

The following is a summary of UK Pension & Benefit entitlements for eligible people of state retirement age or over in England. Different rules may apply in Scotland, Ireland & Wales. This Information Sheet is intended only as an initial guide as entitlement can be complex and subject to individual circumstances and assessment. Generally, benefits can be related to either a **Means Test** (your other income or savings taken into account) for example Pension Credit, or on **health grounds** (where your personal health or ability is assessed) for example, Attendance Allowance.

**Pension Credit Guaranteed Income - Aged 60/65 or Over (not disabled)**

Appropriate Amount		Single person
£132.60	Couple	£202.40

These Pension Credit figures above indicate the minimum income (the appropriate amount) guaranteed to you per week by the State, subject to a means tested assessment and total savings of under £10,000. Persons who are severely disabled, caring for someone else or with certain housing costs may be entitled to additional income subject to qualifying conditions. The income and savings of both claimant and spouse are combined for benefit calculation/assessment. The minimum is rising in stages between 2010 and 2020 from 60 to 65 in line with women's State Pension age. (see www.direct.gov.uk/spacalculator) Amounts prefixed below with 'around' only estimated as actual amount payable not published at time of writing.

**1. State Pension** The basic standard UK state pension amount for women aged 60 (age increasing in stages between 2010/20) and men aged 65 with full N.I. contributions is **£97.65 weekly**, the wife on husband's contributions **£58.50** a couple on husband's contributions **£154.70** or a couple both with full contributions **£195.30**. A shortfall of paid N.I. contributions will result in lower payments. See item 3 below for possible additions to this pension income. An over 80's non-contributory taxable state pension (category D) of **£58.50** a week may be payable for persons who have no retirement pension or a pension under £58.50 a week - qualifying conditions apply. Widows or Bereavement Allowance £97.65 per week (45 to 60/65). Additional payments for dependent children only if state pension claimed before 06/04/2003. Pension Service 0845 606 0265

**2. Pension Credit.** In two parts; **the Guarantee Credit** is a means tested benefit for men and women over the women's state pension age that can top up your weekly income to a figure called an 'appropriate amount', as indicated above. Any savings under £10,000 are ignored with savings over counted as income at £1 per week income for every £500 or part. **Savings Credit** is a means tested benefit for those over 65 years that can be paid on its own or with guarantee credit and allows persons with certain types of modest savings and income (up to around maximum £184 weekly single or £270 Couples) to claim benefit. Pension Credit payable is up to a maximum of £20.52 single or £27.09 couple. Both income and savings are taken into account on a sliding scale but some income like Housing or Council Tax Benefit, Disability Living Allowance or Attendance Allowance do not count as income, and benefit may be increased for the disabled, carers, or those who have housing costs not covered by housing benefit, etc. As with all means tested benefits, if you are deemed to have unreasonably deprived yourself of savings or income in order to get or to increase benefit, you may be treated as still having those savings or income (notional capital/income). Our Information Sheet, Pension Credit 20b, contains further information. Eligibility criteria can be complex so inquire further with Age Concern if in any doubt or you can contact the Pension Credit hotline direct on **Freephone 0800 991234**. Rates for Graduated, Additional, Second State, SERPS & Dependent Children not being increased for 2010/11.

**3. Additional Pensions SERPS**, (taxable) may be payable in addition to the Basic Pension or for contributions paid on earnings from April 1978. From October 2002 the amount of SERPS a widow can inherit from her husband reduces from the current 100% in stages to 50% over a period of eight years to 2010. **Contracted Out or Personal Pensions** scheme payments may be payable instead of SERPS, but schemes not Contracted Out would be payable in addition to SERPS. **A Graduated Pension** (taxable) may be payable from contributions paid from earnings in the Graduated Pension scheme which existed from April 1961 to April 1975. Pensions, including Additional and Graduated Pensions, can be deferred for up to 5 years to increase the amount by 1/7p in the £ per week or about 7.5% per year during the period of deferment - min. period 7 weeks. Different rules may apply to Married/Separated Women/Widows. From April 2002, an Additional State Pension was introduced - in effect to replace SERPS but slightly more generous. The DWP pays the pension by direct payment into your bank account every week, 4 weeks or 13 weeks in arrears as you choose. Most pension payments, except any initial 25% lump sum taken from a private pension, are taxed as income and treated as income for most benefits. Pensions and your options can be very complex and can change from year to year so you are strongly advised to seek professional advice on individual

circumstances and options.

**4. Paying for Care in Care Homes.** Help for payment of Residential or Nursing Homes fees in England, registered under the Care Standards Act 2000, can be quite complex and subject to Local Authority assessment. Care arranged and provided by the NHS for nursing or mental health is paid by the NHS under, from October 2007, a single band of approx. £108.00 - but conditions apply. Local Authority arranged care is means tested with any client's savings/assets disregarded under around £14,500 and with the full fee payable by client if savings are over around £24,000. Savings between these two figures will require part payment from the client on a sliding scale, with assessed benefit reduced by £1/week per £250 or part of those savings over £14,500. Within Local Authority Assessment (LAA) a client's home can be treated as an asset but conditions apply whether the value is taken into account. Be warned that Local Authorities can still take account of certain assets/property the client may have transferred to someone else if the authority assess this was done in order to obtain or to increase state care home financial assistance. A top up fee may be required to be paid by or on behalf of the client for any amount between the Social Services agreed payment figure and the cost agreed with the care home. Privately arranged Care Homes fees may be negotiable with Home Provider.

**5. Paying for Care at Home** Direct Payments, the Independent Living (1993) Fund, or the Supporting People scheme, can assist clients 16 to 65 yrs to receive help for care at home, on a means tested basis, normally subject to Local Authority (LA) assessment. Under the Fairer Charging Policy issued by the Department of Health, Local Authorities have some discretion in whether to charge clients but most do charge. Any client payment must be 'reasonable'. Practice varies amongst Authorities so please ask Social Services for further advice on individual circumstances. You can be considered if you get the high care component of DLA, have no more than £24,000 savings, receive guaranteed Pension Credit, Income Support or income based JSA and getting services from the LA to a value of at least £226 per week. The Government is considering as at March 2010 the wider issue of costs and who pays these for care at home for the heavily dependent.

**6. Attendance Allowance (AA)** A Non Means Tested, Non Taxable, Disability Benefit for persons over 65 year of age who have satisfied the DWP criteria as requiring help with personal care and bodily functions such as washing, dressing, toileting, getting in and out of bed, etc. Medical support recommended to claim. Disability needs to have existed for previous 3 months and is expected to continue for at least 6 months. Two levels of care payment, Lower £47.80 (Care during Day or Night) Higher £71.40 (Care during Day & Night) All Savings or Income ignored. Assistance required with shopping, housework, gardening, getting pensions or prescriptions, etc. are not relevant to this benefit. A fast track procedure available for applicants with a limited life expectancy (i.e less than 6 months) . Request application form from the DWP.

**7. Disability Living Allowance.** (DLA) Non Means Tested, Non Taxable, Benefit for persons under 65 years of age who need help with personal care like washing, dressing, toileting, walking. Benefit entitlement carries on into retirement age. 3 levels of Care Component - £18.95, £47.80 & £71.40 and 2 levels of Mobility Component - £18.95 & £49.85 per week. Eligibility to either level of either Component being based on your assessed ability by DWP. Any Savings or Income ignored. Can be paid in addition to entitlement to SDP or SDA. (see below)

**8. Severe Disability** (SD) Paid within Pension Credit, a benefit paying around £54.85 single, £108.70 couple (both qualifying) to those receiving Attendance Allowance or DLA (not low care rate) and Pension Credit who count as living alone (you can live with another also on Attendance Allowance, DLA or Blind Allowance) providing no Carers Allowance is claimed by a carer for you.

**9. Severe Disablement Allowance** (SDA) Abolished for new claimants from 06/04/2001. This benefit of a basic around £58.45 per week with various age (£5.85 to £15.95 ) and dependant (£32.70) additions continues to be paid to those eligible who claimed up to 6/04/01, Paid after state retirement age, but not paid with some over lapping benefits such as state pensions for claimant or their spouse. It was for persons under state retirement age who were unable to work through ill health – assessed as 80% disabled or in receipt of DLA or blind allowance - with insufficient contributions for Incapacity Benefit. Non-taxable & Non-means tested but taken into account for Income Support or Pension Credit.

**10. Carers Allowance** (CA) A Taxable benefit of around £54.10 with addition for dependant adult £32.70 payable to Carer looking after person (receiving Attendance Allowance, DLA (not low care rate) or Constant Attendance Allowance (CAA) of a minimum around £58.50 with certain pensions) for at least 35 hrs a week who earn no more than £96.00 after deductions. Caution, CA and SDP not both payable. This benefit is deducted £1 for £1 of any state pension received. Also overlaps with and could affect some other benefits of either carer or person cared for. i.e. Severe Disability premium, Rent & Council Tax Benefits. Other qualifying conditions apply. Benefit can be backdated up to 3 months.

**11. Carers Premium (CP)** Within Pension Credit, a benefit paying around £30.25 (single) or £60.50 (couple-both qualifying) who receive CA or are entitled to CA but cannot receive it because of overlapping benefits, etc.

**12. Bereavement Benefits** Available to men and women under pension age, £2000 tax free lump sum bereavement payment. Bereavement allowance, based on NI contributions, payable to persons from 45 to under state pension age at around £96.75 (less if under 55) a week for 52 weeks. Women widowed before 09/04/2001 may be receiving a widows pension payable until they reach 65 yrs (this may change with women's retirement ages increasing). Please enquire further for the varying eligibility criteria. The appropriate closest relative on certain means tested benefits may apply for a Funeral Grant from the DWP Social Fund.

**13. Housing Benefit and Council Tax Benefit** For over 60's, if your income is less than the entitlement (the appropriate amount) shown under Pension Credit or if you receive Pension Credit and your savings are under £10,000 you may be entitled to full Housing and Council Tax benefit, leaving you with no payments to make. With income/savings above these amounts, up to around £16,500, you will normally qualify for some help-contact Age Concern or your Council/Housing Association for advice and/or a benefit claim form. No benefits will normally be payable if your savings are over £16,500 and/or you have a high income. Savings of couples are added together but limit remains the same. You must not deprive yourself of savings in order to claim benefit. Persons in property bands F, G & H will have Council Tax benefit restricted to a band E property if first claiming after April 1998. An upper limit may apply on Housing Benefit if your rent is assessed as over the market average, the property is too large, or if unreasonable increases have been applied. Deductions in benefit may be made for Non Dependants living in the property. If you live alone with no partner, with persons on Pensions Credit or Income Support or those not eligible for Council Tax such as severe mentally impaired persons, (Second Adult Rebate & Single Person Rebate) a 25% reduction in Council Tax may be obtainable – regardless of income or savings. Empty properties normally qualify for a 25% reduction of Council tax in first six months but local Councils have discretion on the amount charged from April 2004. No Council Tax due on limited list of properties (shown on C/T demand) which are classed as exempt. If property adapted for a disability it may be allocated one band lower, except band A, on application, lowering the amount payable.

**14. The Social Fund.** Discretionary grants or loans are available from the Department of Work & Pensions (DWP) via the Social Fund, Community Care Grants, Budgeting Loans, Crisis Loans & Funeral Payments, etc. Qualifying conditions exist, ask for further details.

**15. Tax.** For tax bands, tax allowances and tax free savings/income, see Age Concern Information Sheet No. 19 & 19b.

**16. Additional Benefits to Retired.** A £10 Christmas Bonus payment is paid automatically to persons of state retirement age. A Winter Fuel Payment of £250 per household for men and women over the women's state pension age, £350 per household over 80's will be made, normally automatically. For those receiving Pension Credit, Cold Weather Payments of £25.00 are made when the temperature is recorded at 0 Degrees C or below for seven days running, (savings ignored). Television Licences are free for over 75's and any registered blind persons pays only 50% of the normal annual cost. Those in Care Homes or Sheltered Housing with a Resident Warden may qualify for a concessionary £5 per year Licence. Prescriptions and eye tests are free for the over 60's. Free or subsidised Bus or Rail Passes – not both – are available for retired, National Express Coaches sells tickets for people aged 60 or over at discounts of up to 50% ('route sixty'). No coach card is required.

**17. General.** For persons in urgent and/or essential need, if you find the above benefits insufficient or you have not got sufficient income for your needs, other agencies can sometimes assist, depending on the circumstances, such as assistance from the British Legion or SAAFA for ex-forces personnel or their spouses, the Salvation Army, your local Church, the personal section of an ex-employer, other Charities, etc. In addition, Age Concern operate a Charity Shop at 37 High Street in Swanley on Mondays, Wednesdays and Fridays where good quality clean clothes, shoes, bedding, and various household furniture and other items can be provided free in exceptional circumstances or at low cost.

Generally, the take up of benefits by the retired is poor so do try to ensure that you are receiving your full entitlement. Benefits can be complex and related to individual circumstances and decisions so this Information Sheet is only a brief summary. You must promptly notify your Pension Centre of any changes in your circumstances. Please contact Age Concern or the help-lines listed should you require further information or assistance. Age Concern would be happy to help – see contact details top of previous page or see our Web Site [www.ageconcerndarentvalley.org.uk](http://www.ageconcerndarentvalley.org.uk).