

Benefit for Pensioners

For people aged 60 or over, we work out your benefit differently. The way we work out your benefit will depend on what income you receive.

As a person aged over 60 you may get Pension Credit.

Pension Credit can give you two different payments:

- Guarantee Credit – gives a guaranteed level of income for everyone aged 60 or over.
- Savings Credit – gives a reward for people aged 65 and over for some of the savings and income they have for their retirement.

If you or your partner are aged 65 or over, you may be able to get both Guarantee Credit and Savings Credit.

You may get a savings credit even if you do not get a guarantee credit, depending on your circumstances.

For more information about Pension Credits use the link to the Pension Service website.

How do Pension Credits affect my Housing and Council Tax Benefit?

Guarantee Credit

If you receive the Guarantee Credit (with or without the savings credit), you will get the full amount of Housing and/or Council Tax Benefit after any deductions for other people (non dependants) living with you, or restrictions on the rent you paid.

Savings of more than £16,000

If you are aged over 60 receiving Guarantee Credit and you have savings above the £16,000 cut off level, you can still claim Housing and/or Council Tax Benefit.

Savings Credit

If you get Savings Credit only you may not get full benefit. The Pension Service will work out your total income for benefit purposes. This is called your Assessed Income Figure – (AIF) and the amount of Savings Credit you will get. The Pension Service will tell us these figures and it will be these amounts we use when working out your benefit. If you do not agree with the figures we use or your income or savings have changed, you must tell the Pension Service.

If you have savings over £16,000 you cannot get Housing and/or Council Tax Benefit.

What if you don't get any Pension Credit?

If you haven't claimed or don't qualify for Pension Credit, you can still claim Housing and/or Council Tax Benefit. We will work out any benefit using the income and savings you tell us about.

We will work out your normal weekly income based on your income including any State Pensions, other Pensions etc you and any partner may receive.

Savings

Where you or any partner have savings we will look at these to work out any "tariff income" from these savings to be included.

We work out "tariff income" as follows::

We do not count any savings less than £10,000.

Any savings above £10,000 we take £1 income (tariff income) for every £500 or part of £500 over £10,000. This tariff income will be applied up to the £16,000 cut off level.

For example:

Pensioner with of £14,000 in savings.

Ignore the first £10,000

From the remaining amount (£14,000 - £10,000) = £4,000 we will assume "tariff income" of £8 per week. (£4,000 divided by 500 = £8)

Any tariff income will be added to your other income to work out your total weekly income for benefit purposes.

Changes to your circumstances?

If you receive Pension Credit you will only need to tell the Benefit Section about certain changes. If you have a change in income or savings you must tell the Pension Service about them.

Here are the things which you must tell us the Benefit Section about.

If you get **Guarantee Credit** you must tell us about:

- changes to your rent
- changes to people who live with you (non dependants)
- if you are away from your property for more than 13 weeks, such as going into hospital, in residential care, a long holiday, etc.

If you get **Savings Credit Only** you must tell us about:

- changes about children who live with you, and for whom you get Child Benefit
- changes to people who live with you (non dependants)
- changes to the amounts of Child Benefit, Child Tax Credit or Child Special Allowance paid to you
- if your savings go over £16,000
- changes of any income or savings to your partner who is not included in your Savings Credit.
- if you are away from your property for more than 13 weeks, such as going into hospital, in residential care, a long holiday, etc.

If you do not receive any Pension Credit you must tell the Benefit Section of any changes in your circumstances which may affect the amount of benefit you get. You should tell us about changes within one month of the date of the change.

If you do not, then you could lose benefit we may owe you or you could get paid too much benefit for a period you were not entitled. This will mean you will have to pay the benefit back.

Non Dependant rules if you are aged 65 or over

We will not reduce your Housing and/or Council Tax Benefit until six months after the date of change where:

- a non dependant moves in with you – meaning less benefit is being paid.
- a non-dependant's income changes giving you less benefit because a higher non dependant deduction is being used.

However, if a change with a non dependant means we will give you more benefit, then the normal rules about the date a change in circumstances will be used will apply. (See the Change in Circumstances page of the web site).

If you are not sure what you must tell us about, tell us anyway and we will let you know exactly how it will affect your claim.