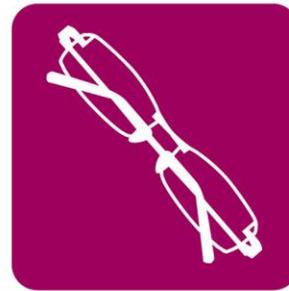


Benefit and pension changes



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1 Introduction

There have been changes to benefits for people in Scotland over the past few years, including the introduction of the Scottish Welfare Fund, Personal Independence Payment and Universal Credit. Further changes are planned by both the UK and Scottish Governments.

This factsheet provides information on the main changes which may affect older people living in Scotland. The information in this factsheet is correct at the time of printing.

For information or advice about benefits call the Age Scotland helpline on **0800 12 44 222**

2 State Pension age

State Pension age is now 65 and 5 months for both men and women and is increasing:

Date of Birth – from	State Pension age
6 February 1954 to 5 March 1954	6 July 2019
6 March 1954 to 5 April 1954	6 September 2019
6 April 1954 to 5 May 1954	6 November 2019
6 May 1954 to 5 June 1954	6 January 2020
6 June 1954 to 5 July 1954	6 March 2020
6 July 1954 to 5 August 1954	6 May 2020
6 August 1954 to 5 September 1954	6 July 2020
6 September 1954 to 5 October 1954	6 September 2020
6 October 1954 to 5 April 1960	66th birthday

State Pension age will reach 66 by October 2020 and then 67 by 2028. The Government is planning further increases which will raise the State Pension age to 68 by 2039, affecting people born between 6 April 1970 and 5 April 1978.

State Pension age is also the age when a man or a woman can claim Pension Credit or Attendance Allowance. If you have internet access you can check your State Pension age at www.gov.uk/state-pension-age or call the Age Scotland helpline on 0800 12 44 222 and an adviser can check it for you.

3 State Pension

A new Single Tier State Pension was introduced for people who reached their State Pension age on or after 6 April 2016.

State Pension is normally based on your own National Insurance record of contributions you have paid or been credited with. You now need to have a minimum of 10 years contributions and you need 35 years contributions to receive the full amount.

The new Single Tier State Pension of £168.60 (2019/20) is set above the level of means-tested Pension Credit for a single person of £167.25 (2019/20), so fewer people will need to claim Pension Credit to top up their State Pension, but fewer people will be passported to help with rent and with health costs.

People who have a low income and modest savings are likely to qualify for help with their Council Tax through Council Tax Reduction, help with their rent through housing benefit and help with health costs.

You may be entitled to Pension Credit if your income is higher than £167.25 (2019/20), if you receive a benefit such as Attendance Allowance because you have a disability, if you are a carer or if you have housing costs such as service charges to pay.

To ask for a forecast of your State Pension see www.gov.uk/check-state-pension or call the Future Pension centre on 0800 731 0175.

4 Universal Credit

Universal Credit is the new means-tested benefit for people of working age who have a low income. It was introduced in 2013 and is being rolled out over the next few years.

If you are already claiming Child Tax Credit, Housing benefit for working age people, Income related Employment and Support Allowance, Income based Jobseeker's Allowance, Income Support or Working Tax Credit you will eventually be moved onto Universal Credit instead.

Like the benefits it replaces, it includes some additional amounts for carers, for some people unable to work due to sickness or disability, rent payments and the costs of looking after children.

You can claim Universal Credit online at www.gov.uk/apply-universal-credit. It is paid monthly in arrears calculated on your income the previous month, but people in Scotland can receive Universal Credit payments twice a month instead and can ask for the rent part of their Universal Credit to be paid directly to their landlord.

For more information see Age UK's factsheets **Benefits for people under State Pension age** and **Universal Credit**; the Age Scotland helpline can send you a copy. Call 0800 12 44 222.

5 Universal Credit and "mixed age" couples

Until **15th May 2019** a "mixed age" couple (where one is working age and the other is State Pension age) could claim Pension Credit when the oldest reached their State Pension age. Both Pension Credit and Universal Credit top up income to levels set by the Government.

The Welfare Reform Act 2012 included changes which came into force in May 2019. From **15th May 2019** mixed age couples making a new claim cannot claim Pension Credit until they are both State Pension age. If the mixed age couple needs means-tested support they will need to claim Universal Credit instead until both are State Pension Age.

If the couple claims Universal Credit, the younger of the couple will be subject to Universal Credit "conditionality", needing to prove (for example) that they are a carer, that they are seeking work for 35 hours a week, that they are not well enough to work.

The weekly rate of Universal Credit is significantly lower than the rate of Pension Credit. From April 2019:

Pension Credit basic rate for a couple is £255.25

Universal Credit basic rate for a couple is £114.85

Pension Credit basic rate for a single person is £167.25

Many couples will not receive either Universal Credit or Pension Credit because the older of the couple will have a pension income which is too high.

Couples claiming Pension Credit or pension-age housing benefit before 15th May will not be affected by this change if they continue to receive either of these benefits.

If you are in a couple and think you may have qualified for Pension Credit before 15th May 2019 you have until **13th August 2019** to make a backdated claim.

6 Help with rent

Housing Benefit is a means tested benefit paid to council or housing association tenants, it is often called Local Housing Allowance when paid to tenants of private landlords. If you receiving Universal Credit you will normally receive help with housing costs through Universal Credit not Housing Benefit. There are some exceptions if you live in certain kinds of accommodation such as accommodation where you receive care, support or supervision.

The room restriction which was introduced in April 2013, sometimes called the 'bedroom tax', can restrict help with rent for a "working age" council or housing association tenant if their home is considered to be too large for their needs. Mixed age couples affected by the changes in May 2019 will be affected by the "bedroom tax" too. If you are affected by this contact your local council to find out what further help they can provide.

7 Personal Independence Payment

Since June 2013 no-one over 16 has been able to make a new claim for Disability Living Allowance (DLA), they have to claim Personal Independence Payment (PIP) instead.

If you are already getting Disability Living Allowance and had reached the age of 65 by 8th April 2013 the Government does not currently have any plans to reassess you for Personal Independence Payment.

Other people receiving Disability Living Allowance will be invited to claim Personal Independence Payment instead of Disability Living Allowance. You will not have the option of continuing to claim Disability Living Allowance instead. Get advice if you are in this situation.

Personal Independence Payment is one of the benefits which is being devolved to Scotland.

8 Pension Credit

People who reached their State Pension age on or after 6th April 2016 cannot claim the Savings Credit part of Pension Credit either as a single person or as part of a couple.

As Universal Credit is rolled out and Child Tax Credit is abolished Pension Credit will start to include elements for dependent children. The rules for this came into force on 1st February 2019. The amount will be broadly similar to the amounts for children included in Child Tax Credit.

9 Pension Credit and mortgage interest help

Until April 2018 Pension Credit could include payment towards your mortgage interest costs.

Since April 2018 the help with your mortgage interest has been replaced by a system of interest-bearing loans secured on your home which will be repaid when your home is sold.

If you claim Pension Credit and need help to pay your mortgage, contact an independent advice agency straight away for advice about your individual situation.

10 Devolution of welfare powers to Scotland

Under the Smith Commission agreement substantial elements of the welfare system, involving eleven benefits and 15% of the current welfare budget, are being devolved to Scotland. The Scottish Government has consulted widely about how best to use its new powers and passed the Social Security (Scotland) Act in April 2018.

Universal Credit, State Pension and Pension Credit will remain reserved benefits delivered by the Department for Work and Pensions, but in Scotland Universal Credit claimants can receive payments twice monthly instead of monthly and can ask for the rent part of Universal Credit to be paid directly to their landlord.

Devolved welfare powers include powers over benefits for carers, disabled people and those who are ill:

- Attendance Allowance,
- Carer's Allowance,
- Disability Living Allowance,
- Personal Independence Payment,
- Industrial Injuries Disablement benefit,
- Severe Disablement Allowance

The powers also include responsibility for:

- Cold Weather Payments,
- Funeral Payments,
- Sure Start Maternity grants,
- Winter Fuel Payments,
- Discretionary Housing Payments (help with payment of rent)

The Scottish Government has set up a new agency Social Security Scotland and aims for devolved benefits to be delivered with fairness, dignity and respect. The principles Social Security Scotland will work to are:

- Social security is an investment in the people of Scotland
- Social security is itself a human right and essential to the realisation of other human rights
- The delivery of social security is a public service
- Respect for the dignity of individuals is to be at the heart of the Scottish social security system

- The Scottish social security system is to contribute to reducing poverty in Scotland
- The Scottish social security system is to be designed with the people of Scotland on the basis of evidence
- Opportunities are to be sought to continuously improve the Scottish social security system in ways which—
 - (i) put the needs of those who require assistance first, and
 - (ii) advance equality and non-discrimination,
- The Scottish social security system is to be efficient and deliver value for money.

The Social Security Scotland Charter explains how these principles will be delivered in practice.

To inform the development of new processes and social security assistance the Scottish Government has established Social Security Experience panels of more than 2,300 people with recent experience of claiming benefits. You can find information about their work on the gov.scot website <https://www.gov.scot/publications/social-security-experience-panels-index-of-publications/>

The Scottish Government has announced when it will use some of its new powers (this is not a complete list but focuses on the benefits most likely to be claimed by older people):

From **summer 2018** people in Scotland who receive **Carer's Allowance** which is £66.15 (2019/20) are receiving an automatic 6 monthly payment of **Carers Allowance Supplement** (£221.00) from the Scottish Government.

By **summer 2019** help with funeral costs for people who receive low income benefits will be available as **Funeral Support Payments** instead of as a Social Fund Funeral payment. More information about Funeral Expenses is available here <https://www.gov.scot/news/funeral-expense-assistance/>

Disability Assistance for Older People (to replace Attendance Allowance). New claims will open in **winter 2020**.

Carer's assistance - New applications can be made by **the end of 2021**. To begin with, new claims for Carer's Assistance will be on broadly the same terms as the existing Carers Allowance.

Winter Heating Assistance - The first new Winter Heating Assistance payments for people over the state pension age will be made **from the end of 2021**. No one should lose out as Winter Heating Assistance is brought in. Eligibility for Winter Heating Assistance will continue to be automatic and based upon the current Winter Fuel Payment system.

Cold Spell Heating Assistance - Payment will start from **the end of 2021** (subject to the weather). No one should lose out as a result of the change to Cold Spell Heating Assistance. The first payments of the new benefit will not be different from existing Cold Weather Payments so the amount of benefit paid will be protected. The Scottish Government will seek a wide range of expert opinion and look to design processes that better reflect the needs and experiences of Scottish households.

11 Useful Organisations

Age Scotland helpline 0800 12 44 222

The Age Scotland helpline provides information, friendship and advice to older people, their relatives and carers.

If you need an interpreter call **0800 12 44 222** and simply state the language you need e.g. Polish or Urdu. Stay on the line for a few minutes and the Age Scotland helpline will do the rest.

You can call us on 0800 12 44 222 for a copy of our publications list or download copies from our website at www.agescotland.org.uk.

Your local Citizens Advice Bureau (CAB)

Your local Citizens Advice Bureau can offer you information and advice. You can find your local CAB by calling Citizens Advice Direct on 0808 800 9060 or visiting the Citizens Advice Scotland website www.cas.org.uk/bureaux

Social Security Scotland

You can find information about Social Security Scotland on their website <https://www.socialsecurity.gov.scot/> or call their helpline for information about Carers Allowance Supplement on 0800 182 2222.

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