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Nicky Morgan MP  
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28<sup>th</sup> March 2018

*Dear Nicky*

Thank you for your letter of 15 March about the High Income Child Benefit Charge (HICBC) and State Pension entitlement.

I share the Treasury Committee's concern that people might be missing out on National Insurance (NI) credits. HMRC issued clear communications when HICBC was introduced. As part of this, parents are urged to claim Child Benefit to help protect their future right to the State Pension.

The Child Benefit claim form and guidance notes were updated to stress the importance of making a claim. The form contains a clear message encouraging all individuals who are responsible for a child under twelve to complete the Child Benefit claim form, whatever their household income, to build qualifying years towards the State Pension. The message is clear they should do this even if they choose not to receive the actual payments.

The Child Benefit claim form is widely available from a range of sources including in the Bounty Packs that go to new parents, through the HMRC helpline, online at GOV.UK and through partners such as Citizen's Advice. The message that parents should complete the claim form is repeated in guidance on HICBC on GOV.UK.

If people are concerned that they might have missed out on NI credits they can also use the online Check your State Pension service on GOV.UK to get a forecast of their State Pension and options to improve their State Pension. People can check which option best suits their personal circumstances. One option is paying voluntary NI contributions, which can be paid for any gaps in the NI record from the last six years.

I agree that giving clear information to parents is important and HMRC is currently looking at ways it can improve its communications further, both at the birth of a child and for existing Child Benefit claimants. This includes undertaking customer research to understand more fully why some parents are not claiming Child Benefit and whether they are aware of the impacts of not claiming Child Benefit. The findings will be used to identify where improvements can be made to the guidance HMRC provides and to ensure messages are conveyed as clearly and widely as possible.

You asked about the number of people missing out on NI credits due to non-registration for Child Benefit. HMRC does not produce an estimate of those who have not received NI credits due to non-registration. This population is difficult to identify as they are not claiming Child Benefit and therefore not present on HMRC Child Benefit systems. Consequently, it is not possible to establish whether the group is paying NI contributions or not, or whether they are receiving NI credits from a different source, for example due to receiving disability or unemployment benefits.

HMRC does, however, continue to monitor the overall Child Benefit take-up rate and the latest figures are published each year on the GOV.UK website.

Child Benefit statistics are contained in an annual publication which is quality assured to National Statistics standard. Thank you for bringing the error in the Child Benefit statistics publication to my attention. This error has now been corrected. Extensive quality assurance is carried out in advance of the statistics' publication which should have picked this up. HMRC will improve its quality assurance processes to minimise the risk of this happening again.

Thank you for raising these concerns with me. I or my officials would be happy to update you on progress in due course.

*At every  
Mel*

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