

The Pensions (Review of Women's Arrangements) (No. 2) Bill: Statement of Purpose

The Pensions (Review of Women's Arrangements) (No. 2) Bill will seek to establish a review of pension arrangements for women affected by the Pensions Act 1995 and the Pensions Act 2011. In particular, the review will be required to explore costings for a compensation scheme.

When the Pensions Act was passed in 1995, it included a plan to introduce a staggered increase in the State Pension Age for women, from 60 to 65, over a ten year period between 2010 and 2020. This was followed, in 2007, by a further Act which would see gradual additional increases resulting in a State Pension age of 68 for all by the year 2046.

However, a further Act in 2011, allowed for the introduction of much more abrupt and significant changes. Women's state pension age would now be 65 by November 2018 and state pension age for all would increase to 66 by October 2020 (then 67 by 2028 and 68 by 2039). Whilst these changes are inevitable in the long term, the accelerated increases and the poor communication accompanying them have caused serious difficulties for many of those affected.

The review established under this Bill is intended to look at the implications of all affected women born in the 1950s. There will be a requirement for Government to review the changes made by the various Acts of Parliament. The review will also be required to assess the options for transitional arrangements and investigate means of compensating the many women whose lives have been adversely affected by the Pension Acts.

In addition, the Bill will require the review to look, in greater detail, at how the timetable disproportionately disadvantages women born in 1953. Women born on 1 January 1953 received their state pension in September 2015 at the age of 62 years and 8 months. Women born on 31 December of the same year are not due to receive their state pension until March 2019 when they will be 65 years and 3 months. These women are victims of the most accelerated period of change and the review will therefore consider whether they need enhanced transitional arrangements.

The Pensions (Review of Women's Arrangements) (No. 2) Bill will be published in advance of the Bill's second reading debate (scheduled on 27 April 2018).

October 2017