

# Policy 30 Pension Credits

**Owner: ILF Scotland**

**Subject: Pension Credits**

**Version: 1.0**

**Last Amended: 1 July 2015**

**Date Reviewed:**

**Next Review: 1 May 2015**

## 1.0 Background

Pension Credit came into force on the 6 October 2003 and is operated by the Pensions Service. (An agency of the Department of Work and Pensions).

There are two separate credits that can be claimed these are the Guarantee credit and the Savings credit. It is possible for a person to qualify for one or both of the credits.

## 2.0 The Guarantee Credit

The age from which you can get the Guarantee Credit – the qualifying age – is gradually increasing from 60 to 66 between April 2010 and October 2020. It is possible for a person receiving the Guarantee Credit to also receive an additional amount of money for severe disability. This is akin to the SDP paid with Income Support and will be known as the Severe Disability Addition.

When calculating whether a person is eligible to receive a Guarantee Credit the Pension service will use a set figure for either singles or couples known as the Standard Minimum Guarantee (SMG). This replaces the personal allowances and premiums that are used within Income Support calculations.

## 3.0 The Saving Credit

This is available to people over the age of 65 and is intended to provide extra money for those who have saved for their future.

The amount of Savings Credit a person receives will differ depending on their individual circumstances.

It is possible for a person to qualify for Savings credit whether or not they receive the Guarantee Credit.

## 4.0 Capital

For both types of credit there is no limit to how much capital a person can have in order to qualify. A tariff charge is still applied.

## 5.0 Guarantee Credit Policy

Where an ILF user states they are in receipt of the Guarantee credit the assessment should be processed as though it were an Income Support case. A notional assessment will not be required and half DLA will be taken to be the Available Income.

Where the user states they are receiving the Severe Disability Addition this will also be included when calculating the users Available Income.

As there is no capital limit where the Guarantee Credit is concerned it is essential that service delivery staff check how much capital a user has before calculating an offer. The Financial information form is designed to verify the capital held by all ILF users, irrespective of whether or not they are in receipt of Income Support/Guarantee Credit. If this question has not been answered on the financial information form staff should clarify facts before completing an assessment and then collect evidence in the normal way.

## 6.0 Users who do receive Guarantee Credit

A full Notional assessment will be required for users over the pension age who do not receive Guarantee Credit.

## 7.0 Savings Credit

ILFS will fully disregard any monies a user receives in the form of a Savings Credit for income purposes.

## 8.0 Savings Credit Procedure

Users will not be asked to provide details of the amount of money received in the form of a Savings Credit but will be asked to confirm whether or not the credit is received for statistical purposes.

SMG figures for both age categories will be published annually.

Any monies received in the form of a Savings Credit should not be noted on the Notional Assessment, as this should be totally disregarded.

## 9.0 Source

## 10.0 Cross References

Available Income policy

## 11.0 History Date Reviewed

1 July 2015