

Factsheet 504 – 14 June 2011 (2 pages)

Pension Credit

What is Pension Credit?

Pension Credit is a new entitlement for people aged 60 or over that was introduced in October 2003. **It could mean extra money for you every week.**

Pension Credit has two elements Guarantee Credit and Savings Credit

Guarantee Credit

If you are living in Great Britain and have reached the minimum qualifying age, you may be entitled to the Guarantee Credit. This part of the Pension Credit guarantees a minimum income of at least:

- £137.35 a week if you are single; or
- £209.70 a week if you have a partner

You could still be able to get the Guarantee Credit if your weekly income is above these amounts if, for example you or your partner:

- are a severely disabled person;
- look after a person who is severely disabled, or
- have certain housing costs, for example, mortgage interest payments.

You can still apply if you are over 60 but your partner is under 60. It is also worth remembering that **Attendance Allowance or Disability Living Allowance** are not counted as part of your weekly income when working out entitlement to Pension Credit.

Savings Credit

For the first time, people over the age of **65** will be rewarded if they have managed to make a modest provision for their retirement, this could be in the form of a second pension, savings or both. The maximum award for savings credit is **£20.52** for a single person or **£27.09** for a couple.

You are likely to be entitled to Pension Credit if your weekly income is **less** than:

- £188.00 if you are single; or
- £277.00 if you have a partner.

Your weekly income for Pension Credit calculation purposes is increased by £1 per week for every £500 (or part of) you have **over** £6,000.

You may still be able to get Pension Credit if your weekly income is more than these amounts if, for example you or your partner:

- Are a severely disabled person
- Look after a person who is severely disabled; or
- Have certain housing costs, for example, mortgage interest payments.

How do I find out if I am entitled or how to make a claim?

Care Direct advisors will be able to work out an approximate entitlement based on information given over the telephone, if customers then wish to make an application our advisors will be able to **simply** and **clearly** explain the process.

Many callers have already contacted Care Direct for advice and have been pleasantly surprised at the levels of Pension Credit they **could possibly be** entitled to.

For example:

Mary and Frank are both 75 and have income of £210.25 a week, as follows:

- basic State Pension (Mary) £102.15
- basic State Pension (Frank) £61.20
- personal pension (Mary) £51.55
- savings of £12,000 (£1 of income for every £500 of savings is counted if they have over £10,000, which for £12,000 totals £4)

As Mary and Frank's income is over £218.90 they cannot get the Guarantee Credit but they are entitled to £23.41 Savings Credit.

Mary and Frank will get Pension Credit of £23.41 a week, which brings their weekly income to £242.31.

If you need any help or advice please remember to contact **Care Direct on 0845 1551 007**

All information received will be treated as confidential.

A large print version of this factsheet is available on www.devon.gov.uk/largeprint-factsheets but if you would like it in a different format such as Braille or audio, or in a different language, please contact our Customer Service Centre on 0845 155 1015 or email: customer@devon.gov.uk

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