

Women's State Pension Age changes – RCN Briefing

From the 1940s until April 2010, the State Pension age (SPA) was 60 for women and 65 for men. However, Government policy changed in the 1990s and a timetable was agreed to equalise SPA for women and men.

The Pensions Act 1995 provided for the SPA for women to increase from 60 to 65 over the period April 2010 to 2020.

In 2007 the Labour government announced that the equalised state pension for both men and women would rise to 66 between 2024 and 2026. A timetable was set in place to deliver this change.

However, the Coalition Government legislated in the Pensions Act 2011 to accelerate the latter part of this timetable, starting in April 2016 when women's SPA was 63 so that it will now reach 65 in November 2018, over 2 years earlier than originally planned.

The reason Government gave for this change was that life expectancy had risen faster than expected since the timetable had last been revised.

The equalised SPA will rise to 66 by October 2020, to 67 by 2028 (and to 68 between 2037 and 2039 (see below)).

The WASPI Campaign (Women Against State Pension Increase)

Background

Many women affected by this quicker timetable have been campaigning against the change: the accelerated timetable and the fact that they say the change was not communicated effectively such that all those affected fully understood that their state pension age was rising and that they would not receive their state pension until later. A key complaint has been from women who are older than the previous SPA and who find themselves unemployed or undertaking caring responsibilities and have no access to an income (paid employment, occupational pension or other financial support) until they reach their new and later SPA.

WASPI's stated aim is to "achieve fair transitional state pension arrangements for all women born in the 1950s affected by the changes to state pension law in the 1995 and 2011 acts of parliament". They state that this can be achieved by Government creating a non means-tested 'bridging' pension to provide an income until State Pension Age and providing "compensation for losses for those women who have already reached their SPA".

The RCN understands why many women are upset about these changes and is supportive of WASPI's campaign. There is a general view that people need at least 10 years notice of a rise in their SPA in order to plan fully for their retirement. The Work and Pensions Select Committee and an All Party Parliamentary Group on State Pension Inequality for Women have made various criticisms of the way in which equalisation has been communicated / implemented in recent years. However, it appears clear that Government will not alter the schedule of changes nor entertain the

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idea of, for example, allowing early drawdown of state pension (accompanied with a reduction for early payment) as has been suggested by some commentators.

The then Pension Minister, Richard Harington MP said in 2016 *‘ I made it very clear that our position is that we have made the concessions we are going to make – that does not mean that I am unsympathetic to the women involved, but we have made a £1.25Bn concession. We have looked at every alternative and they are either unaffordable or not legal at the moment.....It would not be right to give your readers false hope. The Government really will not change. This is it now’* (Pensions World November 2016).

A judicial review of the equalisation timeframe supported by the campaign group “Backto60” – that argued that the changes were discriminatory – was heard earlier this year and was unsuccessful. However, WASPI’s campaigning on the maladministration aspect of the changes continues in earnest.

If you are affected by these changes and wish to take the matter further you should consider contacting your local MP. It is for Government to legislate for any changes to the current timetable on state pension age – there is no other mechanism.

Your MP will want to know how you have been affected by the changes; whether the changes were communicated to you and if so how, what has been the impact on you and your financial position.

You can find your MP through this link: <http://www.parliament.uk/mps-lords-and-offices/mps/>

Many RCN members who have paid into the NHS Pension Scheme and who meet the relevant pension age criteria have been able to claim their NHS pension from age 55 if employed in a ‘special class nurse’ capacity or at age 60. It is likely that many eligible members have claimed their NHS pension before their state pension age and have offset any delay in receiving their State Pension that way. However, “Special Classes status” is no longer available to those who joined the scheme after March 1995.

For details of the WASPI campaign visit – <http://www.waspi.co.uk/>

The WASPI campaign gave evidence to the Work and Pensions Committee in 2015 – this can be seen here: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2015/new-state-pension-ev-session-2-15-16-/>

The State Pension Age

To find out what your State Pension Age is you can answer a few easy questions on the Government website - <https://www.gov.uk/state-pension-age>

Further information on the State Retirement pension can also be found on the Government website - <https://www.gov.uk/browse/working/state-pension>

The first Independent Review of SPA reported to Government in spring 2017. The RCN gave evidence to this review and stated that it did not see that a case could be made

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for any further rise in SPA. However, in July 2017 Government announced that there the State Pension age will increase to 68 between 2037 and 2039, earlier than the current legislation which sees a rise between 2044 and 2046. The change will affect everyone born between 6 April 1970 and 5 April 1978.

Visit <https://www.gov.uk/government/collections/state-pension-age-review> for further information. The State Pension Age will be reviewed once in every Parliament.

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