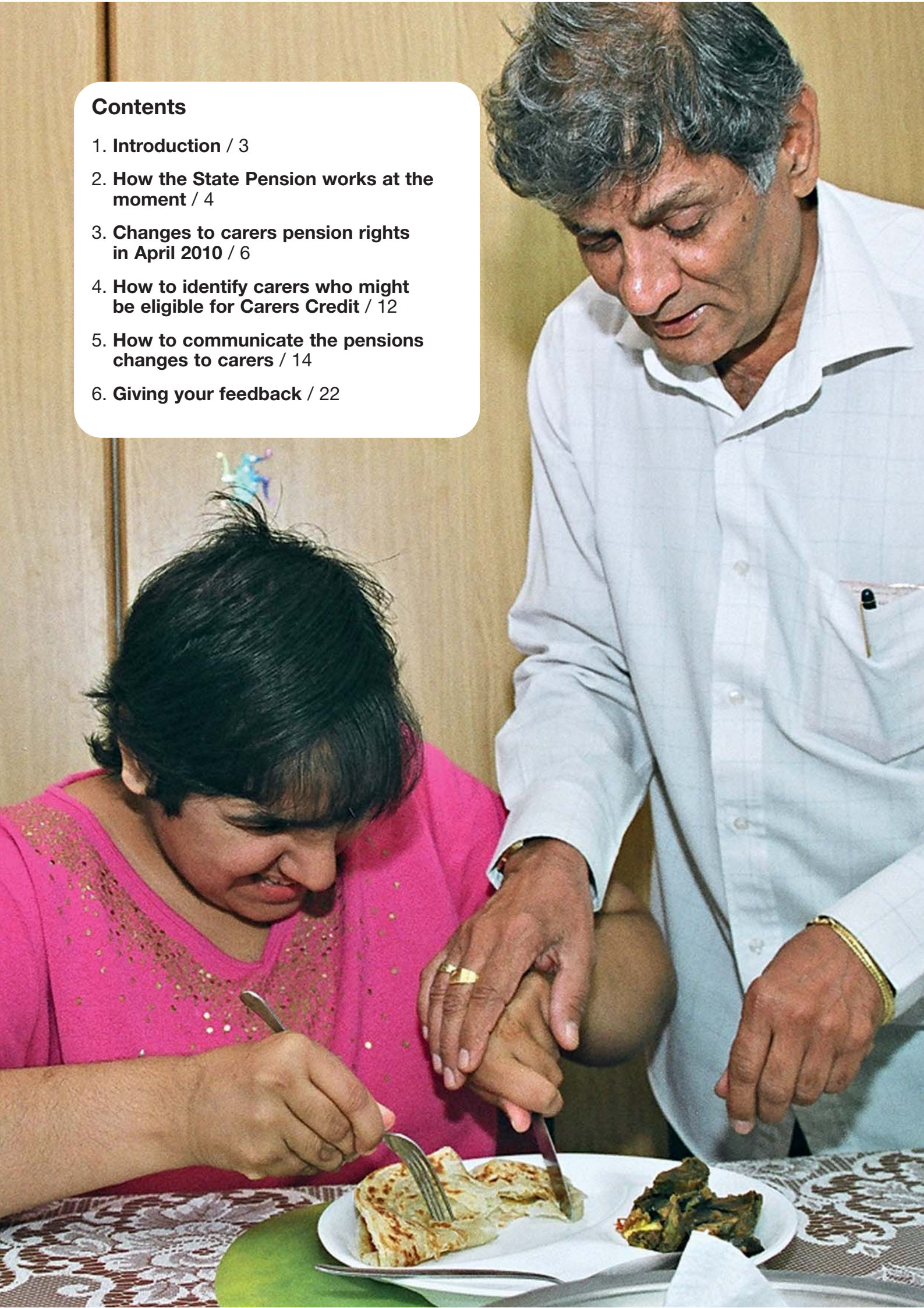


Carers and Pensions Handbook



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1. Introduction

Carers have to juggle a huge variety of different tasks each day, from giving medication or helping with personal care, to sorting out medical appointments and the finances and benefits of the people they look after.

As a result, thinking about their own pensions can be last on carers' long 'to do' lists. Yet pension planning could not be more important for carers, as looking after someone can have a devastating impact on their pensions. **If someone has given up work or reduced their hours to look after somebody else, their entitlement to the basic State Pension may be at risk.** As part of the changes to the State Pension from 6 April 2010, more carers will get a better State Pension – but they may need to take action now to make sure they don't miss out on money for their future.

The pensions and benefits system can be difficult to understand, so it is vital that carers are given clear and timely advice to make sure they look after their long-term futures.

This Handbook is aimed at organisations, voluntary groups and professionals who support carers. It provides an introduction to the important issues about carers' pensions and details about the changes to pensions that are happening from 6 April 2010. The Handbook also gives advice on how you can help to improve carers' pension awareness and let them know how these changes might affect them.

You will also find enclosed a pack of posters to help you guide carers to advice and information on pensions.

Some groups of carers who might benefit from new pensions rules in place from 6 April 2010:

- Carers caring for a total of 20 hours or more a week but who miss out on Carer's Allowance because they don't care for 35 hours or more.
- Carers looking after someone who can't, or chooses not to, claim disability benefits.
- Carers in situations where there is more than one carer looking after a disabled or ill person and someone else is getting the Carer's Allowance for that person.
- Carers looking after several people but who cannot claim Carer's Allowance because they do not care for any one of them for 35 hours.
- Carers providing a lot of care for a person who has gone into hospital or a care home, but cannot get Carer's Allowance because that person doesn't get disability benefits as they have been in hospital or a care home.
- Carers who are claiming Jobseeker's Allowance or Employment and Support Allowance who may not be getting credits towards their State Second Pension.

2. How the basic State Pension works

What is the basic State Pension?

The basic State Pension is a regular payment that you can claim once you reach the State Pension age. You can find out your exact State Pension age by visiting www.direct.gov.uk/pensions - it will be somewhere between 60 and 68 depending on your date of birth.

How do I build up my basic State Pension?

Your basic State Pension depends on your National Insurance record. When you are working you pay National Insurance contributions from your wages, and these go towards your State Pension among other things. You can also be credited with contributions if, for example, you have been caring for someone or claiming certain benefits, or you may have paid some voluntary contributions.

To get the full basic State Pension you need to build up a certain number of National Insurance contributions, called 'qualifying years'. Currently this is normally 39 years for women and 44 years for men. For men and women reaching State Pension age on or after 6 April 2010 this is reducing to 30 years, to make it easier for people to build up a full basic State Pension.

Many people just presume that they will automatically receive a State Pension when they retire and do not realise that they need to have made a certain amount of National Insurance (NI) Contributions towards it throughout their lives.

If an individual has given up work, this means they are not contributing any National Insurance through employment and they may not be building up those 'qualifying years' which go towards their basic State Pension. In addition, if they are working part-time, they may not be earning enough each year (currently a minimum of £4,940 (£5,044 2010/11) for an employee, or £5,075 if you are self employed) to make the right amount of National Insurance Contributions.

How can carers qualify for their full basic State Pension if they aren't in paid employment or aren't earning enough to contribute?

There are currently two ways in which carers can build up their Contributions if they are not in paid employment or if their pay is less than the minimum for Contributions:

By receiving certain benefits - including Carer's Allowance, Jobseeker's Allowance, or Employment and Support Allowance. These benefits ensure that carers are 'credited' with National Insurance Contributions whilst they are claiming the benefit. This effectively means that their National Insurance contributions are paid for, and allows carers to build up those important qualifying years.

Through Home Responsibilities Protection - this protects the rights of individuals who have been looking after a child or caring for an ill or disabled friend or relative.

Carers do not need to have been receiving any benefits in order to claim Home Responsibilities Protection. To apply for it carers need to be regularly caring for at least 35 hours a week for someone who is getting Attendance Allowance, Disability Living Allowance (at the middle or highest rate for personal care) or Constant Attendance Allowance (under the Industrial Injuries or War Pensions schemes).

Home Responsibilities Protection reduces the number of qualifying years carers need to get a full basic State Pension. For example, if Tom has cared for Sam, for 10 years, the number of 'qualifying years' he needs to get his full basic State Pension will be reduced by 10 years. However Home Responsibilities Protection cannot reduce the number of qualifying years below 20 - so anyone reaching State Pension age before April 2010 would need to have built up at least 20 years of National

Many people just presume that they will automatically receive a State Pension when they retire...

Insurance Contributions otherwise their basic State Pension will be reduced.

Home Responsibilities Protection is being abolished and only applies to periods of caring which take place before 5th April 2010. From 6 April 2010, it will be replaced by Credits for Parents and Carers. People who reach State Pension age on or after 6 April 2010 will have any complete tax years of Home Responsibilities Protection they were awarded before then converted to years of credits (up to a maximum of 22 years). Those who reach State Pension age after then, may be eligible for the new system of credits for parents and carers, which is replacing Home Responsibilities Protection. These credits including Carers Credit are explained in section 3.

What happens when people do not qualify for the full basic State Pension?

Until 6 April 2010, if someone has 25% or more of the qualifying years needed for the basic State Pension they will get an amount between the minimum and the full basic State Pension, depending on how many qualifying years they have.

If someone has less than 25% of the qualifying years their National Insurance Contributions do not entitle them to any basic State Pension – however they may be able to get a ‘non-contributory State Pension’ or ‘Over 80 pension’ if they meet certain conditions. Also, a married woman who does not qualify for a full State Pension may be able to get a State Pension based on her husband's National Insurance Contributions.

For more details visit www.direct.gov.uk/en/Pensionsandretirementplanning/StatePension

What is the additional State Pension, SERPS or the Second State Pension?

The additional State Pension is extra money which some individuals can get as well as the basic State Pension, or sometimes even if they are not getting a basic State Pension.

If individuals retired before 2002 they may be entitled to ‘State Earnings Related Pension Scheme’ (SERPS) which is an additional pension where the amount is

calculated according to National Insurance Contributions and earnings. However some individuals may have opted or ‘contracted’ out of SERPS by contributing less to National Insurance and may not get the additional SERPS money as a result.

The ‘State Second Pension’ replaced SERPS in 2002 as a way of supporting people who were at risk of ending up with a low-level pension, like low-earners or carers.

The State Second Pension is a second pension pot that is also built up through National Insurance Contributions paid either through employment or as a result of claiming the right benefits.

Currently, like the basic State Pension, the State Second Pension is based on earnings, contributions and credits. The State Second pension is worth about £1.60 a week for every qualifying year's National Insurance Contributions. So a carer who has been caring for 10 years could get an extra pension of around £16 per week for all those years spent caring.

Individuals may be able to build up a State Second Pension if they:

- **are a carer:**
 - looking after a child under six for whom they receive Child Benefit
 - caring for an ill or disabled person and are getting Home Responsibilities Protection as a result
 - who is entitled to Carer's Allowance, even if they are not receiving it because of rules around other benefits.
- **are an employee and earn at least £4,940 a year – the 2009/10 threshold (£5,044 for 2010/11) and satisfy other conditions**
- **have a disability or long term illness and satisfy other conditions.**

However, until April 2010 individuals must satisfy one of these conditions throughout the *whole* tax year as you cannot combine shorter periods of earnings, caring or illness to count towards the State Second Pension.

To find out more go to www.direct.gov.uk/en/Pensionsandretirementplanning/StatePension

3. Changes to the State Pension for carers from 6 April 2010

The rules for Carer's Allowance are **not** changing, and the April 2010 changes do **not** mean that additional groups of carers will be able to claim Carer's Allowance and the National Insurance Contributions that come along with it. However the changes do mean that some carers who cannot receive Carer's Allowance will now be able to protect their state pension, so that staying out of paid work to look after an ill or disabled friend or relative does not mean they are putting their State Pension in retirement at risk.

Alongside the State Pension age for women rising from 60 to 65 between 2010 and 2020 (to be equal with men), there are three other changes that are significant for carers:

1. Qualifying years

Anyone reaching State Pension age on or after 6th April 2010 will only need 30 qualifying years for the full basic State Pension (reduced from the current levels of 44 years for men and 39 years for women).

This could make a big difference to many carers who may have gaps in their National Insurance Contributions because they were caring instead of being in full time paid work. As long as they have at least 30 qualifying years, they will now qualify for the full basic State Pension.

2. What happens when people do not qualify for the full basic State Pension but still have some National Insurance contributions?

From 6th April 2010 anyone with some qualifying years will get one thirtieth of the full basic State Pension amount for each qualifying year they have.

For example, if Joyce has 15 qualifying years, she will get 15 thirtieths of the full amount. So, if the full basic State Pension amount is £97.65 a week, one thirtieth of that is £3.26 ($£97.65 \div 30$), meaning that Joyce would get £48.90 (3.26×15) each week.

This is clearly a complex calculation, so anyone who would like to check how many qualifying years they have, and how much basic State Pension they may get when they reach their State Pension age, should get a State Pension forecast (details on page 11).

This reduction may be particularly helpful for carers who have come to live in the UK from another country, and may not have been in the UK long enough to build up 30 years of National Insurance Contributions.

3. The new credit for parents and carers including Carer's Credit

From 6th April 2010 Home Responsibilities Protection will be replaced by weekly credits for parents and carers. The credits are available to the following people:

- recipients of Child Benefit for a child under age 12 automatically get the credit
- those in receipt of Income Support because they are caring, but not getting Carer's Allowance, will automatically get the credit
- carers providing a total of 20 hours or more each week need to apply for 'Carer's Credit' from the Department for Work and Pensions

To claim the Carer's Credit, carers must be caring for one or more disabled people for a total of 20 hours or more a week who is:

- in receipt of a qualifying benefit (any rate of Attendance Allowance or Constant Attendance Allowance within Industrial injuries or War Pension schemes, middle or highest DLA care component)
- or, if there is no qualifying benefit, the carer must have a signed certificate from a health or social care professional to confirm that an appropriate level of care being provided is required.

Alongside the State Pension age for women rising from 60 to 65, there are other changes that are significant for carers...



Who benefits?

The new Carer's Credit will help carers in a number of situations where they may be struggling to protect their State Pension. Identifying these groups, and offering them advice is vital. This is because these carers do not qualify for Carer's Allowance so may not identify themselves as 'carers,' might not be in touch with benefits or advice agencies and might not think the Carer's Credit is for them:

1. Carers looking after someone for 20 hours or more a week

Rather than having to care for at least 35 hours, from April 2010, carers caring for 20 hours or more each week will be able to apply for Carer's Credit to protect their State Pension – both their basic and State Second Pension.

From Carers UK's advice line:

Michael has taken a career break of 6 months to look after his uncle David who lives independently but is recovering from a stroke and has mobility difficulties. Michael visits his uncle every morning for a couple of hours to help him have a shower and get dressed, and spends another couple of hours every evening at his Uncle's house, helping him with physio exercises, his evening meal and getting ready for bed. Michael thinks he cares for about 25 hours a week and knows he can't get Carer's Allowance as a result, and will miss out on National Insurance contributions for the time he cares for his Uncle. From April 2010, Michael will be able to claim the Carer's Credit so that he is credited with National Insurance contributions for this time.

2. Carers looking after someone who does not wish to claim disability benefits or finds it difficult to do so because of their condition

Previously carers had to be caring for someone on Attendance Allowance, Disability Living Allowance or Constant Attendance Allowance to take advantage of the pensions protections provided by Carer's Allowance

or Home Responsibilities Protection. From April 2010, the Carer's Credit will also be available to carers looking after someone who is not in receipt of one of these benefits, but where a health or social care professional confirms the level of care being provided is appropriate.

From Carers UK's advice line:

Sarah looks after her mother who is 76 and is now severely disabled but very independent. Sarah contacted Carers UK to find out what entitlements she might be able to get. She told us that her mother did not want to claim Attendance Allowance, so she was looking at what benefits or help with her pension she might be able to get. Sarah doesn't get any benefits and cannot get Jobseeker's Allowance because she looks after her mother so much and says she's not available for work. Because her mother doesn't wish to claim Attendance Allowance, Sarah cannot get Carer's Allowance. However after April 2010, Sarah will be able to receive Carer's Credit to protect her State Pension.

3. Where more than one carer is looking after someone who is severely disabled

In this situation only one carer can claim Carer's Allowance. This rule has **not** changed, however previously this also meant that the second person missed out the National Insurance Contributions that Carer's Allowance credits recipients for. After April 2010 the person who is unable to claim Carer's Allowance will be able to claim credits towards their State Pension.

From Carers UK's advice line:

Katrina and John look after their severely disabled child who is 8 years old and they receive Income Support because they both do not work. Having heard about protecting their pensions, they got in touch. Their daughter is severely disabled and in need of round the clock care from more than one person because her needs are so high. They've both found it difficult to get care they can rely on.

Katrina gets child benefit for their daughter, but John does not. Katrina also gets Carer's Allowance but John does not. This means that John's State Pension is not being protected. Whilst John may have already been eligible for Home Responsibilities Protection, after April 2010, John will be able to apply for Carer's Credit to protect his pension, even though he will not be in receipt of Carer's Allowance or child benefit.

4. Carers who are looking after several people but are unable to claim Carer's Allowance because they do not care for any one of them for 35 hours or more

After April 2010, so long as the total care provided amounts to 20 hours a week or more, carers will be able to claim the Carer's Credit towards their pension.

From Carers UK's advice line:

Kuku helps look after her elderly mother who has severe arthritis and her brother who has a learning disability and lives with her mother. Kuku visits for an hour every morning to help her mother have a shower, and Kuku has her brother to stay with her every weekend to give her mother a break. However Kuku cannot claim Carer's Allowance because she does not care for either her mother or her brother for 35 hours or more. After April 2010 Kuku will be able to apply for the Carer's Credit because the total care she provides to her mother and brother comes to more than 20 hours a week.

5. Carers who have lost Carer's Allowance because the person they care for keeps going into care or hospital

When the person that a carer is looking after has a hospital stay for longer than 28 days their disability benefits will be stopped. Because Carer's Allowance can only be claimed if the person being cared for is in



receipt of Disability Living Allowance or Attendance Allowance, in these circumstances the carer's Carer's Allowance would also stop, meaning that they would not be receiving National Insurance credits either. This will happen even if the carer continues to provide substantial amounts of care to the person they look after in hospital. If the person they care for has long stays in hospital or is in and out of hospital frequently this could end up having a significant impact on carers' pensions.

From April 2010, if the carer can get a signed certificate from a health or social care professional to confirm that the carer is continuing to provide an appropriate amount of care then they would be eligible for the Carer's Credit to count towards their State Pension.

From Carers UK's adviceline:

Barbara cares for her 20 year old daughter Kelly who has a severe spinal condition which means she requires constant support. Kelly gets the highest rate care component of Disability Living Allowance (DLA) and Barbara claims Carer's Allowance. Kelly grew very ill following an operation and spent over 12 months in hospital receiving critical care. Barbara needed to be at the hospital every day to be with her daughter and provide some of the complex care that Kelly needs. However, because of the benefit rules, after 28 days in hospital, Kelly's DLA was stopped and Barbara's Carer's Allowance stopped with it. With her daughter in a critical condition in hospital Barbara was unavailable to seek work and so could not claim Jobseeker's Allowance. As a result she missed out on over a year of National Insurance Contributions. Kelly is still in hospital, but from April 2010 Barbara would be able to claim Carer's Credit because Kelly's doctors are happy to confirm the amount of time Barbara spends caring for her daughter in hospital.

6 ■ Where claiming Carer's Allowance would negatively affect a disabled person's benefit eg Severe Disability Premium/Addition

In some circumstances making a claim for Carer's Allowance would mean that the person they care for ends up worse off. This may happen if the disabled person receives Income Support, Income-related Employment and Support Allowance, Income based Jobseekers Allowance, Pension Credit, Housing Benefit or Council Tax benefit (Rate Rebate in Northern Ireland).

If someone is receiving the Severe Disability Premium/Addition with one of the above benefits, they

will lose it if their carer receives Carer's Allowance for caring for them. If carers did not end up claiming Carer's Allowance as a result, after April 2010, they may be able to get the Carer's Credit towards their State Pension.

From Carers UK's adviceline:

Ellie has taken a year off from work to care for her brother Alex, who is severely disabled and had been looked after in his own home by their mother who is recovering from cancer. Their mother never claimed Carer's Allowance for Alex and if Ellie starts to claim her brother will lose his Severe Disability Premium. Ellie has some savings so thinks she can make do for a year and does not want to make her brother worse off, however without National Insurance Contributions from benefits or employment she risks having a gap in her record. After April 2010 Ellie may be able to claim Carer's Credit to protect her State Pension.

7 ■ Where carers are claiming Jobseeker's Allowance or Employment Support Allowance, but are missing out on contributions to their Second State Pension

Carer's Allowance credits carers with contributions towards both the basic State Pension and State Second Pension. However, whilst Jobseeker's Allowance and Employment Support Allowance do credit recipients with contributions to their basic State Pension, they may miss out on credits towards the State Second Pension (the State Second Pension is explained on page 5). As a result, carers who are in receipt of JSA and ESA should check whether they may be able to claim Carer's Credit as well, in order to ensure they are getting the best package of pension support.

From Carers UK's adviceline:

Sam is looking for work and caring for his brother Joe for over 20 hours a week, following a car accident. Although Jobseeker's Allowance would credit him with National Insurance Contributions towards his basic State Pension, Sam would not be receiving the credits to his State Second Pension that he would if he were in receipt of Carer's Allowance. After April 2010 Sam could claim the Carer's Credit to make sure he is getting a full package of credits towards his State Pension.

Starting to think about and plan for pensions is something that is easy to put off.



4. How to identify carers who might be eligible for the Carer's Credit

The new rules should benefit significant numbers of carers, particularly many carers whose pensions have previously been unprotected. This makes it all the more important to identify carers who may be able to claim the Credit as it is very likely that these carers are not in touch with benefits or pensions agencies.

However, identifying carers who stand to benefit is not easy, particularly as those carers who will benefit may not consider themselves to be 'carers'. So please find below some tips and tools to help identify eligible carers and for communicating these pension changes to all carers.

Visit www.direct.gov.uk/pensions and take simple steps to plan ahead:

- 1 Find the exact date you will reach State Pension age by using the simple State Pension age calculator at www.direct.gov.uk/pensions
- 2 Use the information and links at www.direct.gov.uk/pensions to assess your personal circumstances. You'll find simple steps to improving your pension, such as the State Pension Profiler tool
- 3 Once you've done this, if you're still worried you may not get enough, you can get a State Pension forecast by visiting www.direct.gov.uk/pensions or alternatively you can call The Pension Service State Pension forecasting team on 0845 3000 169 (textphone 0845 3000 169). Your State Pension forecast will show how many years of National Insurance you have and estimate the amount of State Pension you can expect

Because carers are at particular risk of ending up with reduced pensions it is a good idea to refer *all* carers for a pension check-up or 'forecast'.

A State Pension forecast would include:

- the current number of 'qualifying years' (years of National Insurance Contributions made or credited) recorded on their National Insurance contributions record

- at today's money values, the estimated amount of State Pension they may get when they reach State Pension age, based on their National Insurance contributions record as it currently stands
- at today's money values, the estimated amount of State Pension they may get when they reach State Pension age, based on their National Insurance contributions record as it may stand by the time they reach their State Pension age. This projection is based on a number of assumptions as to the payment of National Insurance contributions for future years.
- and, most importantly, information on how they may be able to improve their State Pension.

The forecast will also identify the options available to recipients to help boost their pension – like topping up their National Insurance Contributions if they have any gaps.

Anyone resident in the UK who is more than four months from the State Pension age can apply for a State Pension forecast online at:

www.directgov.uk/pensionforecast

Over the phone, any UK resident who is more than 30 days from the State Pension age can request a forecast:

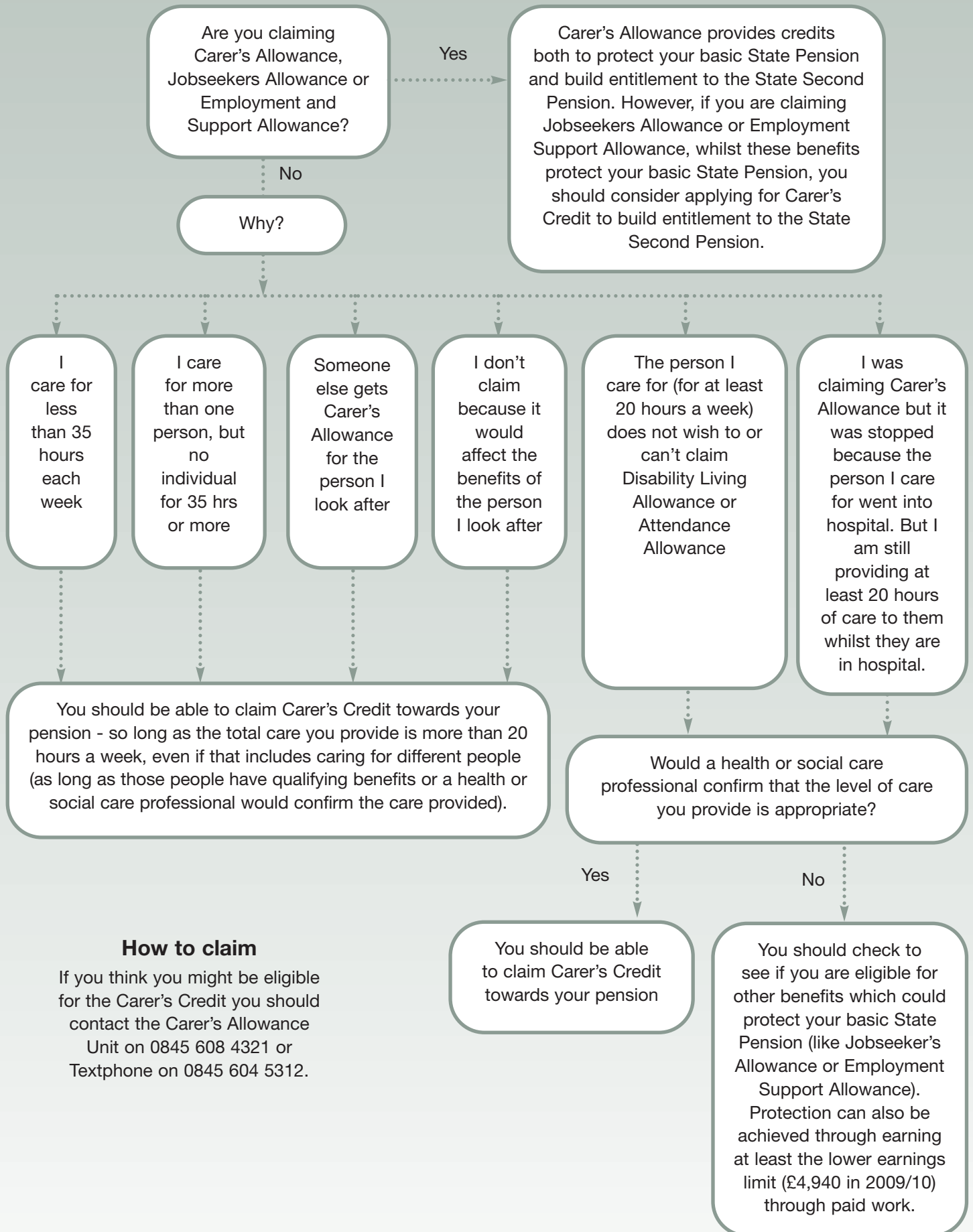
Tel: 0845 3000 168

Textphone: 0845 3000 169

In order to get a pensions forecast they will need to know several details including their National Insurance number (and their spouse or partner's number if they are married or in a civil partnership), details of any marriages, civil partnerships or annulments, details of any time spent working abroad and details of their current salary (if they are currently employed rather than self-employed).

How can carers get National Insurance Contributions?

Either go through the chart with carers or include it in your newsletter.



How to claim

If you think you might be eligible for the Carer's Credit you should contact the Carer's Allowance Unit on 0845 608 4321 or Textphone on 0845 604 5312.

5. How to communicate the changes to carers

As well as the Carer's Credit it is important that carers are informed about all the other changes to pensions taking place this April.

This section includes suggestions about how you can help to do this, including:

- ideas for a pensions event for carers
- a pensions quiz, which is a good way to check pensions knowledge as a group activity if you run a regular carer support group or coffee morning
- a pensions factsheet 'Seven things carers can do to make the most of their pension' to give out to carers
- template newsletter articles
- template press release

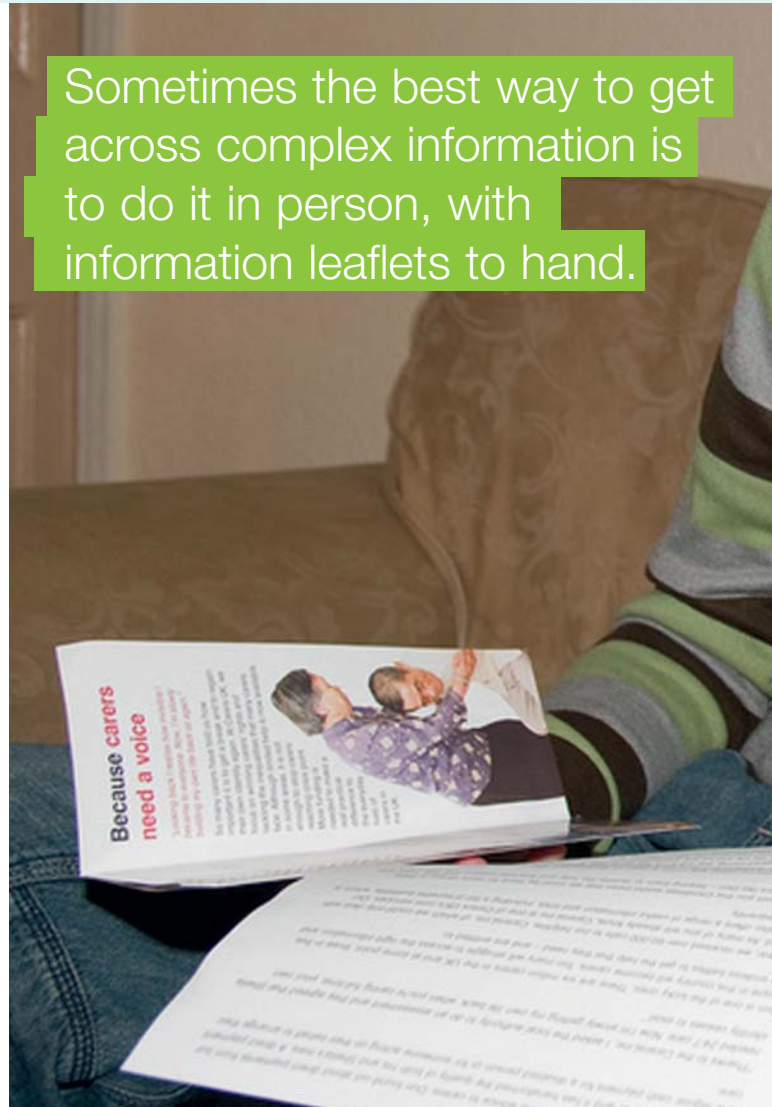
There is an online version of this guide available at www.carersuk.org/professionals if you would like to adapt or print off copies of these resources.

Running a pensions event for carers

Sometimes the best way to get across complex information is to do it in person, with information leaflets and contact details to hand. If you are able to organise a small event about pensions for the carers you are in contact with, it is an opportunity to work with other organisations and use their expertise to communicate these important changes to carers. However pensions are not the most enticing topic to attend an event on so you might also want to consider combining a pensions information session with another event.

Working with partners who are experts in benefits and pensions also means that you can help carers understand these often complex systems even if you do not feel you do know enough about them yourself!

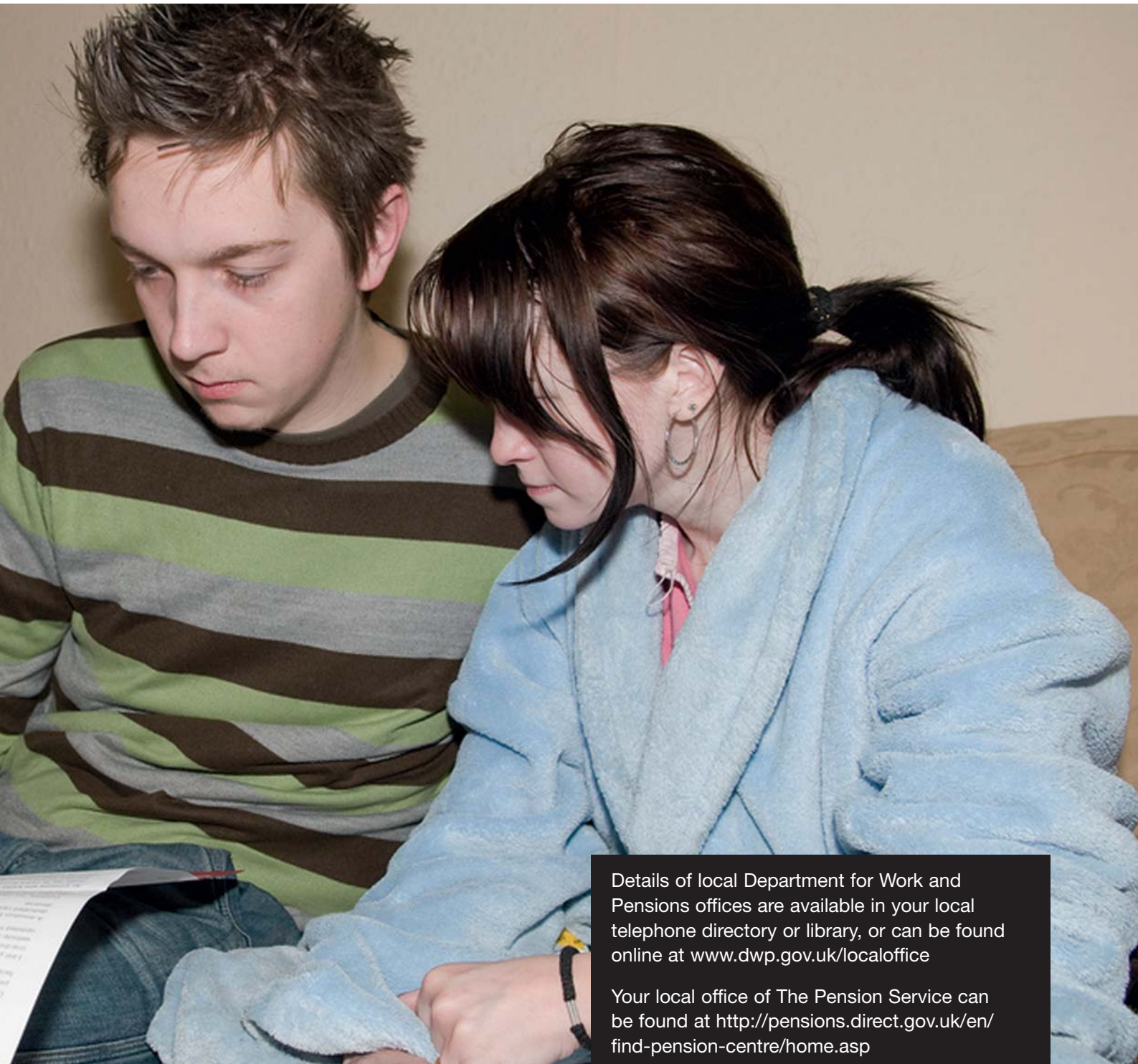
Sometimes the best way to get across complex information is to do it in person, with information leaflets to hand.



Working in partnership with The Pension Service and Jobcentre Plus

If you have run Carers Rights Day or Carers Week events before, you may already have good links with The Pension Service and Jobcentre Plus who may be able to help put on an event. Even if you have not been in touch with them before, many local groups find that representatives from these organisations are more than happy to work with them on a range of activities, including:

- advice surgeries: advisors could come along and give pensions advice and benefits checks
- seminars: you could ask someone from The Pension Service to speak at a seminar on pensions where



carers, volunteers, other local groups and professionals come along to learn about the pensions system and the changes that are coming in April

- info stalls in public places to give out leaflets or make referrals

“We ran an information stand jointly with the Department for Work and Pensions, at St. Georges Hospital. It was useful because we were able to publicise information about benefits to carers and we were also able to register new carers to our organisation.”
(Wandsworth Carers Centre)

Details of local Department for Work and Pensions offices are available in your local telephone directory or library, or can be found online at www.dwp.gov.uk/localoffice

Your local office of The Pension Service can be found at <http://pensions.direct.gov.uk/en/find-pension-centre/home.asp>

You can find your local Citizens Advice at www.citizensadvice.org.uk

Citizens Advice is also an excellent source of advice and information on a huge range of issues and often support carers' events by providing advisors.

Even if these organisations are not able to send advisors to an event, it is worth getting in touch to make links with them - making these links helps build strong relationships so that you can easily refer carers to expert organisations when you need to. They may be able to send you some information leaflets or flyers with their contact details on to give out to carers or suggest other local organisations who could help.

A young man with dark, wavy hair, wearing a dark blue crew-neck sweater, is sitting and looking towards a woman. The woman has long, dark hair and is wearing a black V-neck top and a gold necklace with a small pendant. She is looking back at the man with a slight smile. They appear to be in a casual setting, possibly a cafe or a meeting, with a blurred background showing some greenery and a window.

Pensions quiz!

If you have a carers group which gets together regularly you could run through this quiz with them to improve their pensions knowledge. The pensions system can be quite complicated and you don't know what you don't know until someone asks the right questions! This quiz will help show who needs a bit more information on how to protect their pension and improve general awareness too.

There are two versions, one for the quizmaster with all the answers and another which you could photocopy or add to a newsletter.

Carer Pensions Quiz

1. How much is the full basic State Pension for a single person?

- A £95.25
- B £55.50
- C £120.20

2. Who gets the basic State Pension?

- A You automatically get it if you live in the UK when you retire
- B You must have the right amount of National Insurance Contributions
- C Only people who have been in paid work throughout their lives

3. How can you build up National Insurance Contributions?

- A Only through your pay packet when you are in paid work
- B Through paid work and some benefits like Carer's Allowance or Jobseeker's Allowance
- C Don't know what National Insurance Contributions are

4. How many years of National Insurance Contributions do you need to get your basic State Pension?

- A 40 years for everyone
- B 44 years as a man 39 years as a woman
- C 44 years as a man 39 years as a woman, but this is being reduced to 30

5. What happens if you do not have enough years of National Insurance Contributions?

- A You need all the qualifying years or you won't get your pension
- B Everyone gets something whether they have made National Insurance Contributions or not
- C You get a portion of the basic State Pension level depending on how many years you have of Contributions, even if it is only one

6. If you are already getting your pension is it worth claiming Carer's Allowance?

- A No, you can't get both at once, so there is no point in claiming
- B Yes, you can get both at once
- C You can't normally get Carer's Allowance as well as your pension, but you might get other additional financial support as a result of claiming – so it is worth it

7. What is the Carer's Credit?

- A It is a new scheme which credits some carers who don't get Carer's Allowance with National Insurance Contributions
- B It guarantees a minimum income for carers under 65
- C It is another name for carers' £10 Christmas bonus

Pensions Quiz - quizmasters sheet!

1. How much is the full basic State Pension for a single person?

- A £95.25 (£97.65 from 6 April 2010)
- B £55.50
- C 120.20

2. Who gets the basic State Pension?

- A You automatically get it if you live in the UK when you retire
- B **You must have the right amount of National Insurance Contributions**
- C Only people who have been in paid work throughout their lives

Individuals need to have built up enough 'qualifying years' (years where you have paid or been credited with enough National Insurance Contributions) to get the full basic State Pension. Without the right amount of contributions you will get less than the full amount.

3. How can you build up National Insurance Contributions?

- A Only through your pay packet when you are in paid work
- B **Through paid work and some benefits like Carer's Allowance or Jobseeker's Allowance**
- C Don't know what National Insurance Contributions are

National Insurance Contributions are payments made through people's pay packets which allow them to qualify for the State Pension.

Benefits like Carer's Allowance and Jobseekers Allowance do credit people who claim them with National Insurance Contributions as long as they are claiming the benefit. If people have gaps in their National Insurance records it is also possible to top up National Insurance Contributions through voluntary Contributions at a later date, to make sure they can get their State Pension.

4. How many years of National Insurance Contributions do you need to get your basic State Pension?

- A 40 years for everyone
- B 44 years as a man 39 years as a woman

- C 44 years as a man 39 years as a woman, but this is being reduced to 30

For people reaching State Pension age before April 2010, men need 44 'qualifying years' and women need 39 years, but for those reaching State Pension age after April 2010 everyone needs just 30 years.

5. What happens if you do not have enough years of National Insurance Contributions?

- A You need all the qualifying years or you won't get your pension
- B Everyone gets something whether they have made National Insurance Contributions or not.
- C **You get a portion of the basic State Pension level depending on how many years you have of Contributions, even if it is only one.**

After April 2010 you will get a portion (one thirtieth) of the basic State Pension for every 'qualifying year' year you have built up.

6. If you are already getting your State Pension is it worth claiming Carer's Allowance?

- A No, you can't get both at once, so there is no point in claiming
- B Yes, you can get both at once
- C **You can't get Carer's Allowance as well as your State Pension, but you might get other additional financial support as a result of claiming – so it is worth it.**

Although you cannot receive the Carer's Allowance and the State Pension at the same time, making a claim for Carer's Allowance might mean you get other financial support – it is worth getting a benefits check just in case!

7. What is the Carer's Credit?

- A **It is a new scheme which credits some carers who don't get Carer's Allowance with National Insurance Contributions**
- B It guarantees a minimum income for carers under 65
- C It is another name for carers' £10 Christmas bonus

The Carer's Credit is being introduced in April 2010 and will help lots of carers who cannot receive Carer's Allowance protect their State Pension, by crediting them with National Insurance Contributions.

Factsheet **on general pensions awareness**

You could photocopy this and give it out to your members, include it in your newsletter or add it to your website.

Seven things carers can do to make the most of their pension

- 1.** Find out how much State Pension you have built up by getting your own State Pension forecast and checking your National Insurance (NI) Contributions record.
- 2.** Find out if it is worth paying additional Contributions for any years of NI Contributions you have missed. This could give you a bigger State Pension.
- 3.** Carers can get help to get a full basic State Pension. From April 2010 carers who care for a total of 20 hours per week or more but do not get Carer's Allowance may be able to apply for a Carer's Credit which will help more carers get a full basic State Pension.
- 4.** From April 2010 it will be easier to qualify for a full basic State Pension as you will need only 30 years of NI Contributions to get a full basic State Pension (instead of the current 39 years for women and 44 years for men,) which will help carers who can have gaps in their NI record.
- 5.** Don't forget you can get credited with NI Contributions if you meet certain conditions or receive certain benefits including Carer's Allowance, Jobseeker's Allowance, Employment and Support Allowance and Working Tax Credit.
- 6.** Track down any lost private or work pension pots through the Pension Tracing Service. It's simple and free to use.
- 7.** If you are already getting a State Pension check if you could get other benefits including Pension Credit, Housing Benefit or Council Tax Benefit.

Useful Contacts

www.direct.gov.uk/pensions www.direct.gov.uk/carers

State Pension forecast: 0845 3000 168 and online at <https://secure.thepensionservice.gov.uk/statepensionforecast/>
State Pension claimline (you should automatically be sent claim forms four months before you reach pension age, if you have not received the forms you can contact the claimline) 0800 731 7898

Pension Tracing Service (If you've lost touch with your occupational or personal pension scheme, this service may be able to help) 0845 600 2537 www.direct.gov.uk/en/Pensionsandretirementplanning

The Pensions Advisory Service: Telephone - 0845 601 2923
www.thepensionsadvisoryservice.org.uk

Carers UK's adviceline: 0808 808 7777

Carer's Allowance Unit: Telephone - 0845 608 4321

Pension Credit Hotline number: Telephone - 0800 99 1234

Benefit Enquiry Line: Telephone - 0800 88 22 00

Press release

Customise this template with your own details

(Insert location)’s carers urged to ‘look after pension’ as changes bring new rights

(Insert location) carers group urges people looking after ill or disabled loved ones to claim new pension rights

(Insert group name) has welcomed new pension rights for local carers and urged people to seek advice to make sure that caring for an ill or disabled loved one does not leave them with a reduced pension in retirement.

Recent research from Ipsos MORI released by Carers UK and the Department for Work and Pensions showed that 1 million carers in the UK have given up work or reduced their hours to care. With no National Insurance Contributions from their pay packet these carers’ right to a basic State Pension on retirement is at risk.

A new Carer’s Credit is being introduced which will help many carers caring for more than 20 hours a week who cannot currently get National Insurance Contributions because they do not qualify for the right benefits.

(Insert spokesperson’s name) said: “Your pension may be the last thing on your mind if you are caring for a sick or disabled loved-one.”

Imelda Redmond CBE, Chief Executive of Carers UK said: “Caring for an ill or disabled friend or family member can have a major impact on your income now and put at risk your State Pension in the future. If you are looking after someone and you can’t get Carer’s Allowance you may be able to get the new Carer’s Credit to make sure you’re getting the National Insurance Contributions you need to protect your pension.”

Carers UK’s adviceline provides expert advice and information on all aspects of caring:

Tel: 0808 808 7777 Email: adviceline@carersuk.org Web: www.carersuk.org

Carers who want to check if they are eligible should call the Carer’s Allowance Unit. Telephone on 0845 608 4321.

Carers can get a pension forecast and advice on how to protect their pension by calling the Carer’s Allowance Unit on 0845 3000 168.

Notes to editors:

Carers UK is a campaigning, policy and information organisation of and for carers. Carers UK makes a difference to carers’ lives by:

- Campaigning for a better deal for carers.
- Informing carers of their rights and what help is available.
- Training and advising professionals who work with carers.
- Working across the UK through its membership and networks of branches and affiliates.

To claim the Carer’s Credit, carers must be caring for one or more disabled person for a total of 20 hours or more a week who is:

- in receipt of a qualifying benefit (any rate of Attendance Allowance or Constant Attendance Allowance within Industrial injuries or War Pension schemes, middle or highest DLA care component)
- or, if there is no qualifying benefit, the carer must have a signed certificate from a health or social care professional to confirm that an appropriate level of care being provided.

Other changes to pensions rules on 6th April 2010 include a reduction of the number of ‘qualifying years’ (years in which National Insurance Contributions have been paid) from 44 years for men and 39 years for women to 30 years for everyone.

Newsletter article

Could you benefit from changes to pension rules?

There are new rules to help carers who are missing out on National Insurance Contributions. You could benefit if you are in one of these situations:

- You care for 20 hours or more a week but miss out on Carer's Allowance because you don't care for 35 hours or more.
- You care for someone who can't or refuses to claim disability benefits.
- Where there is more than one of you caring for a disabled or ill person and someone else is getting the Carer's Allowance for that person.
- You look after several people but cannot claim Carer's Allowance because you do not care for any one of them for 35 hours.
- You are still providing a lot of care for someone who has gone into hospital or a care home, but cannot get Carer's Allowance because they don't get disability benefits because they have been in hospital or a care home.

The Government has introduced a new Carer's Credit to help carers in these situations. To claim it you need to be caring for one or more disabled person for a total of 20 hours or more a week where they get Attendance Allowance, Constant Attendance Allowance or the middle or highest rate of Disability Living Allowance care component; or you will need a medical or care professional to confirm that you are providing appropriate care for them.

If you think this might be you, you can contact the Carer's Allowance Unit on 0845 608 4321 or Textphone on 0845 604 5312.



6

Outcomes and evaluations

Starting to think about and plan for pensions is something that is easy to put off. As a result many support groups and information organisations find it difficult to get people interested in pension events and information.

We really want to know what sort of response you got from the carers you are in contact with – how good their pensions awareness was already and whether they were planning for the pension.

This will help us understand how we can best support groups like yours get across the pensions information that is particularly important for carers, to make sure that they do not end up worse off in their retirement in return for the massive contribution they make to our society.

Feedback from groups who participated in Carers Rights Day also helped us improve this handbook – as groups asked for more real-life examples from carers' lives and more good practice from local organisations to be included.

As such, we would be extremely grateful if you could fill in our online survey once you have completed any activity in the lead up to the changes in April. We will email out details of where to find the survey later in the month.

Pembrokeshire Carers Outreach

Centre No 1052

Member of

“We held a coffee morning with speakers from The Pension Service and Citizens Advice who gave out information and spoke with individuals about their particular concerns. Some appointments were made for more in depth confidential discussion.”
(Moray Carers Project)



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Carers Wales River House, Ynysbridge Court, Gwaelod-y-Garth, Cardiff CF15 9SS

Tel: 029 2081 1370 Fax: 029 2081 1575 info@carerswales.org www.carerswales.org

Carers Scotland The Cottage, 21 Pearce Street, Glasgow, G51 3UT

Tel: 0141 445 3070 Fax: 0141 445 3096 info@carerscotland.org www.carerscotland.org

Carers Northern Ireland 58 Howard Street, Belfast BT1 6PJ

Tel: 028 9043 9843 Fax: 028 9032 9299 info@carersni.org www.carersni.org

About Carers UK Carers UK is the voice of carers. Carers UK fights to end the ill health, poverty and discrimination faced by carers as a direct consequence of caring. Carers UK improves carers' lives by providing information and advice on carers' rights and campaigning for changes that make a real difference for carers.

Carers UK is a charity registered in England and Wales (246329) and in Scotland (SC039307) and a company limited by guarantee registered in England and Wales (864097). Registered office 20 Great Dover Street, London SE1 4LX.

The information in this leaflet is for guidance only and is not an authoritative statement of the law.

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