born on or after 6 December 1953, it will gradually increase to:

- 66 by October 2020
- 67 between April 2026 and March 2028

From 2017, the State Pension age will be reviewed every five years to consider changes in relation to life expectancy estimates.

How much State Pension you'll get

The most you can get currently with the basic State Pension is £122.30 per week.

You need 30 'qualifying' years of NI contributions or credits to get the current full basic State Pension.

Currently, the basic State Pension increases each year by the highest of:

- the growth in earnings in the UK
- the growth in prices in the UK
- 2.5%

This is known as the 'triple lock'.

There is no fixed maximum Additional State Pension amount. What you get depends on your earnings and NI contributions. Additional State Pension increases every year with inflation.

If you reach State Pension age on or after 6 April 2016 you'll get a different amount under the new State Pension.

Your State Pension is taxable, so depending on what other income you have, you may pay Income Tax on it.

State Pension statement

You can apply for a State Pension statement to see how much State Pension you may get based on your NI record.

Remember that the State Pension is taxable so, depending on what other income you have, you may pay Income Tax on it.

If you reach State Pension age on or after 6 April 2016, you'll get the new State Pension.

- If you're 55 or over, your statement will tell you how much your new State Pension would be worth based on your current NI record.
- If you're under 55, although you'll get the new State Pension, your statement will be based on the current system. It's still worth getting one because in the vast majority of cases, the estimate will be the minimum amount of State Pension you could get at State Pension age.

How much is the new State Pension?

If you reach State Pension age on or after 6 April 2016 you'll get the new State Pension.

The full amount of the new State Pension will be up to £159.55 per week.

In the early years of the new State Pension, some people may get less than the full amount of the new State Pension despite having the maximum of 35 qualifying years, and some may get more than the full amount even with less than 35 years. This is because many people had contracted-out of the Additional State Pension, and either paid a reduced rate of NI, or had some of their NI contributions go directly towards funding a private pension.

In most cases you'll need at least 10 years' NI contributions or credits to get any new State Pension. But this minimum period may not apply if you paid married women and widow's reduced-rate NI contributions.

The new State Pension is taxable so, depending on what other income you have, you may pay Income Tax on it.

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How to claim the State Pension

You don't get the State Pension automatically. You have to claim it.

You should get a letter four months before your State Pension age telling you how to claim.

If you don't, call the State Pension claim line on 0800 731 7898.

How to boost your State Pension income

Deferring your State Pension

You don't have to claim your State Pension at State Pension age. You can choose to defer it and get more.

Currently for every year you defer, your pension is increased by 10.4%. If you defer for at least a year, you can take the deferred amount as a taxable lump sum.

If you reach State Pension Age on or after 6 April 2016, the increase will be just under 5.8% for a full year. You won't be able to take a lump sum.

You don't have to do anything to defer your pension. It will be automatically treated as deferred until you claim it.

Paying voluntary NI contributions

You need 30 'qualifying' years of NI contributions or credits to get the current full basic State Pension.

If you have fewer, you may be able to increase the amount you get by paying voluntary contributions. You can usually only pay to make up for gaps in your NI record within the last six years.

You can check your NI record to find out:

- if you have gaps in your record
- whether you're eligible to make voluntary contributions
- how much they cost

State Pension top up scheme

If you're a man born before 6 April 1951 or a woman born before 6 April 1953, you can top up your State Pension by between £1 and £25 a week by making a lump sum voluntary contribution.

This is called State Pension top up and you can do it between 12 October 2015 and 5 April 2017.

Your contribution will depend on your age - rates go down as you get older.

For example, to get an extra £1 per week of State Pension, your lump sum contribution would be:

- £890 if you're 65
- £674 if you're 75

GOV.UK has a helpful State Pension top up calculator to help you work out the cost of your contribution and register for updates about the scheme.

If you're unsure whether this is right for you, talk to a financial adviser or the Pensions Advisory Service (TPAS) who have a free telephone helpline.

You can find FCA registered financial advisers who specialise in retirement planning in our Retirement adviser directory.

Claiming on your spouse or civil partner's record

Under the current State Pension scheme, if you can't get more than 60% of the full basic State Pension, you may be able to claim a higher amount based on your spouse's NI contributions.

If you're claiming on your husband's, wife's or civil partner's record, you don't need to wait for them to start drawing their own State Pension before you can claim, but you must both have reached State Pension age. You also don't need to be living together in order to claim.

You can do this when you claim your State Pension.

Claiming on the new State Pension

If your spouse or civil partner is due to get the new State Pension but you're not, you'll still be able to qualify for a pension based on their record. But any contributions or credits they build up after 6 April 2016 won't be taken into account when working out your pension.

If you're due to get the new State Pension, you won't be able to claim on your spouse's or civil partner's record although you might still be able to get an increase if you paid married women's and widow's reduced-rate NI contributions.

If your spouse or civil partner dies

If your husband, wife or civil partner dies and you don't qualify for the full rate of basic State Pension on your own NI record, you may be able to increase it using your late partner's NI record.

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You may also be able to inherit part (or in some cases all) of their Additional State Pension (known as SERPS until 2002 and State Second Pension after that).

You can't get an increase or inherit any Additional State Pension if you remarry or form another civil partnership before you reach State Pension age.

If you're widowed after 5 April 2016 and your spouse or civil partner is due to get the new State Pension, you'll still be able to qualify for pension based on their record. But any contributions or credits they build up after 6 April 2016 won't be taken into account when working out your pension.

If you're due to get the new State Pension, it will still be possible to inherit Additional State Pension from your spouse or civil partner in special circumstances if your marriage or civil partnership began before 6 April 2016.

If you paid married women's and widow's reduced-rate NI contributions you might also be eligible for a pension increase.

What is Pension Credit?

Pension Credit provides additional retirement income if you're on a low income. It's made up of Guarantee Credit and Savings Credit.

Guarantee Credit tops up your weekly income to a guaranteed level.

Savings Credit provides an extra amount if you're 65 and over and have made some provision for your retirement, for example through a workplace pension or savings.

This table shows the Pension Credit amounts for the 2015-16 tax year.

Under the new State Pension, people reaching State Pension age on or after 6th April 2016 won't be eligible for the Savings Credit part of Pension Credit.

This includes anyone with a partner who reached State Pension age before 6 April 2016. But some protection will be given to those couples who were already getting Savings Credit on 6 April 2016.

Over 80 Pension

The Over 80 Pension is for people aged 80 or over who have little or no State Pension. it's not based on NI contributions.

If you're eligible and don't get any basic State Pension, you'll get £73.30 a week (2017-18). If you're on a reduced basic State Pension, you'll get the difference between this and £73.30 a week.

The Over 80 Pension won't be available under the new State Pension.