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Ros Altmann: The end of free TV licences for older people offers a chance to boost the take-up of Pension Credit



By [Baroness Altmann](#)

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Baroness Altmann is a Conservative peer.

Whilst there is an understandable focus on child and in-work poverty in the current pandemic, we should not forget there are around [two million pensioners in poverty](#). As we recover from this difficult year, politicians must ensure people in later life are not left behind.

Although many pensioners are better off than previous generations, far too many are impoverished, because they are not receiving the Pension Credit to which they are entitled

Worryingly, for the past decade, four in ten of those eligible for Pension Credit have consistently failed to apply for it, which is the lowest take-up of any income-related entitlement, and has defied all attempts thus far to improve coverage.

Pension Credit is a means-tested payment which tops up pensioners' weekly income to a standard minimum £173.75 for single people and £265.30 for couples. It can be a lifeline to those whose pensions are less than that level. In addition to receiving this extra income, Pension Credit also passports pensioners to many other valuable benefits, including housing benefits, cold weather payments – and free TV licences.

Living on such low incomes leaves many pensioners needlessly suffering and unable to afford the basics, so it is really important to try to encourage higher take-up.



I believe there is a timely opportunity to use the ending of free TV licences for older pensioners as a hook for a new high profile campaign to encourage more older people to claim the money they are entitled to. Indeed, perhaps the BBC itself could organise a series of TV and radio advertisements to promote take-up, as a way of mitigating the criticism of its decision to only allow those receiving Pension Credit to have free TV licences.

Encouraging pensioners to claim means-tested benefits is not easy, especially as older generations often find the form-filling off-putting and many feel claiming benefits is demeaning. But a new determined public awareness initiative is worth trying.

Earlier this year, it was good to see the Government running a 12-week campaign promoting Pension Credit take-up in GP surgeries, post offices and on social media, but unfortunately the Covid-19 pandemic meant pensioners were staying at home and, therefore, less likely to see any advertisements.

In May, the Government took the excellent decision to update the online Pension Credit toolkit and launch an online claims system in addition to the current methods of post and phone. Although this new online system is already being used to process claims, the impact seems to have been small, especially as so many of the poorest pensioners are not online.

Such initiatives are of course welcome, but do not comprehensively tackle this systemic, long term problem. New approaches are needed.

Why it is so important to increase take-up

Recent research suggests the number of pensioners living in severe poverty could be halved by ensuring those eligible do actually receive it. The charity Independent Age commissioned Loughborough University's [Centre for Research in Social Policy](#) to investigate pensioner poverty. The study estimated the Treasury could save £4 billion a year from reduced pressures on the NHS and social care and the improved health and wellbeing achieved by addressing pensioner poverty. This far outweighs the estimated £1.8 billion of Pension Credit that went unclaimed in 2018/19.

Finding solutions

I encourage the Government to consider further initiatives to boost Pension Credit receipt, including publishing a comprehensive strategy document containing targets and timetables for improved take-up levels. No official analysis of Pension Credit attitudes has been conducted for nearly a decade.

Further research would be helpful, to identify up-to-date reasons why pensioners do not claim this benefit and investigate the regional and demographic composition of households who are missing out.

I would also look again at the possibility of auto-enrolment of pensioners into Pension Credit. An official trial in 2011 was inconclusive, but subsequent significant technological advancements, improved inter-departmental data-sharing could ensure more effective automatic identification of eligibility and unlock a sustainable solution to the issue.

I would encourage fellow parliamentarians to join me in signing up to Independent Age's initiative to [become Pension Credit Champions](#) so together we can help support the Government to implement practical policies to improve take-up.

By ensuring that every pensioner receives what they are entitled to, more older people will be able to better look after themselves. It would be good to see the BBC, charities and the Government working together to ensure that Pension Credit reaches the million or so pensioners currently missing out on achieving economic independence. They are entitled to the money, we just need to get it to them.