

Benefits Bulletin

Pension Credit: Mixed Age Couples

11th April 2019

Issue **4** [2019]

ATTENTION NEW RULES FROM 15th MAY

New rules mean that MIXED AGE COUPLES could lose up to £140.44 per week in unclaimed Pension Credit.

MIXED AGED COUPLES have been able to apply for Pension Credit provided at least one of them has reached the 'Qualifying Age for Pension Credit'. However, from **15th May 2019** new rules will mean that couples will only be able to apply for Pension Credit when **BOTH** members of the couple have reached this age. The expectation is that these mixed age couples can apply for Universal Credit. The only problem is that in most cases Universal Credit is worth much less than Pension Credit. As a result, couples could lose up to £140.44 per week. This is the difference between the two basic amounts paid.



Pension Credit is designed to provide older people with a minimum income for day-to-day living. It can be paid on its own or in addition to other benefits and income a person (and/or their partner) may have. Therefore, if a couple/person qualifies and their overall assessed income is less than the basic amount of entitlement, Pension Credit would be paid to bring that couple's/person's income up to the basic level. The current Pension Credit basic amounts are:

- **£255.25 per week for couples**
- **£167.25 per week for single people**

When assessing people's income, the amount of any Disability Living Allowance, Attendance Allowance and Personal Independence Payment are fully disregarded. So too, is any amount they get by way of Housing Benefit or Council Tax Support.

A person can apply for Pension Credit by contacting the Pension Service on:

**TELEPHONE:
0800 991234**

This **claim line** is open Monday to Friday between 8.00 am and 6.00 pm. A person should not need to complete any claim forms.

1. What is the Qualifying Age for Pension Credit?

To be able to apply for Universal Credit a person needs to have reached what is known as the 'Qualifying Age for Pension Credit' (QAPC). This used to be 60 but has gradually been increased over recent years. The QAPC presently stands at around 65 but is due to rise to 66 by 2020.

A MIXED AGE COUPLE is a couple where one member is over the Qualifying Age for Pension Credit and one member is under this age.

2. What about Savings?

Whilst a person cannot apply for Universal Credit if they and/or their partner have assessed savings/capital above £16,000, Pension Credit does not have an upper savings/capital limit. This means that a person/couple can have significant savings and investments and still qualify for an award of Pension Credit.

3. What about HB/CTS?

Any Pension Credit awarded will not reduce the amount a person gets in **Housing Benefit** or **Council Tax Support** (formerly known as Council Tax Reduction). Indeed, in some cases the fact that a couple gets Pension Credit could increase the amount of help they get with their rent and council tax.

4. How does it work?

Example 1: Bill is aged 66. His wife Jean is aged 63. Bill gets his State Retirement Pension. Jean gets a small works pension. Their combined income is £180.00 per week. They get help with their rent and council tax bills.

As things stand, they would be entitled to Pension Credit of £75.25 per week. If they do not claim before 15th May then they will have to wait for three years until Jean is aged 66.

Example 2: Hamid is aged 67. His wife, Azra is aged 62. The couple manage on £167.50 per week. This is the amount Hamid gets in State Retirement Pension and from his works pension. The couple live in their own home and have savings of £7,500. As things stand, they would be entitled to Pension Credit of £87.75 per week. If they do not claim before 15th May then they will have to wait for four years until Azra is aged 66.

Important - Backdating: Claims for Pension Credit can be backdated for up to 3 months. A person does not need to have a good reason as to why they failed to claim earlier. Therefore, whilst the new rules come into force on 15th May 2019 the actual cut-off date for applications is 13th August 2019.

Important - Single Claimants: Whilst these new rules will not affect couples getting Pension Credit already, you should know that if a person is single and sets up home with a person under the QAPC on or after 15th May 2019 they will lose their right to Pension Credit and Housing Benefit as a pensioner.

Important - Going Abroad: Pension Credit cannot be paid to people living abroad. However, it may continue to be paid for up to four weeks whilst someone is temporarily absent (e.g. on holiday or visiting relatives). If a mixed age couple who are getting Pension Credit go abroad for more than 4 weeks, their entitlement to Pension Credit will usually end. As a mixed age couple they would not be able to reapply for Pension Credit upon their return and they would have to apply for Universal Credit instead. They would only be able to reapply for Pension Credit again when both of them had reached the QAPC.

Continued:

If you are advising someone who is getting Pension Credit and they (or their partner) are going to be absent from Great Britain, do seek further advice and information. This is because there are circumstances in which a person may be absent for up to 8 weeks (where the absence is connected to the death of their partner) and 26 weeks (where the absence is connected to getting medical treatment) without it affecting their entitlement.

5. Pension Age Housing Benefit

The new rules also apply to couples who are getting Pension Age Housing Benefit - that is to say couples whose Housing Benefit entitlement has been determined on the basis that they and/or their partner have reached the QAPC.

At present, Mixed Age Couples will normally qualify for a greater amount of Housing Benefit because the allowances are greater than for younger couples. They will be treated as being of 'pension age' not 'working age'. However, this will no longer be the case from 15th May 2019. Any such couple will, in effect, be treated as being of 'working age' until both members of the couple have reached the QAPC.

6. Pension Credit and Housing Benefit linking rules

The new rules afford some protection to Mixed Age Couples who get Pension Age Housing Benefit. This works as follows:

Example 3: Jim is aged 66. His wife Gill is aged 61. Jim gets his State Retirement Pension. Gill gets a small works pension. The couple's only other income is Pension Credit and Pension Age Housing Benefit. Gill then gets a job.

The level of Gill's earnings now means that the couple no longer qualify for Pension Credit. However, it does not stop them from getting Pension Age Housing Benefit. In this case if Gill stops working (at some stage before she reaches the QAPC), the couple can make a repeat claim for Pension Credit. They would not be disqualified from Pension Credit because they have had a continuous claim for Pension Aged Housing Benefit in place.

Example 4: Karen is aged 67. Her husband, Alan, is aged 63. The couple's income has been from Karen's State Retirement Pension, Pension Credit and Pension Age Housing Benefit. Alan gets a job. The level of his earnings means the couple no longer qualify for Pension Credit or Pension Age Housing Benefit. Alan's job then ends (at some stage before he reaches the QAPC). The couple cannot now reclaim Pension Credit or (Pension Age) Housing Benefit. The couple will need to apply for Universal Credit instead.

7. Council Tax Support...

These new rules will not apply to Council Tax Support (formerly known as Council Tax Reduction).

For more information go to:

[A3/2019 Mixed Age Couples](#)

[Memo DMG 01/19](#)

www.gov.uk/pension-credit

The details provided in this Benefits Bulletin are meant to provide a guide on important and topical issues relating to Social Security Benefits and welfare reform. The details should not be treated as an authoritative statement of the law. The details may be subject to change by new regulation and/or case law. Do seek further information and advice as necessary.

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