



Welfare Benefits For Over 60's

2017



in association with
Ferret Information Systems Ltd



HODGE
LIFETIME

Means-tested Benefits

Pension Credit (PC)

PC can be paid on its own or on top of other benefits to bring a household's income up to a minimum amount. It has two distinct parts: a 'Guarantee Credit' for those aged QAPC and over, and a 'Savings Credit' for those aged 65 and over, who are not receiving nSP.

It is possible to receive one or the other or both and the first £10,000 of capital is ignored. If someone receives Guarantee Credit then they are also entitled to full eligible Housing and Council Tax Reduction, regardless of the amount of their capital or income.

Guarantee Credit from QAPC - (In a couple at least one QAPC)		
Minimum guarantee	Single	£159.35
	Couple	£243.25
Additional amounts	Severe disability addition	£62.45 (per disabled person)
	Carer's addition	£34.95
Savings Credit from age 65+ (In a couple, at least one 65+)		
Savings credit threshold	Single	£137.35
	Couple	£218.42
Savings credit maximum	Single	£13.20
	Couple	£14.90
Capital limits	Lower	Upper
Standard	£10,000	No upper limit
Care home	£10,000	No upper limit

Notional income of £1.00 a week for each £500 or part of capital exceeding the lower limit.

Housing and Council Tax Benefits

Housing Benefit / Council Tax Reduction (HB/CTR)

Council Tax Reduction provides help with Council Tax costs. This is a scheme which has been devolved to local councils in England and to the governments in Wales and Scotland. For people above QAPC the scheme is very similar to the previous Council Tax Benefit scheme but for people below that age in England there are local schemes which can be very different.

You should get details from the appropriate council. The figures below refer to Housing Benefit although they will also apply, in most cases, to CTR.

There is an upper capital limit of £16,000. Those with capital above this figure will not be entitled, unless they are entitled to the Guarantee Credit element of Pension Credit.

Personal allowances		
Single person	QAPC to 64	£159.35
	Aged 65+	£172.55
Couple	At least one QAPC to 64	£243.25
	One or both aged 65+	£258.15
Additional amounts	Severe disability addition	£62.45 (per eligible disabled person)
	Carer's addition	£34.95
<ul style="list-style-type: none"> House Benefit Reduction: 65% of excess income over allowances Council Tax Reduction: 20% of excess income over allowances. Maximum eligible HB / CTR paid if in receipt of Guarantee Pension Credit For capital exceeding £10,000 for each £500 (or part) this is deemed as notional income of £1.00 per week which will reduce their benefit. 		
Capital limits - Pension Credit	Lower	Upper
Standard	£10,000	No upper limit
Care home (HB only)	£10,000	No upper limit
Housing Benefit / Council Tax Reduction	Lower	Upper
Standard above QAPC	£10,000	£16,000
Care home (HB only)	£10,000	£16,000

Notional income of £1.00 a week for each £500 or part of capital exceeding £10,000.

Non means-tested benefits

Attendance Allowance (AA)

Attendance Allowance is for people who become disabled when over the age of 65. AA has no mobility component and only two levels of care components: lower and higher.

Lower	£55.65
Higher	£83.10

Carer's Allowance

Carer's Allowance is payable to someone who provides support to a disabled child or adult who receives either AA, PIP Daily Living or DLA Care component (middle or higher rate).

If someone is entitled to Carer's Allowance, they will receive an extra amount in the calculation of their Pension Credit and other means-tested benefits.

Carer's allowance	£62.70
Adult dependant	£39.90
Child dependant	£11.35*

* Special rules apply where there are dependant children

Disability Living Allowance† (DLA)

DLA is a tax-free, non means-tested benefit for severely disabled adults and children. It is for those who need help with their personal care needs and/or have difficulty walking or getting around.

DLA has two components: care and mobility. Care has three rates: lower, middle and higher. Mobility has two: lower and higher.

Care	Lower	£22.00
	Middle	£55.65
	Higher	£83.10
Mobility	Lower	£22.00
	Higher	£58.00

† DLA cannot be claimed after age 65 but may continue to be paid if claimed earlier
DLA is gradually being replaced by Personal Independence Payment for those between 16 and 65.

Personal Independence Payment (PIP)

PIP is a tax-free, non means-tested benefit for severely disabled adults from 16 to 65. It is for those who need help with their personal care needs and/or have difficulty walking or getting around. PIP has two components: daily living and mobility.

Daily living has two rates: enhanced and standard.

Mobility has two: lower and higher.

Standard daily living	£55.65
Enhanced daily living	£83.10
Standard mobility	£22.00
Enhanced mobility	£58.00

Old State Pension - Claims before April 2016

Retirement Pension	Cat A	£112.30
	Adult dependant of Cat A pensioner	£66.35
	Cat B for a widow / widower	£122.30
	Cat B (adult dependant on spouse's NI)	£73.30
	Cat D (non-contributory)	£73.30
	Age addition	£0.25
	New State Pension	Full Rate £159.55

Winter Fuel Payment (Qualifying week 18-24 September 2017)

	Aged QAPC or over	Aged 80 or over in qualifying week
Living alone or only eligible person	£200	Additional £100
Receiving Pension Credit	£200	Additional £100
NOT receiving Pension Credit and another eligible person in the household	£100 each	NOT receiving Pension Credit and other eligible person over 80. Additional £50
Live in care home and not receiving Pension Credit	£100	Additional £50

Benefit Changes and Notes 2017

Qualifying Age for Pension Credit (and many other entitlements)

State pension age for women has been increasing since April 2010. It goes up by effectively 1 month for every 2 months that pass. This age is also known as the "Qualifying Age for Pension Credit" (QAPC). It determines entitlement to Pension Credit (PC) and all other means-tested entitlements which were previously available from age 60. The QAPC in April 2017 is 63 years and 9 months and it will reach 64 years and 6 months in April 2018.

From December 2018 the State Pension age for both men and women will start to increase to reach 66 by September 2020, to 67 between 2026 and 2028 and to 68 subsequently.

The Cridland report in early 2017 recommended that the increase to 68 should happen between 2037 and 2039.

Pension Credit entitlement for couples

The Welfare Reform Act 2012, introduced a change so that PC will no longer be payable, for new claims, when the older of a couple reaches QAPC but only when the younger partner also reaches that age. There is still no definite date for the introduction of the main results of this change but the power to make the change comes into force in April 2017. From April 2016 people over QAPC but with partners who are younger will not be able to claim Savings Pension Credit if they hadn't claimed it earlier.

Pension Credit Changes

When Universal Credit is introduced fully, Housing Benefit will be abolished. In order to ensure that PC claimants continue to get help with rent, a new housing component for PC will be created. This will mirror HB. Child amounts will also be put into PC. For the first time there will be a capital cut-off in PC at a 'substantially higher level' than in other benefits. No definite date has been announced for these changes but the slow introduction of Universal Credit has pushed the likely date back..

There is a different form of PC for people receiving the new state pension (nSP) since April 2016. They will not qualify for Savings Pension Credit (SPC). Existing pensioners on the current state pension (SRP) will still be able to receive SPC. Both types of pension will still be able to receive Guarantee Pension Credit (GPC).

Assessed Income Periods (AIP), when most increases in income or capital have no effect on PC, are being abolished. No new AIPs will be created after April 2016 and existing fixed period ones will stop by 2019.

From April 2017 the maximum amount of SPC has increased by, 15p, for the first time in several years, but the threshold figure, at which people qualify, again increased, which may reduce the amount of SPC entitlement.

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