



Voluntary National Insurance Contributions & the State Pension

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Information Briefing Note

Voluntary National Insurance Contributions & the State Pension

Due to the expiry of transitional arrangements related to the introduction of the New State Pension in 2016, we are seeing an increasing number of queries about whether it is worthwhile buying missing National Insurance contributions. Part of the driver for this is a piece by Martin Lewis on his ITV show, which encouraged people to investigate whether they could boost their State Pension by making voluntary contributions:

[Urgent. Less than six weeks for millions to boost state pension by £10,000s \(some can do it free\)](#)

The transitional arrangements allow people to buy up incomplete years as far back as 2006. However, when this ends on 31 July 2023 it will only be possible to buy back within the previous 6 years. The Money Saving Expert website provides a more detailed explanation of the process:

[Aged 45 to 70? Urgently consider buying national insurance years](#)

Martin Lewis has also dedicated two episodes of his BBC podcast to the subject:

[How to turn £800 into £5,500](#)
[How to turn £800 into £5,500 - Part Two](#)

In order to know whether it is worthwhile buying back missing years, those who have not yet reached pension age need to speak to the Future Pensions Centre for advice:

[Future Pension Centre](#)

People who have reached pension age, on the other hand, need to speak to the Pension Centre:

[Northern Ireland Pension Centre](#)

Whilst anyone living abroad can contact the International Pension Centre:

[International Pension Centre](#)

It is generally not advisable to pay voluntary contributions without checking with the relevant Pension Centre first, as you need a clear sense of your National Insurance record and the impact it will have on your State Pension forecast. However, many people are reporting that it is proving difficult getting through for advice (this is no doubt a large part of the reason why HMRC have extended the deadline for the transitional arrangements from 6 April to 31 July).

Given the difficulties getting in touch with the relevant authorities, what can you do to work out your best course of action? In what follows we outline some useful preparatory steps...

Step 1 – Get informed

Start by getting a sense of how the State Pension system works, and how in particular your National Insurance record affects your entitlement:

[Your National Insurance record and new State Pension](#)

[Qualifying for basic State Pension](#)

[Voluntary National Insurance contributions: Gaps in your National Insurance record](#)

Step 2 – Check the record

Make sure you have all the relevant data you need to make an informed choice. Helpfully, the government now provides a number of online tools that allow you to check your State Pension and National Insurance records:

[Check your State Pension age](#)

[Check your State Pension forecast](#)

[Check your National Insurance record](#)

The last of these will give you a detailed breakdown of your contributions over the years, and tell you how much you need to pay to make up a full year. However, only the relevant Pension Centre can tell you whether buying up those years will make sufficient difference to your State Pension entitlement.

Step 3 – Investigate alternatives

As well as contributions, some people can also get National Insurance credits from the government to help fill gaps in their record:

[National Insurance Credits](#)

In a number of cases, such as entitlement to benefits, these credits will have been made automatically and you should see them on your record, but there are circumstances in which you might need to apply for them.

People who are or have been living and working abroad may be able to avail of reciprocal arrangements between the UK and the other country:

[Guidance on social security abroad](#)

Finally, retirees on a low income may be better to make a claim for Pension Credit, as this is based on your income in retirement rather than your National Insurance record:

[Understanding Pension Credit](#)



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