

# Pension Credit

Extra money to boost  
your retirement income

**Advice and  
support for  
older age**



## Thank you

We would like to thank everyone who shared their experiences for this guide and those who reviewed it.

## 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](https://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**.

While some information may apply across the UK, generally our guides cover England.

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# 1. What is Pension Credit?

Pension Credit is a benefit that gives you extra money to top up your pension income.

Guarantee Pension Credit also acts as a passport to other entitlements, such as:

- help with housing costs and Council Tax
- help with NHS costs, including free dental treatment and check-ups, and travel costs to hospital for NHS treatment
- free sight tests and vouchers towards glasses or contact lenses
- free TV licence when you are 75 or over (from 1 August 2020)
- cold weather payments.

All it takes is one free phone call to apply.



## 2. Who can get it?

There are two types of Pension Credit: Guarantee Credit and Savings Credit.

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

You can get Guarantee Credit if you're over State Pension age and your income is less than £173.75 a week (for a single person) or less than £265.20 a week (for a couple). These are the 2020/21 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 6 and 7 for more details.

### **What's my State Pension age?**

The State Pension age is now the same for all genders and is gradually increasing. You can check your State Pension age at [gov.uk/state-pension-age](https://www.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 are 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 Citizens Advice on **03444 111 444** or the Pension Service on **0800 731 7898**.

## **What about my other benefits?**

Receiving Guarantee Pension Credit does not affect any other benefits you get – you can continue to receive them as before.





## What about my savings?

You can still get Guarantee Credit if you have savings, although savings or investments over £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, it could still be worth your while applying 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 lives in her own home, and is still paying off her mortgage. She has an income of £146.25 a week from her State Pension and her private pensions. She also receives Attendance Allowance and she has £500 in savings.

After having a welfare benefits check, Sangita found that she could get £86.85 per 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 £3.51 per 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 £146.74 per week from his State Pension and other private pensions.

Because of his savings, Leo is only entitled to 50p per week in Pension Credit, but as a result of getting this benefit, he now receives a large reduction in his Council Tax bill, which had previously been over £1,300. He can now also receive a free TV licence, as well as all the help with NHS costs that comes with getting Pension Credit.

# 3. How much could I get?

The amount you get will depend on your circumstances. It's worked out by taking your income figure 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 £173.75 a week for a single person and £265.20 a week for a couple. For example:



## **Carer's Addition**

If you're entitled to Carer's Allowance, you can get a Carer's Addition of £37.50 a week added to the minimum level of income you're entitled to. For more information on Carer's Allowance, order our factsheet **Carer's Allowance** or call our Helpline on **0800 319 6789**.

## **Severe Disability Addition**

You may be able to get a Severe Disability Addition of £66.95 a week if you're claiming one of these disability benefits:

- Attendance Allowance (or Constant Attendance Allowance)
- the middle or high rate care components of Disability Living Allowance
- the daily living component of Personal Independence Payment
- Armed Forces Independence Payment.

You won't qualify if someone is being paid Carer's Allowance for looking after you.

You'll only qualify if you live alone or with someone who isn't counted for these calculations – for example, if they're blind, severely sight-impaired or claiming certain disability benefits. These rules are complex, so call our Helpline on **0800 319 6789** for more information.

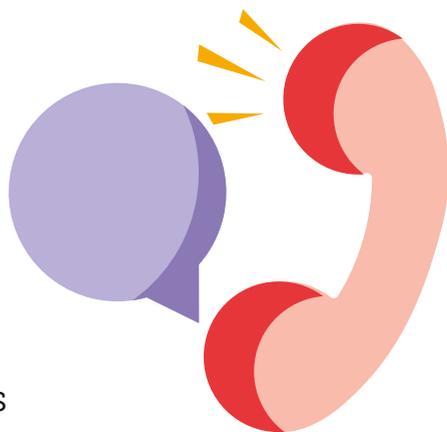
To see how much you could be entitled to, try our online benefits calculator at **[independentage.org/benefit-calculator](https://independentage.org/benefit-calculator)** or call our Helpline on **0800 319 6789** to arrange a free benefits check.

## 4. How do I claim?

The quickest way to apply is to call the Pension Credit claim line on **0800 99 1234**. If you can't apply by phone, contact a local voluntary organisation (eg Citizens Advice) or ask someone to call the Pension Service to request a paper form for you.

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

- your income, savings and investments
- 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.



The claim line staff will fill the application form in over the phone with you, and send it to you to check.

You can apply for Pension Credit from four months before you reach State Pension age. You can apply at any time after you reach this age, but your claim can only be backdated by three months.

# Anisah's story



*I retired from my career as a nurse when I was 56 – I had major problems with my back after lifting a patient at work and had to wear a steel corset for years. I have many other health issues too, some caused by the malnutrition I suffered during the war.*



*For some reason, I was given a low pension. In those days, I often had to choose between eating or turning on the heating. I just didn't have enough money.*

*Social services told me about Pension Credit. I've been receiving it for ten years now, and that's when I started to live again.*

*I've been able to eat healthier food and keep myself warm. Pension Credit has also changed my life because of the other benefits I've been able to access, such as the free eye care and dental treatment.*

*If you're not coping with the amount of money you have, asking for Pension Credit is not asking for charity: it's asking for what's rightfully yours.*



# About Independent Age

Whatever happens as we get older, we all want to remain independent and live life on our own terms. That's why, as well as offering regular friendly contact and a strong campaigning voice, Independent Age can provide you and your family with clear, free and impartial advice on the issues that matter: care and support, money and benefits, health and mobility.

A charity founded over 150 years ago, we're independent so you can be.

For more information, visit our website **[independentage.org](http://independentage.org)**

Call us for information or to arrange free, impartial advice from an adviser. Lines are open 8.30am – 6.30pm Monday to Friday. Freephone **0800 319 6789** or email **[advice@independentage.org](mailto:advice@independentage.org)**



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