Pension Credit Calculation Tool

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| **Step 1: Calculate Pension Credit Guarantee** | |
| Standard minimum guarantee amount  If a couple, both parties must have reached state pension age; if not then check claim for Universal Credit |  |
| Add additional elements, where applicable: | |
| Severe disability premium  If a couple, **both must qualify** for the SDP. If only one party qualifies then the SDP cannot be included. If anyone else claims carers allowance or carers entitlement of UC then the SDP cannot be included for that person.  To qualify, both must be either in receipt of a qualifying disability benefit (AA, PIP daily living or DLA daily care) OR is certified as severely sight impaired. |  |
| Carers  Before this can be included, carers entitlement must have already been awarded. If not already awarded, will need to claim carers allowance first.  If a couple, may be able to claim carers entitlement for each as in they both look after each other. |  |
| Children  Only applicable if they are responsible for dependent children i.e. claiming child benefit for that child or children and not in receipt of child tax credits. |  |
| First child born before 06/04/2017 |  |
| Any other child |  |
| Disabled child – lower limit (applicable if awarded low-middle rate Child DLA care or PIP standard daily living |  |
| Disabled child – higher limit (applicable if awarded higher rate Child DLA care or PIP enhanced daily living) |  |
| **Total Guarantee amount:** |  |
|  | |
| **Step 2: Calculate Deductions** | |
| State Pension (calculate as a weekly award) for both claimants |  |
| Occupational Pension (calculate as a weekly award) for both claimants |  |
| Private Pension (calculate as a weekly award) for both claimants |  |
| Ask if the claimant and/or their partner has any other income (ignore income from AA, PIP, DLA, child tax credits, child benefit and Housing Benefit)  If income is anything other than above, refer to the handbook to check how this is calculate or if it is disregarded. |  |
| **Total deductions for income:** |  |
|  | |
| **Step 3: Calculate savings** | |
| Savings under £10,000 are ignored, if over this amount then calculate £1 for every full or part £500. i.e. If £14,350 in savings, deduct £10,000 = £4,350 and then divide this by 500 = 8.7 but always round up to the next full number so in this example £9 would be deducted |  |
| Total deductions for savings:  (need to inform Pension Credit as these reduce by £500) |  |
|  | |
| **Calculate entitlement to guaranteed pension credit:** | |
| Step 1: Total Guarantee Amount |  |
| **Less** | |
| Step 2: Income |  |
| Step 3: Savings |  |
| Total award |  |

The above only applies to guaranteed income pension credit, the claimant may also be entitled to savings credits:

To qualify the claimant and their partner must have reached pension age by 06/04/2016 and have ‘qualifying income’ above the savings credit threshold. Refer to handbook for relevant amounts.

If in doubt, make a claim for pension credit: https://www.gov.uk/pension-credit