HOUSING SYSTEMS: BRIEFING

No.2 / 2020:

UC and turning Pension Age

What's going wrong?

And what can we do about it?

Key facts:

- **The introduction of Universal Credit has left many claimants turning Pension Age confused and let down by a failing system and gaps in the Regulations.**
- **The rules for mixed age couples are particularly complicated.**
- **We have seen incorrect advice / decision making by DWP staff.**

Why claimants are missing out:

- **Single Universal Credit claimants are left with a gap in their income (for living costs and their rent) of up to one month when they turn Pension Age (see page 3).**
- **As the UC system does not recognise when someone turns Pension Age, single pensioners are often left receiving UC instead of Pension Credit and/or Housing Benefit to top up their income – and having a battle to get the correct benefits awarded (see page 5).**
- **Couples who need to move from Income-Related Employment and Support Allowance to UC when they become a mixed age couple are missing out on the LCW/LCWRA Element – often through no fault of their own! (see page 7)**
- **Some mixed age couples are missing out on, or experiencing unnecessary delays in qualifying for, the LCWRA Element / work allowance / help with childcare costs – due to incorrect decision making and advice from UC staff (see page 9).**
- **Some mixed age couples are missing out on extra UC because although they should be treated as having a LCWRA they still have to get a 'fit note' from their GP (see page 10).**
- **Some 'protected' mixed age couples who are already getting Pension Credit or PC age Housing Benefit are being mis-advised when taking on responsibility for a child – which could leave them £140 per week worse off! (see page 12)**

Produced by: www.housingsystems.co.uk

Introduction

We are receiving increasing numbers of queries regarding what benefits people should be receiving or claiming when they reach Pension Age.

We have seen many cases where claimants have been incorrectly advised by the DWP and other organisations.

It is hardly surprising that things are going wrong:

The UC system doesn't recognise when a claimant turns Pension Age, and gaps in the Regulations are leaving Pension Age claimants worse off.

The new rules for mixed age couples (couples where one is Pension Age and the other is Working Age) have brought with them some very complex issues to consider. The way these new rules interact with other Welfare Reform changes can throw up some complicated scenarios.

We have put together this briefing with the aim of highlighting some of the main issues we have come across.

We hope that this will not only provide you with the information you need to ensure you are giving the best advice to your tenants / clients but also in the hope that you might be able to highlight these issues with your local constituency MP. The goal is that the government / DWP will make changes to improve the way the system works for these claimants.

If you have a complicated query, are a Housing Systems member and cannot find the answer on the website, then use our query service. Email with as much information as possible to: info@housingsystems.co.uk.

For more information about these services please contact us: info@housingsystems.co.uk

You might also find our two previous briefings on Mixed Age Couples useful.
https://www.housingsystems.co.uk/News/Briefings/2019

1. When a single UC claimant turns Pension Age

UC is a benefit for working age claimants. So, when a single UC claimant (or the younger member of a mixed age couple) turns Pension Age, their UC award should end.

There are two different problems for UC claimants when they turn Pension Age – one is due to how the Regulations are written, the other is a failing of the UC computer system.

Problem (i) – Gap in income

Normally, when a claimant has a change in circumstances it takes effect from the beginning of the UC Monthly Assessment Period (MAP) in which the change occurs.

So when a UC claimant turns Pension Age, this change will take effect from the beginning of the MAP in which that happened – as they are no longer entitled to Universal Credit. Because they are now Pension Age, they receive no UC for the whole of that MAP.

This means that if a UC claimant reaches Pension Age towards the end of their Monthly Assessment Period (MAP), they could **lose almost a whole month's UC** – ie money to live on and pay the rent!

Although they will start to receive their State Pension (and might be entitled to Pension Credit and / or Housing Benefit), State Pension and Pension Credit can only start from the date they turn Pension Age and HB from the Monday after they turn Pension Age.

And claimants will have to wait for these benefits to start being paid – for instance the New State Pension is normally paid within 5 weeks of turning pension age.

But there is a special rule which allows UC claimants to receive UC up to the day before they turn Pension Age. The trouble is that it does not apply to all claimants, and claimants have to know that it exists.

Paragraph 26 of Schedule 1 of the UC, PIP, JSA & ESA Decisions and Appeals Regs 2013 allows for a pro-rata payment of Universal Credit for the number of days up to reaching Pension Age – but only if the claimant has made an advance claim for Pension Credit.

Example:

Alan is claiming Universal Credit. His UC Monthly Assessment Periods (MAPs) run from 8th to 7th of each month. He will reach Pension Age on 6th March.

If Alan does not make an advance claim for Pension Credit, his UC will end from the beginning of the MAP in which he turns Pension Age, so he will not receive any UC for the MAP 8th February – 7th March. But his Pension Age benefits cannot start until he reaches Pension Age ie 6th March – meaning a gap in benefit from 8th February – 5th March.

If he does make an advance claim for Pension Credit, then the UC Regulations allow for a part-month payment and his final UC payment should be for 8th February – 5th March, so no gap.

Why are so many claimants are missing out?

Two reasons:

Claimants don't know about the part-month final UC payment and how to get it
There is no information or advice provided by the DWP to UC claimants who are approaching Pension Age. The DWP should be informing them that they need to make an advance claim for PC in order to protect their UC income up to the day before they reach Pension Age – but this is not happening.

The Pension Service are not allowing some claimants to make an advance claim for PC.
It appears that, where the Pension Service can see from the amount of State Pension due to be paid that the claimant will not be entitled to any Pension Credit, they are refusing to accept a claim.

Quote from one of our subscribers:

"He rang the Pension Service to claim Pension Credit in advance of turning pension age - but they said he would be unlikely to qualify so would not accept a claim for PC"

When someone requests to make a claim - the DWP should not refuse to accept a claim!

Whilst we can appreciate the need to avoid wasting time and resources, the refusal to accept a claim in this situation means that the claimant will miss out on UC as a result!

A benefit authority should never refuse to take a claim for benefits as this could be seen as denying someone their right to social assistance and would be against natural justice – how can any authority say for definite that someone is not entitled unless that have assessed the claim properly?

Solution

A small amendment to the regulations is needed.

The removal of the requirement to make an advance claim for Pension Credit and the incorporation of an <u>automatic</u> part-month award for the final UC Monthly Assessment Period would:

- **Ensure that all UC claimants receive UC up to the day before they reach Pension Age – ie no gaps in income**
- **Save unnecessary Pension Credit claims processing (for those whose pension income means they will not be entitled to any PC)**

Mark Tami MP has tabled an **Early Day Motion** on this matter – ask your local constituency MP to sign it – please see a letter you could use to highlight the issue in Appendix A.
https://edm.parliament.uk/early-day-motion/54584/universal-credit-and-state-pension-transition

What can you do in the meantime?

We hope that the Regulations will be changed – but until then we need to make sure that UC claimants who are approaching Pension Age are aware that, in order to get UC up to the day before they turn Pension Age, they need to make an advance claim for Pension Credit. We also need to make claimants aware of the Pension Service's duty to accept their claim – even if they won't be entitled to PC!

Problem (ii) – UC continuing to be paid after Pension Age

It appears that the Universal Credit computer system is not able to recognise when someone turns Pension Age.

This has resulted in UC awards continuing to be paid (overpaid) to single people after turning Pension Age and to couples where the younger member has reached Pension Age.

These are clearly overpayments, as these claimants are not entitled to UC after reaching Pension Age (Reg 4 of the Welfare Reform Act states that to qualify for UC the claimant / both claimants must not have 'reached the qualifying age for state pension credit').

And the regulations say that all UC overpayments are recoverable!

While UC is still in payment, HB Offices are not accepting Housing Benefit claims and the Pension Service is not accepting claims for Pension Credit, but the claimant is struggling to get the UC claim closed!

From one of our subscribers:

"Tenant turned pension credit age on 6th January 2020. He was a UC claimant with a MAP of 16th to 15th paid on 22nd.

He tried to claim Pension Credit beforehand, he called them but having gone through what his SRP would be they told him he would not qualify so no advance claim made.

I was not expecting him to be paid on 22nd January but he says he has been paid his UC but they have taken off his SRP as income.

He made the HB claim on 6th January. Housing Benefit are saying to me they will not pay HB because he is a UC claimant."

So in this case, not only did the Pension Service refuse to accept an advance claim for PC (he should have been allowed to make a claim and then his UC should have run to 5.1.20), but then his UC has incorrectly continued in payment.

As he did not make an advance claim for PC, the regulations state that his UC should have ended on 15th December. So, any UC paid from 16th December onwards is an overpayment which is recoverable from the claimant.

He can make a claim for HB – which should be automatically backdated to the Monday after he turned Pension Age on 13th January (as long as he makes that claim within 3 months of turning Pension Age).

But he will have a gap in his benefit entitlement from 16th December 2019 to 13th January 2020. This is through no fault of his own but due to failings in the current system.

Quote from another subscriber – in a case with the same circumstances as above:
"We had to fight for 4 months before they finally agreed to award the HB from the correct date."

Solution

Ask your MP to raise the issue of why the UC computer system cannot deal correctly with claimants reaching Pension Age and highlight the problems this causes as detailed above.

What can you do in the meantime?

Ensure that any single UC claimant turning Pension Age (or couple where the younger one is turning Pension Age) has their UC claim closed. They could make a request for this to happen on their journal, follow this up with a phone call, and, if payments continue, request a Mandatory Reconsideration of the DWP's decision to continue the award when they are no longer entitled quoting Reg 4 of the Welfare Reform Act 2012.

They should also make an advance claim for Pension Credit before they turn Pension Age and make a claim for Housing Benefit on the date they turn Pension Age, and keep the HB Office / Pension Service informed of what is happening with their UC award and say that they expect any HB / Pension Credit awarded to be awarded from that date.

If you experience any problems, and are a Housing Systems member, please get in touch: info@housingsystems.co.uk

2. Mixed age couples moving from ESA to UC

This issue affects working age couples who become a mixed age couple when the older member turns Pension Age and the older member has been the main ESA claimant.

The Pension Age member of the couple will start to receive their State Pension.
Unless the SDP gateway applies, on turning Pension Age, their ESA and Housing Benefit terminate. If they need a top-up, they can try for UC.

The problem

The problem is that the LCW / LCWRA status will not 'transfer over' from ESA to UC *unless* they made their claim for UC before reaching Pension Age.

The regulation that allows this transfer - Regulation 19 of the UC Transitional Provisions Regs 2014 - only applies where the claimant was entitled to ESA on the day they claimed UC ie. they would have been paid ESA for that day had they not made the claim for UC. If they have already turned Pension Age when they claim UC, it won't apply because their ESA will have terminated on the day before they reach Pension Age.

This could mean:

- **Missing out on £336.20 per month (LCWRA Element) for at least 4 months – ie at least £1344.80** (2019/20 rates)

If the LCWRA decision does not transfer over then the claimant would need to submit 'fit notes' from their GP and request a referral for a Work Capability Assessment. If they are then found to have LCWRA, the LCWRA Element would be included in their UC assessment from the Monthly Assessment Period which started after the 3-month 'relevant period' ended. The relevant period would have started when they self-certified or provided their first 'fit note'.

Or

- **Losing the possibility of having the LCW Element (£126.11 per month) forever**

A change introduced from 3rd April 2017 means that the only claimants who can receive payment of the Work-Related Activity Group Component in ESA or the LCW Element in UC are those whose period of limited capability for work started on or after 3rd April 2017. If there is a gap in benefit entitlement, they lose that transitional protection.

For mixed age couples moving from ESA to UC – if they were receiving the Work-Related Activity Group Component in ESA (because their period of limited capability for work pre-dated the 3.4.17 change) they will have lost the chance of ever having the LCW Element in their UC. The fact that the award of ESA ended before their UC starts (even if this is just the day before) will be seen as a gap and will cause them to lose their transitional protection.

Example:

Badrul is 65 and is due to turn Pension Age on 6th March. His wife, Basheera, is 59. Both of them have long term health problems, but Badrul has been the main claimant of Income-Related ESA for them both. He is in the Support Group. He also claims Housing Benefit.

When Badrul reaches Pension Age, his ESA and HB will end and he will start to receive his State Pension.

If Badrul's State Pension and other pension income is not enough for them to live on and pay their rent, they will need to claim UC (as a mixed age couple they are not allowed to make new claims for Pension Credit or HB).

If they make their claim for UC before Badrul turns Pension Age, their UC assessment should include the LCWRA Element from the start.

But if they make their claim for UC on or after Badrul has turned Pension Age, they will see a drop in their income, because their UC assessment cannot include the LCWRA Element from the start of the UC award.

They will only get the LCWRA Element included after the relevant period if Badrul has a new Work Capability Assessment and is found to have LCWRA or if he fits the criteria to be treated as having LCWRA (eg if he gets enhanced rate Daily Living PIP). He will need to 'self-certify' and then submit fit notes from his GP to get the relevant period started.

Why are claimants missing out?

No DWP department tells couples in this situation to claim UC before they turn Pension Age!

Having said that, the mixed age couples rules are extremely complicated and different advice is needed for different situations. So, it would be dangerous to have blanket advice as some couples could end up worse off!

But it seems extremely unfair for the person with LCW/LCWRA to lose that status when moving from ESA to UC due to turning Pension Age, whereas a working age ESA claimant moving on to UC would not lose it.

They have not been found fit for work - so there is no reason to remove that status at the start of the UC claim.

Therefore, we feel that the best solution would be for a slight amendment to the regulations.

Solution

You could ask your MP to table an Early Day Motion to call on the government to amend the UC Transitional Regulations 2014, to ensure that LCW / LCWRA status transferred over from ESA to UC if a new mixed age couple makes their UC claim within one month of their ESA ending on turning Pension Age.

What can you do in the meantime?

Ensure that any working age couple where the older member is reaching Pension Age receives advice about what their benefit options are when they age into being a Mixed Age Couple.

3. Some mixed age couples on UC are being told that a Pension Age UC claimant cannot have a Work Capability Assessment because they are Pension Age – this is incorrect!

Some queries from our subscribers:

"The Jobcentre has told me there is no way of requesting a work capability assessment for someone who has already reached pension age – is that correct?".

"I raised this again with UC and they have put a message on the journal saying that even though he is getting PIP enhanced daily living, he cannot be treated as having limited capability for work because he is pension age and the LCWRA is only applied to those who had work requirements initially and due to his age he had no work related requirements when he applied. Is there a Regulation I can quote?"

"Mrs is over pension age and receives state pension and AA. Mr is working age and gets Carers Allowance as her carer. On their UC claim they get their standard amount, housing costs and a carer element. Universal Credit have said that she has been awarded the LCWRA but because she is over pension age she cannot be paid it. Is that right?".

The problem

In all three cases above, the DWP have been incorrect in their responses to claimants.

There is nothing in the UC regulations to prevent a Pension Credit age claimant from having a Work Capability Assessment, or being found to have a Limited Capability for Work (LCW) or Limited Capability for Work Related Activities (LCWRA).

Limited Capability for Work Related Activities
A Pension Age UC claimant who has been found to have a Limited Capability for Work Related Activities or who fits the criteria to be treated as having a LCWRA (eg. getting enhanced daily living PIP or Attendance Allowance) should have the LCWRA Element included in their UC assessment after the relevant period. (Regs 27 & 28 of the UC Regulations 2013)

The only exception to this would be if their partner already has a LCWRA Element included for him / herself as only one LCWRA Element per couple is included.

These claimants are missing out on an extra £336.20 being included in their UC assessment. Unless cases like this are challenged – they will go unnoticed.

Limited Capability for Work
A Pension Age UC claimant who has been found to have a Limited Capability for Work or who fits the criteria to be treated as having a LCW (eg getting standard daily living or either rate of mobility PIP) should be regarded as such when their joint UC claim is assessed. This would mean that, if they or their partner, was working, a work allowance would be applied (if they were not already entitled) and they could be entitled to the Child Care Costs Element.

Solution

If you come across this problem, raise it with the DWP Partnership Manager or the DWP Complaints Resolutions Team.

4. Requirement to see GP – even though the criteria to be treated as having a LCWRA are already satisfied

Under Schedule 9 of the UC Regulations 2013, a claimant is automatically treated as having a Limited Capability for Work Related Activities if they are:

- Pension Age <u>and</u>
- entitled to Attendance Allowance, the Enhanced Rate of the Daily Living Component of Personal Independence Payment, the Highest Rate Care Component of Disability Living Allowance, Armed Forces Independence Payment or Constant Attendance Allowance.

So, after the relevant period, they can have the LCWRA Element included in their UC assessment. There is no need for them to undergo a Work Capability Assessment medical examination.

The problem

The problem is that the UC regulations state that the LCWRA Element is included after the relevant period has ended. To have ended, the relevant period must have started. And to get the relevant period started the claimant will need to obtain 'fit notes' (sick notes) from their GP.

Not only is this an unnecessary waste of GPs' time, but it also means that if claimants are not advised that they need to obtain fit notes, they also miss out on the extra UC due to the delay in getting their relevant period started.

Quote from a subscriber:
"They said they were told a fit note was not needed due to Mrs C being over pension age."

Example:

Christina has just turned 66. She and her partner Mel (60) are claiming Universal Credit as a top up to Christina's State Pension.

Before Christina turned Pension Age, she was receiving Housing Benefit and Income-Related ESA for them both – she was in the Work-Related Activity Group, but no WRAG component was paid – as her illness started after 3.4.17.

Their UC assessment includes the Couple Standard Allowance and the Housing Cost Element.

Christina has just been awarded Attendance Allowance.

As she is Pension Age and is entitled to Attendance Allowance, she fits the criteria to be treated as having a Limited Capability for Work Related Activities.

They will be entitled to have the LCWRA Element included in their UC assessment after the relevant period.

But Christina will need to ask for the relevant period to start and ask her GP to provide 'fit notes'.

How will Christina find out that she needs to do this? If she doesn't, they will miss out on the LCWRA Element.

(Note that if Mel spends 35 hours or more per week caring for Christina, they can also ask for the Carer Element to be included in their UC assessment.)

The solution

Another small amendment to the regulations would save GPs' time and prevent claimants from missing out on their entitlement.

LCWRA Element

- The regulations could be amended so that in cases where the claimant is **treated as** having LCWRA, due to being Pension Age and being in receipt of Attendance Allowance, the Enhanced Rate of the Daily Living Component of Personal Independence Payment, the Highest Rate Care Component of Disability Living Allowance, Armed Forces Independence Payment or Constant Attendance Allowance.
- the relevant period starts automatically (without the need for fit notes).

You could ask your MP if they would table an Early Day Motion to call on the government to amend Regulation 28 of the UC Regulations to ensure that the relevant period starts without the need to ask the GP for fit notes. Instead of these claimants needing to provide medical evidence, the regulations could allow for the relevant period to start as soon as a UC claimant is both Pension Age UC and receiving Attendance Allowance, the Enhanced Rate of the Daily Living Component of Personal Independence Payment or the Highest Rate Care Component of Disability Living Allowance.

Work Allowance and Child Care Cost Element

Under Schedule 8 of the UC Regulations 2013, one of the circumstances in which a claimant is automatically treated as having a Limited Capability for Work is if they are:

- Pension Age <u>and</u>
- entitled to Standard Rate of the Daily Living Component or either rate of the Mobility Component of Personal Independence Payment or the Middle or Low Rate Care Component or either rate of the Mobility Component of Disability Living Allowance

If a claimant has a Limited Capability for Work and their partner is working, they will be entitled to a work allowance (earnings disregard) and they could also be eligible for the Child Care Costs Element in their UC assessment.

As they are treated as having LCW, there is no need for them to undergo a Work Capability Assessment medical examination nor serve the relevant period, so - where the Pension Age member of the couple is being treated as having a LCW due to their age and their disability benefit, the issue about having to provide a 'fit notes' as outlined above should not apply.

So in these cases, the work allowance / Child Care Costs Element should be included from the start of the Monthly Assessment Period in which they fit the criteria.

5. 'Protected' mixed age couples who are already getting Pension Credit being mis-advised when taking on responsibility for a child – which could leave them significantly worse off.

In May 2019 the regulations were changed to prevent new claims from mixed age couples for Pension Credit, and / or Tax Credits (unless they are protected by the SDP Gateway), and / or Housing Benefit under the State Pension Age HB Regulations (unless they live in specified or temporary accommodation).

The only mixed age couples who can remain on / make a new claim for Pension Credit or Housing Benefit are those who are protected. Protected mixed age couples are those who have been receiving, as a mixed age couple, either Pension Credit or Housing Benefit under the State Pension Age Regulations without a break since before 15.5.19.

No mixed age couple can make a new claim for Tax Credits (unless they 'fail' the SDP Gateway). Instead they will receive a Child Element in an award of Pension Credit or Universal Credit.

The amount of money a couple is deemed to need to live on is much higher under Pension Credit than under Universal Credit.

We have heard of 'protected' mixed age couples who are already on Pension Credit and / or Housing Benefit under the State Pension Age HB Regulations who have been advised to claim Universal Credit when they have taken on responsibility for children.

Instead, these couples could:

- if they are already on Pension Credit – request an Additional Element/s for the child/ren in their PC, or
- if they are already on HB under the SPC regulations – make a new claim for PC which would include Additional Elements for the child/ren

The problem

Couples who claim UC instead would be £140 (or more) per week worse off!

And once their PC and HB have been terminated (because they have claimed UC) – they have lost their status as a 'protected' mixed age couple – leaving UC as their only option.

So this is NOT the best advice!

There is no need for couples in this situation to claim UC.

But there is a lack of awareness of the (relatively new) Additional Amount for a Child in Pension Credit.

Why are they worse off on Universal Credit?

1. Because the couple allowance in PC is £255.25 pw, whereas on UC the weekly equivalent is £115.13 pw.

The extra elements / additions for the children are the same amounts for both PC and UC - £63.94pw for the eldest child if they were born before 6.4.17, and £53.46pw for other children and the eldest if they were born on or after 6.4.17.

So, if they were wrongly advised to claim UC and they were responsible for one child or two children, they would actually receive less money on UC for themselves <u>and</u> the child/ren to live on than the amount that they would have been getting for just the couple (no children) on Pension Credit!

2. If the couple are responsible for three or more children they could also be worse off because:
   - the Benefit Cap does not apply to Housing Benefit claims assessed under the under the State Pension Age HB Regulations – whereas it does under UC, and
   - the two child limit rule does not apply to Pension Credit – whereas it does under UC

3. If they are tenants living in social housing and have a 'spare' bedroom/s – they will be affected by the Bedroom Tax under UC – but would not be under Housing Benefit.

Example:

Deborah and Tony are a 'protected' mixed age couple. They have been claiming Pension Credit and Housing Benefit without a break since February 2019.

Deborah's State Pension is £150 per week.
Their Pension Credit is £105.25 per week.
They also get maximum Housing Benefit for their 2-bedroom social housing tenancy - £100 per week. So their total income of SRP, PC and HB = £355.25 pw.

They have just taken on responsibility for their 15 year old grandson.

The best advice for them is to request an Additional Amount for a Child in their Pension Credit award – their Pension Credit would increase by £63.84 per week – so the total income of SRP, PC and HB would then be £419.09 per week

But if they are mis-advised to claim Universal Credit – their UC assessment will include the Couple Standard Allowance £498.89 per month, a Child Allowance £277.08 per month and Housing Cost Element £433.33 = total £1209.30 per month – minus Deborah's State Pension £650 = UC of £559.30 per month

So their total income of SRP and UC would be £1209.30 per month or £279.07 per week

The solution

Ask your DWP Partnership Manager to raise awareness of the Additional Amount for a Child in Pension Credit with Jobcentre staff.

Ask your local authority to raise awareness with their Customer Service staff too.

Ask your MP to request that the availability of Child Additional Amounts within Pension Credit is publicised more.

If a claimant has missed out due to poor advice they could make a complaint and request compensation.

Appendix A: Sample Letter

Dear xxxx

Early Day Motion 129

I am writing to you to ask you to sign EDM 129 regarding Universal Credit (UC) and ask how people with a claim for UC which is ending due to reaching state pension age can be left with a gap in means tested benefits of up to 30 days, and so be left for weeks without any money.

The hardship caused by the current rules appears to be an oversight in the way the Universal Credit Regulations have been drafted - which could easily be fixed.

Currently, a claimant whose Universal Credit claim is ending because they are reaching state pension age, and who will be eligible for Pension Credit (PC), can have their last UC award, for the monthly assessment in which they turn state pension age, paid on a pro-rata basis. This means for example that if there are 22 days between their last UC assessment date and their first day of state pension, they'll receive 22 days' worth of their monthly UC award.

But, to be eligible for this pro-rata payment, the claimant must make an advance claim for Pension Credit. So if they haven't made a claim for Pension Credit by the time they turn state pension age then they have lost this UC payment and there will then be a gap when they have no entitlement to any means tested benefit.

And because the state pension and Pension Credit are both paid 4 weekly and in arrears, they then have a 4 week wait until they receive their state pension / Pension Credit.

As far as we are aware no-one is telling these UC claimants that they should make an advance claim for Pension Credit – so it is pot luck whether a claimant receives this pro-rata payment or not.

> *Example:*
>
> *Alan is claiming Universal Credit. His UC Monthly Assessment Periods (MAPs) run from 8th to 7th of each month. He will reach Pension Age on 6th March.*
>
> *If Alan does not make an advance claim for Pension Credit, his UC will end from the beginning of the MAP in which he turns Pension Age, so he will not receive any UC for the MAP 8th February – 7th March.*
>
> *But his Pension Age benefits cannot start until he reaches Pension Age ie 6th March.*
>
> *This means a gap in benefit entitlement from 8th February to 5th March.*
>
> *It also means a long wait between his last UC payment – on 14th February - to the date he gets his State Pension / Pension Credit, which would not be before 3rd April ie seven weeks.*
>
> *(If he does make an advance claim for Pension Credit, then the UC Regulations allow for a part-month payment and his final UC payment should be for 8th February – 5th March, meaning no gap in entitlement and a shorter period between his last UC award and his first State Pension / pension Credit payment.)*

In addition, whilst anyone should be able to make a claim for Pension Credit if they wish, when someone wants to make a claim for Pension Credit, the Pension Service check whether the claimant is likely to receive an award before accepting their claim. If the claimant's circumstances and likely retirement income are such they will not be entitled to Pension Credit then the Pension Service are not allowing a claim to be made.

But this does not mean that they are not entitled to any means tested benefit – they may well be entitled to some Housing Benefit.

This means that those claimants who turn state pension age towards the end of their UC assessment period and who are being turned away when they try to make an advance claim for Pension Credit could see a gap without any means tested benefit of up to 30 days.

The current system is therefore failing many older claimants as they reach state pension age and is denying them the right to social security for a period of up to a calendar month.

The Government could very easily fix this situation simply, by extending the rules which allow pro-rata UC payments for people transitioning from Universal Credit to Pension Credit to apply equally to those who are transitioning to State Pension without PC.

I hope you will join the call for this change to be made by signing EDM 129.

EDM #129: Universal Credit and state pension transition
This House notes that a claimant of universal credit that is approaching state pension age may be subject to nine weeks without income between the end of universal credit and the first payment of the state pension if they are not eligible for pension credit; further notes that that period includes up to thirty days in which no benefit is payable and that the final universal credit assessment period can be reduced and paid on a pro-rata basis; and calls on the Government to ensure that universal credit is payable up to the day before the state pension is paid, regardless of whether pension credit is subsequently payable.
Primary Sponsor: Mark Tami MP