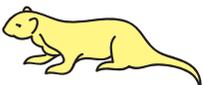




Welfare Benefits for Over 60s

2014–15

in association with
Ferret Information Systems Ltd



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Retirement solutions since 1965

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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 at the qualifying age for pension credit (QAPC) and over, and a 'Savings Credit' for those aged 65 and over. 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.

Guarantee Credit from QAPC (In a couple, at least one QAPC)		
Minimum guarantee	single	£148.35
	couple	£226.50
Additional amounts	severe disability addition	£61.10 (per disabled person)
	carer's addition	£34.20
Savings Credit from age 65+ (In a couple, at least one 65+)		
Savings credit threshold	single	£120.35
	couple	£192.00
Savings credit maximum	single	£16.80
	couple	£20.70
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 new 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	£148.35
	aged 65+	£165.15
Couple	at least one QAPC to 64	£226.50
	one or both aged 65+	£247.20
Additional amounts	severe disability addition	£61.10 (per eligible disabled person)
	carer's addition	£34.20
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 limit
Care home (HB only)	£10,000	no limit
Housing Benefit/Council Tax Reduction		
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	£54.45
higher	£81.30

Carer's Allowance

Carer's Allowance is payable to someone who provides support to a disabled child or adult who receives either AA 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.

carers allowance	£61.35
adult dependant	£36.10
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	£21.55
	middle	£54.45
	higher	£81.30
Mobility	lower	£21.55
	higher	£56.75

[†] DLA cannot be claimed after age 65 but may continue to be paid if claimed earlier. From 2013 DLA is gradually being replaced by Personal Independence Payment for those between 16 and 65.

State Retirement

Retirement Pension	Cat A	£113.10
	adult dependant of Cat A pensioner	£64.90
	Cat B for a widow/widower	£110.15
	Cat B (adult dependant on spouse's NI)	£67.80
	Cat D (non-contributory)	£67.80
	age addition	£0.25

Winter Fuel Payment

Qualifying week 15 - 21 September 2014

	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 2014

Qualifying Age for Pension Credit (and many other entitlements)

“Between April 2010 and November 2018 state pension age for a woman increases from 60 to 65. 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 and all other means-tested entitlements which were previously available from age 60.”

The QAPC in May 2014 is 62 years exactly.

Women’s State Pension age will increase more quickly to 65 between April 2016 and November 2018.

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

Pension Credit entitlement for couples

The Welfare Reform Act 2012, introduces a change so that Pension Credit 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 date for the introduction of this change.

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. It is not known yet whether mortgage support will be moved into this element. Child amounts will also be put into Pension Credit. For the first time there will be a capital cut-off in Pension Credit at a ‘substantially higher level’ than in other benefits.

From April 2014 the maximum amount of Savings Credit has again been reduced, and the threshold figure again increased, which both reduce the amount of Savings Credit entitlement. This change is compensating for the higher than indexation increase in Guarantee Pension Credit.

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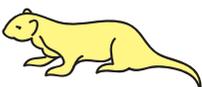
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