



**Independent
Age**



Pension Credit

**Extra money to boost
your retirement income**



Thank you

We would like to thank those who shared their experiences as this guide was being developed, and those who reviewed it for us.

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Our publications

In this guide you'll find references to our other free publications. To order them, call **0800 319 6789** or visit **independentage.org/publications**.

If you would like this information in a different format – such as large print or audio CD – call us on **0800 319 6789** or email **helpline@independentage.org**.

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The sources used to create this publication are available on request.

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We spoke to older people about their experiences. Their quotes appear throughout. We have changed the names of some of the interviewees who wished to be anonymous. Some of the images seen throughout this guide are posed by friends of Independent Age.

The PIF TICK is the UK-wide Quality Mark for Health Information.

1. What is Pension Credit?

Pension Credit is a benefit that 2.58 million older people are entitled to. Yet around 4 in 10 of those who qualify aren't claiming it.

Pension Credit is extra money from the government to top up your pension income. It may also act as a passport to other entitlements, such as:

- help with housing costs and Council Tax
- help with NHS costs, including free dental treatment and travel costs for NHS treatment
- vouchers towards glasses or contact lenses
- Cold Weather Payments, or a Winter Heating Payment in Scotland, and the Warm Home Discount Scheme.

When you're 75 or over, you can also apply for a free TV licence if you're getting Pension Credit.



Making a claim is simple. All it takes is a free online or postal application, or phone call. Call **0800 99 1234** or visit **[gov.uk/pension-credit/how-to-claim](https://www.gov.uk/pension-credit/how-to-claim)**.



2. Who can get it?

There are two types of Pension Credit: Guarantee Credit and Savings Credit. This guide just looks at Guarantee Credit.



Good to know

You can only claim Savings Credit if you reached State Pension age before 6 April 2016, so this guide just covers Guarantee Credit. Call us on **0800 319 6789** for more information about Savings Credit.

You can get Pension Credit if you're over State Pension age and your income is less than £218.15 a week (for a single person) or less than £332.95 a week (for a couple who are both over State Pension age).

These are the 2024/25 standard amounts that the government has set. However, you may still qualify if you have a higher income than that and you're a carer, disabled or have certain housing costs. See **pages 8, 9 and 10** for more details.

What's my State Pension age?

State Pension age is gradually increasing. You can check your State Pension age at **gov.uk/state-pension-age** or by calling the Future Pension Centre on **0800 731 0175**.

I am over State Pension age but my partner isn't

If you're in a couple and only one of you is over State Pension age, you may need to claim Universal Credit instead of Pension Credit. If you think this might affect you, call our Helpline on **0800 319 6789** to book an appointment with an adviser.

You can also call the Pension Service on **0800 731 0469** for advice before you make a claim.

What about my other benefits?

Receiving Pension Credit does not affect any other benefits you get – it may even increase the amount you receive of some benefits.



The benefits you are entitled to may change when you reach State Pension age – some benefits are for working-age people only.

What about my savings?

You can still get Pension Credit if you have savings, although savings, investments or other capital of more than £10,000 will reduce the amount you can get. For every £500 (or part of £500) you have over £10,000, it's assumed you have an extra £1 of weekly income.

Whether your savings are low or high, you may still qualify for Pension Credit.

Here are a couple of real-life examples of people who benefited from receiving Pension Credit in different ways.

If your savings are low...

Sangita is 72, lives in her own home and is still paying off her mortgage. She has an income of £174.71 a week from her State Pension and her private pensions. She also gets Attendance Allowance and she has £500 in savings.

After having a welfare benefits check, Sangita found that she could get £124.94 a week in Pension Credit – and that, as a result of receiving this, she would no longer have to pay her £1,200 Council Tax bill. She was also advised that she could get a loan of £20.09 a week to help towards the interest on her mortgage.

If your savings are high...

Leo, who is 76, has savings of £20,000, and an income of £187.06 a week from his State Pension and some private pensions.

Because of his savings, Leo is only entitled to £11.09 a week in Pension Credit – but, as a result of getting this benefit, he now gets a large reduction in his Council Tax bill, which had previously been more than £1,300. He can now also get a free TV licence, as well as all the help with NHS costs that comes with getting Pension Credit.



Our factsheet **Pension Credit** has more examples about how Pension Credit is worked out.

“ Pension Credit has made a big difference to myself and my husband. We now have enough to live on without too much scrimping.

3. How much could I get?

The amount of Pension Credit you get will depend on your circumstances, but it's always worth checking if you qualify.

It's worked out by taking your income away from the minimum amount the government says you need to live on.

The minimum amount isn't the same for everyone. You might be entitled to a higher rate than the standard weekly rates of £218.15 a week for a single person and £332.95 a week for a couple. Here are some examples.

Carer's Addition

If you're receiving Carer's Allowance or Carer Support Payment, or you have been told you have an underlying entitlement to one of these benefits, you can get a Carer's Addition of £45.60 a week added to the minimum level of income you're entitled to.



For more information on Carer's Allowance, read our guide **Benefits for carers** and our factsheet **Underlying entitlement to carers' benefits** or call our Helpline on **0800 319 6789**.

Severe Disability Addition

You may be able to get a Severe Disability Addition of £81.50 a week if all three of the following points apply to you:

1. You're claiming one of these disability benefits:

- Attendance Allowance
- Constant Attendance Allowance
- the middle or highest rate care components of Disability Living Allowance
- the daily living component of Personal Independence Payment
- the daily living component of Adult Disability Payment – in Scotland only
- Armed Forces Independence Payment.

2. No one is claiming Carer's Allowance or Carer Support Payment for looking after you.

You can still get the Severe Disability Addition if the person caring for you has an underlying entitlement to a carer's benefit.

3. You live alone, or with someone who isn't counted for these calculations.

This might be because that person is severely sight impaired (blind) or claiming certain disability benefits. These rules are complex, so call our Helpline on **0800 319 6789** for more information.



To do

To see how much you could be entitled to, try our online benefits calculator at **independentage.org/benefits-calculator** or call our Helpline on **0800 319 6789** to arrange a free benefits check.



4. How do I claim?

There are a few different ways you can claim Pension Credit.

The quickest ways to apply are online at **gov.uk/pension-credit/how-to-claim** or by calling the Pension Credit claim line on **0800 99 1234**. If you would like to apply by post, you can download the application form from the website.

You can also contact a local voluntary organisation (such as Citizens Advice) or ask someone to call the Pension Service to request a paper form for you.

Before you claim, make sure you have a note of:

- your income, savings and investments, and other capital
- your National Insurance number
- your bank details
- your housing costs, such as mortgage interest, service charges or ground rent
- the same details for your partner, if you have one.

You can apply for Pension Credit up to four months before you reach State Pension age. You can apply after you reach this age too. Pension Credit can be backdated by up to three months, if you qualified for it during that period.



Daniel's story

I've been brought up to pay my way and not owe anyone anything. I'm a 74-year-old retired welder. I'm divorced and living alone in a house that I've owned for 22 years, and I still have a mortgage.

I was only receiving around £600 a month in pension and thought I might have to sell my house. My mate said, "You shouldn't have to do that." He was getting Pension Credit and said I should be entitled to it, too.

It was ages before I looked into it. I'd received a leaflet about Independent Age and decided to call. The advice they gave me has made a big difference. It took a lot of the worry away.

Now I get about £240 a week in pension and Pension Credit. I also receive free dental care. And I don't have to pay any Council Tax. I used to pay £126 a month. £126 is a lot of money – I could buy my food for a month with that.

Receiving Pension Credit makes your life a bit easier. I'd advise other people to apply. Making that call was one of the best things I've done.

“ I was only receiving around £600 a month in pension and thought I might have to sell my house. My mate said, “You shouldn't have to do that.”

About Independent Age

No one should face financial hardship in later life.

Independent Age is a national charity providing support for older people facing financial hardship. We offer free impartial advice and information on what matters most: money, housing and care.

We financially support local community organisations across the UK through our grants programme. We campaign for change for older people struggling with their finances.

You can call us on freephone **0800 319 6789** (Monday to Friday, 8.30am to 5.30pm) or email **helpline@independentage.org** to arrange to speak to one of our advisers.

To donate or help support our work, please visit **independentage.org/support-us**.



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