



Money Mini Task: Checking your State Pension

Setting the scene

Jim and his wife, Sue, are working out at what age they can get their State Pension. They also want to work out how much this pension will be.

In this task you will use a table to find out Jim's State Pension age.

You will work out whether Sue will get a full State Pension or not. You will also work out how much State Pension they will get between them when they retire.

You will practise your skills to

- read and understand information in a table
- understand and work with dates
- use addition and subtraction to work out problems
- add decimals to work out amounts of money.





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Source material 1

In the past few years the Government has changed the pension age. In the future men and women won't get to retirement age until they are 68 years old. Over the next thirty years, the age you can get your State Pension will depend on your date of birth:

Men – born...	State Pension age
before 5 Apr 1959	65
after 6 Apr 1959	65 – 68
after 5 Apr 1978	68

Women – born...	State Pension age
before 5 Apr 1950	60
5 Apr 1950 – 6 Apr 1955	60 – 65
6 Apr 1955 – 5 Apr 1959	65
after 6 Apr 1959	65 – 68
after 5 Apr 1978	68

Example:

Sue was born on 6 Mar 1953.
This year (2010) she will be 57 years old.

$$\begin{array}{r} 2010 - \\ \underline{1953} \\ 57 \end{array}$$

Jim and Sue look at the State Pension age table.

Sue was born between 5 Apr 1950 and 6 Apr 1955.

She will be able to get her State Pension when she is between 60 and 65 years old:

Women – born...	State Pension age
before 5 Apr 1950	60
5 Apr 1950 – 6 Apr 1955	60 – 65
6 Apr 1955 – 5 Apr 1959	65
after 6 Apr 1959	65 -68
after 5 Apr 1978	68



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Task A

Use the table in Source material 1 and the example to help you answer these questions.

Jim was born on 12 April 1951.

1. At what age will Jim be able to get his State Pension?
2. How old is Jim in 2010?

Source material 2

When you reach State Pension age you get a 'full basic State Pension' if you have paid enough National Insurance (NI) in your working life.

If you will retire after 6 April 2010:

you will get a full basic State Pension if you have paid National Insurance for 30 years or more.

Some women may only get a 'married woman's pension': If they did not work for enough years to get a pension based on their own National Insurance payments, they may be able to get a pension based on the National Insurance their husband has paid.

The 'married woman's pension' is a smaller amount than the 'full basic State Pension'.

In 2009-10:

Full basic State Pension	£95.25 a week
State Pension for a married woman using her husband's National Insurance record	£57.05 a week

← *'married woman's pension'*



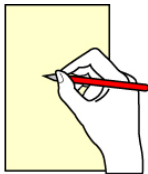
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Example

Jim has worked for 43 years.

He has worked for 43 years, so he already has 30 years when he has paid National Insurance.

He will get a full basic State Pension (£95.25 per week) when he gets to age 65.



Task B

Use Source material 2 and the example to help you answer the questions below.

Jim and Sue use the online State Pension age calculator. They find out Sue will get to State Pension age when she is 63 years old.

Sue is 57 years old.

She has worked for 25 years so far.

She will get to state retirement age when she is 63 years old.

She needs to have worked for 30 years to get a full basic State Pension.

Otherwise she will get a 'married woman's pension'.

3. How many years is it before Sue gets to retirement age?
4. If she works till then, how many years will she have paid National Insurance?
5. Will she get a full basic State Pension or a 'married woman's pension'?
6. How much will Jim and Sue get between them in State Pension when they are both retired?



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How did you get on?

1. Jim was born before 5 April 1959.

He will be able to get his State Pension when he is **65 years old**:

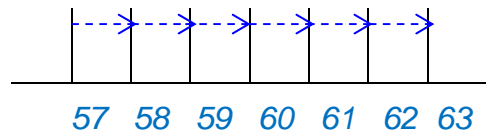
Men – born...	State Pension age
before 5 Apr 1959	65
after 6 Apr 1959	65 – 68
after 5 Apr 1978	

2. Jim was born on 12 April 1951.

In 2010 Jim will be 59 years old.

$$\begin{array}{r} 2010 - \\ \underline{1951} \\ 59 \end{array}$$

3. Sue has **6 more years** until she gets to retirement age.



4. She has worked for 25 years already.

If she works for 6 years more, she will have **31 working years**.

$$25 + 6 = 31 \text{ yrs}$$

5. She will also get a **full basic State Pension** in her own right (£95.25 per week).

6. Between them Jim and Sue will have **£190.50 per week**.

$$\begin{array}{r} £90.25 \\ \underline{£90.25} + \\ £190.50 \end{array}$$



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For further information and practice



To work out your State Pension age, try the **State Pension age calculator**
<http://pensions.direct.gov.uk/en/state-pension-age-calculator/home.asp>

For more information about how much money you are likely to get in your State Pension, try the **State Pension forecast**
http://www.direct.gov.uk/en/Pensionsandretirementplanning/StatePension/StatePensionforecast/DG_10014008

If you would like more practice in making calculations with numbers or money, visit these resources on the Learner Route:



Hot Topics: Which Operation
Hot Topics: Managing Money

For more practice on finding information in tables, try:



BBC Skillswise RAW: Express Unit on Tables
http://www.bbc.co.uk/raw/money/express_unit_tables/

Adult Financial Capability Framework

B(b) 1 Identify sources of income

B(c) 3 Begin to understand the National Insurance system

Numeracy Core Curriculum

HD1/E3.1 Extract information from tables

MSS1/E3.3 Read dates

N1/E3.9 Solve problems using + and –

N2.E3.3 Understand decimals in the context of money