



From the Treasury to Treorchy: Increasing Pension Credit Uptake in Wales

Progress Update

Pension Credit provides extra money to people over State Pension Age on low incomes that can help with living costs. Pension Credit tops up a single person's weekly income to £201.05 and a couples income to £306.85.¹

Pension credit also unlocks other entitlements that provide further financial support, including council tax discounts and help with housing costs, free dental and eye care, and free TV Licences for people aged 75+.²

However, the Department for Work and Pensions (DWP) estimates that only around two-thirds of those who are eligible claim Pension Credit, with lower claim rates amongst those over the age of 75, meaning that tens of thousands of older people throughout Wales are missing out on vital financial support.³

For this reason, the Older People's Commissioner has taken forward a programme of work focused on ensuring Pension Credit is reaching older people in Wales who are currently missing out.

Boosting Pension Credit take up in Wales

In November 2022, the Commissioner published a briefing paper highlighting the importance and benefits of increasing Pension Credit uptake in Wales. The paper set out the actions the Commissioner would be taking forward to support this, as well as calling for the Welsh Government and local authorities to work with the third sector and community groups to identify older people who may be eligible for Pension Credit and support them to claim everything they are entitled to.

As part of taking forward these actions, the Commissioner held a Summit on 8 December 2022, bringing together a variety of partners and stakeholders to inspire and support action throughout Wales. The Summit was attended by a range of key organisations and individuals, who contributed ideas and pledged action to help reach out to and support people who are currently missing out.

¹ See Pension Credit: UK Government (undated) What you'll get. Available at: [Pension Credit: What you'll get - GOV.UK \(www.gov.uk\)](https://www.gov.uk/pension-credit-what-youll-get)

² Pensions Policy Institute (2022) Pension Facts. Available at: <https://www.pensionspolicyinstitute.org.uk/media/4139/pension-facts-august-2022.xlsx>

³ Older People's Commissioner for Wales. (2023) Understanding Wales' ageing population. Available at: [Understanding-Wales-ageing-population-May-2023.pdf \(olderpeople.wales\)](https://www.olderpeople.wales/understanding-wales-ageing-population-may-2023.pdf), p.9.

Learning from the Summit

The key lessons from the Summit were centred on:

- Language and the need to avoid any suggestion of handouts – Pension Credit is an *entitlement* for older people.
- Awareness and effective communications – awareness of Pension Credit and the range of additional entitlements it unlocks still is not high enough. Communications need to be specifically targeted to older people and not rely solely on online campaigns or messaging.
- Barriers, including stigma, embarrassment and suspicion –older people might feel embarrassed to admit that they need the extra support that Pension Credit can bring, although the cost-of-living crisis appears to have encouraged some older people to explore the support that is available. There is also the possibility that receiving financial support and other entitlements might seem ‘too good to be true’.
- Advice and support during the claims process –support through the claims process and to complete forms is very important, especially face to face, in-person support.
- Low incomes, but ineligible for support – more work is needed to explore how greater support could be offered to older people surviving on low incomes who find themselves just above the income threshold – sometimes by just a few pence – and therefore miss out on hundreds of pounds of additional support unlocked by Pension Credit.

The Summit also highlighted a range of good practice being delivered by third sector organisations, such as Age Cymru, and local authorities – who shared examples of using Warm Welcome Centres or Warm Hubs to raise awareness of Pension Credit.

There was recognition from all of the speakers and panellists – including the Welsh Government and DWP – that more needs to be done to encourage and support older people to claim Pension Credit, and commitments to build on the progress we’ve seen through existing campaigns and initiatives.

Building on the Summit

Progress has been made on all the actions set out at the Summit, as detailed below.

- The Commissioner continues to discuss Pension Credit and cost of living issues directly with older people through a variety of groups and meetings, including with chairs of older people's groups and Age-Friendly Community partners. Messages about Pension Credit - what it is, who can get it and how to apply for it – are also regularly included in communications from the Commissioner, including newsletters and social media posts.
- The Welsh Government has continued to emphasise the importance of Pension Credit at meetings and groups including via a specific sub-group of the Income Maximisation Task and Finish Group that focuses on Pension Credit. There have also been discussions about how the 'Claim What's Yours' campaign on the take-up of entitlements can most effectively highlight Pension Credit.
- The Commissioner wrote to Minister for Pensions, Laura Trott MP, sharing a copy of her Pension Credit Summit report and raising the issue of older people on low incomes who are ineligible losing out on hundreds of pounds of additional support.
- The Minister's response highlighted the UK Government's ongoing communications campaign, including recent promotion of Pension Credit via television advertising; an increase in the latest Pension Credit caseload figures showing the first quarterly increase in over a decade; and noted that officials are in discussions with a number of local authorities, as well as stakeholders in Wales, to support other Pension Credit campaigns and consider what more can be done to encourage eligible older people in Wales to claim Pension Credit. The Commissioner's team are also in contact with officials from the Department of Work and Pensions (DWP) to support work to encourage more older people to take up financial entitlements.
- Positive discussions have been held and continue between the Commissioner and the Welsh Local Government Association (WLGA) about how to increase take up and promote awareness, with local authorities and individual councillors highlighting some specific good practice about how to reach older people and the difference made. Further meetings are planned to ensure that Pension Credit remains a live issue across the summer.
- A 'Good Practice' hub has been established on the Commissioner's website, showcasing examples of how individuals and organisations have taken effective action to promote Pension Credit. A range of Pension Credit Promises – setting out actions being taken, big or small, to support older people to claim – are also featured on the website. Promises have been made by the First Minister, Mark Drakeford; Social Justice Minister, Jane Hutt; Deputy Minister for Social Services, Julie Morgan; a number of other politicians and a range of key partners.

Further action

The focus on increasing Pension Credit take up needs to be maintained throughout the summer as the cost-of-living crisis continues and the Commissioner, as well as a number of other organisations in Wales have already highlighted the need to prepare for autumn/winter 2023-24 now. This is essential to ensure that older people, particularly those on low incomes, are in the best possible position next winter.

More also needs to be done to make best use of the data already held by local authorities to identify and reach out to people who may be eligible for Pension Credit but are currently missing out. There are some good examples from across Britain in the toolkit recently produced by Independent Age.⁴

Policy in Practice has also worked with local authorities in England, including the Greater London Authority, to use existing data held by local authorities to target older people missing out on Pension Credit and boost take up with some notable success.⁵ They estimate that by using existing local authority datasets, already supplied to DWP, across Wales, they could potentially help identify around 4,000 households known to their local authority that are eligible for but not claiming Pension Credit. Policy in Practice also estimates that they would subsequently be able to help one-third of these households to take-up the benefit within six months, worth around £4.1m per annum. Where local authorities have followed up with some support in helping residents to claim where needed, local authorities are seeing success of up to 60%+ of take up of Pension Credit.⁶

Ensuring data on take-up rates of Pension Credit is available more quickly would also be helpful. While figures on caseload are updated every three months, there is a time lag of around six months meaning the latest data on take up available - which could provide important insights into the impact and/or success of campaigns and initiatives –is from November 2022.

Next steps

As planning for autumn/winter 2023-24 takes place, the lessons from the Pension Credit Summit need to be integrated into the work of the Welsh Government, local authorities, DWP and others. This ranges from taking on board lessons around language and terminology to ensuring support, resources and funding are provided to encourage and enable older people to apply for Pension Credit, including support for third sector organisations and for face-to-face services, which are highly valued.

The issue of the ‘cliff edge’ in relation to qualifying for Pension Credit whereby older people who are ineligible – perhaps by just a few pence – can lose out on hundreds of pounds of additional support needs to be addressed. While the ability to change this lies with the UK Government, the Welsh Government can continue to advocate for change and review how its own cost of living support schemes could reach older people in this situation.

⁴ Independent Age (2023) [Local activity to increase Pension Credit uptake. Available at: https://www.independentage.org/sites/default/files/2023-03/Pension_Credit_toolkit.pdf](https://www.independentage.org/sites/default/files/2023-03/Pension_Credit_toolkit.pdf)

⁵ Policy in Practice (2022) [Unclaimed Pension Credit - value by local authority. Available at: Unclaimed Pension Credit - value by local authority - Policy in Practice](#)

⁶ Information supplied by Policy in Practice, based on experiences to date.

The Welsh Government should also work with local authorities to find innovative ways to use existing data to target older people who are currently missing out on Pension Credit. Adopting similar approaches to those set out by Policy in Practice and Independent Age could be helpful in supporting this.

Alongside this, the Commissioner will continue to do all she can to raise awareness about the importance of Pension Credit and the positive impact it has on people's lives, as well as connecting older people with organisations and services that can help them to claim all of the support they are entitled to..

Older People's Commissioner for Wales

The Older People's Commissioner for Wales is an independent voice and champion for older people throughout Wales.

The Commissioner is taking action to protect older people's rights, end ageism and age discrimination, stop the abuse of older people and enable everyone to age well.

The Commissioner is working for a Wales where older people are valued, rights are upheld and no-one is left behind.

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