



PENSION CREDIT



WHAT IS IT?

It is paid to people over pension age whose income falls below a certain level. It is paid:-

- ◆ To top up other income.
- ◆ If you have no money coming in at all.

There are 2 parts to the Pension Credit – the Guarantee Credit and the Savings Credit.

When you apply, the Pension Service will automatically calculate both parts, and you may get either or both.

The Guarantee Credit is the basic amount, but note that it is much more than Income Support for someone under pension age. At 2011/12 rates, you may be eligible if your pensions total less than £137.35 (single person) or £209.70 (couple)

The Savings Credit 'rewards' you for having savings, a State Retirement Pension above the basic level (currently £102.15), or private/work pensions. Applies to people aged 65 and over.

Between April 2010 and March 2018 the pension age for women will be gradually increased from 60 to 65, then to 66 for both men and women by 2020. During this period, other benefits previously available from the age of 60 (such as Pension Credit) will also see the qualifying age gradually increased. You will, therefore, need to check what "pension age" means at different times.

TO QUALIFY

- ◆ There is no upper capital limit, but you will lose £1.00 per week off Pension Credit for every £500 (or part of £500) above £10,000. See Pb6 Tariff Income.
- ◆ You must be in Great Britain.
- ◆ Either you, or your partner [or both of you] must be over pension age.

HOW MUCH?

This depends on your circumstances, e.g.

- ◆ Your income and savings.
- ◆ You and your partner's ages.
- ◆ Certain housing costs.
- ◆ Which "additions" you are entitled to. See benefit rates for current amounts.

POINTS TO REMEMBER

- ◆ It is always worth checking if you are entitled to Pension Credit. Remember, Pension Credit is more generous than its predecessor, so don't assume you won't be entitled.
- ◆ If your circumstances change e.g. going into residential care or splitting with your partner, always **check** your Pension Credit. It may change.
- ◆ Benefit rates change every year in April. It is a good idea to check your entitlement around this time.
- ◆ If both you and your partner get Disability Living Allowance Care Component or Attendance Allowance you may be entitled to **more** Pension Credit.
- ◆ The first £5 - £20 (depending on circumstances) earnings is not counted as income.
- ◆ Getting Pension Credit may entitle you to a number of other Benefits, e.g.
 - Maximum Housing Benefit and Council Tax Benefit.
 - Social Fund Payments (Community Care Grants, Loans, Sure start Maternity Payment, Funeral Payment, Cold Weather Payment).
 - Health Costs (Free NHS prescriptions, Free NHS sight tests and vouchers towards glasses, NHS Dental Treatment, NHS wigs and fabric supports, Fares to hospital or clinic).
 - Free School Meals for any dependent children.
 - Help with housing costs (e.g. mortgage interest).
- ◆ If you are looking after someone who gets Attendance Allowance or the middle or higher rate of Disability Living Allowance Care Component, you might get more Pension Credit. See also factsheets Carers Premium (Pb44) and claiming Carers Allowance on a Retirement Pension (Pb46).

HOW TO CLAIM

- ◆ Form **PC1**.
 - Telephone 0800 991234 - you can complete your claim over the phone or request a form
 - or visit a local Pension Service surgery – phone 0845 606 0265 for details.

FURTHER HELP

- ◆ If you need help filling in the form, or are refused Pension Credit, contact your local Advice Centre.

The information in this factsheet is correct as of April 2011

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***Produced by Warwickshire Welfare Rights Advice Service
Funded by: Warwickshire County Council
Charity Reg No: 1113524 Company No. 5730678***

