



Puzzled By Pensions? **Pension Credit**

Guidance for Usdaw members

Pension Credit

What is it?

Pension Credit is separate from your State Pension. It provides extra money to help with your living costs if you're over State Pension age and on a low income. You can still claim Pension Credit even if you have other income, savings or own your own home.

How Much Can I Claim?

Pension Credit comes in two parts, and you might qualify for one or both parts:

Guarantee Credit

Tops up your weekly income to a guaranteed minimum level of £218.15 if you're single or £332.95 if you're a couple (2024/25).

You may be eligible for Guarantee Credit if you've reached State Pension age. To find out when you'll reach State Pension age, get a State Pension forecast from the DWP.

You can find out more about the State Pension and apply for a State Pension forecast through our website:

www.usdaw.org.uk/puzzled

If your income is higher than the above thresholds, you may be eligible for more Guarantee Credit if you have a disability, are a carer or if you have to pay certain housing costs.

When you apply for Guarantee Credit, the Government will consider all of your income.

This includes both your basic and any additional State pension (for example State Earnings Related Pension Scheme SERPS), any income from other pensions, income from any jobs and any savings over £10,000.

Some benefits such as housing benefit, council tax reduction and attendance allowance aren't included, nor are your possessions or your home.

Savings Credit

Savings Credit is a small top up for people who have a modest income or savings.

To qualify you must have a minimum income of £189.80 a week if you are single and £301.22 a week if you are in a couple (2024/25).

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You must have reached State Pension age before 6 April 2016 and be resident in the UK. You must have also have made some provisions for your retirement, such as savings or a second pension.

If eligible you could get up to £17.01 per week if you're single or £19.04 extra per week if you're a couple (2024/25).

The more money you have the less you will receive in Savings Credit.

For every £1 your income exceeds the Savings Credit threshold of £189.80 per week (single) or £301.22 per week (couples), your Savings Credit will be reduced by 40p.

All of your income is added together to work out how much you will get. If you have savings, the first £10,000 isn't counted, but for every additional £500 you have over that amount counts for £1 of income.

This can get quite complicated but there is a Pension Credit calculator on the government website here:

www.gov.uk/pension-credit-calculator

which will help you to check your eligibility for pension credit.

Is Pension Credit Linked to Other Benefits?

From winter 2024/25 the Winter Fuel Payment will be restricted to those on Pension Credit or other means-tested benefits.

Claiming Pension Credit may mean you are eligible for other benefits too, such as:

- If you or someone you live with are over age 74 and in receipt of Pension Credit you can still apply for a free TV licence.
- If you're a carer, and entitled to Carer's Allowance, you could claim Carer Addition which is worth up to £45.60 extra a week (2024/25).

- If you're severely disabled and eligible for disability benefits, you could get an additional £45.60 per week (2024/25) with the Severe Disablement Allowance.
- If you are responsible for a child or have to pay housing costs you may also be eligible for a higher amount.
- You may also be entitled to Warm Home Discount - a payment of £150 (2024/25) to help those struggling to pay their energy bills during winter.

We would encourage you to claim Pension Credit even if you are only entitled to a few extra pounds. This is because it can often help you to qualify for other benefits. If you get Guaranteed Credit, for example, you can then apply for pension-age housing benefit if you rent your home. If you own your own home and are paying housing related charges you might be able to claim extra amounts and also qualify for council tax reduction.

How Do I Claim Pension Credit?

You can apply:

- Online at: www.gov.uk/pension-credit/how-to-claim
- By calling the Pension Credit claim line on **0800 99 1234**. They can fill in the application for you over the phone, but you'll need details on your finances, your National Insurance number, bank account details, plus your partner's details if you have a partner. Alternatively, you can ask them to post the application form to you so you can fill it out at home.
- Pension Credit in Scotland is slightly different, Age Scotland has a free Pension Credit guide you can request via their helpline number on **0800 12 44 222**.

There is more information on Pension Credit available at: www.gov.uk/pension-credit

More Information

Usdaw Nationwide

Wherever you work, an Usdaw rep or official (Area Organiser) is not far away. For further information or assistance, contact your Usdaw rep or local Usdaw office. Alternatively you can phone our Freephone Helpline **0800 030 80 30** to connect you to your regional office or visit our website: www.usdaw.org.uk

You can also write to the Union's Head Office. Just write **FREEPOST USDAW** on the envelope and put it in the post.

Join Usdaw

You can join online at:
www.usdaw.org.uk/JoinUs



Scan the QR code to join today.

What Happens Next

Once we process your application, you will receive a membership card with our Helpline telephone number and a New Member's Pack giving details of all the benefits and professional services available to you.

If you have retired you can still be a member of Usdaw. Scan the QR code below for more information or visit:
www.usdaw.org.uk/269



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