



Phoenix Consultants Ltd Pensions supplement: **UK STATE PENSIONS**

Levels of Benefit:

- Basic State Pension
- State Second Pension (previously SERPS)

Key Points:

- Basic State Pension is paid weekly and often referred to as the 'Old age pension'
- Levels for 2010/11 if eligible for the full amount of basic pension are £97.65 for a single person and £156.15 for a couple
- Full pension is only payable if you have 30 years National Insurance (NI) credits. If less, you receive 1/30th of full the pension for each years NI
- The age to receive the Pension will increase to 65 for women, gradually increasing from 60 between 2010 and 2020
- Further increases for men and women from 65 to 68 and from 2024 to 2046, again gradually
- Taxable as earned income in the UK
- The amount of State Second Pension that you are due is calculated and paid at the same time as your Basic State Pension. This may be paid by the state or through private or employers pension arrangements depending on your arrangements whilst in the UK

Making up for lost time

1. Voluntary National Insurance contributions can be made
2. Cost effective way of boosting your retirement income
3. 1/30th of the basic state pension for each year National Insurance contributions made, subject to a maximum of 30

Links

The government gives some particularly useful information on websites which you may wish to browse;

1. Guide to state pensions: <http://www.direct.gov.uk/en/Pensionsandretirementplanning/index.htm>
2. Explanation of countries where increases are made <http://www.thepensionsservice.gov.uk/ipc/faqs.asp#thirteen>
3. HMRC guide to making voluntary NI contributions <http://www.hmrc.gov.uk/cnr/osc.htm#3>

What Phoenix can do

- A free review of your existing arrangements
- A thorough fact finding exercise to ensure our advice fits your personal circumstances
- A recommendation from our pensions expert to meet your specific needs
- A tailored investment strategy from our specialist investment team adjusted to meet your retirement aspirations