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NEWS RELEASE

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Two-thirds of pensioner homeowners failing to claim full benefits entitlement, reveals Just Group's tenth annual survey

- Nearly half (46%) of eligible pensioner homeowners are failing to claim any benefit
- A further two in 10 (18%) are claiming but receiving less than they are entitled to
- £1,614 average annual loss for each household missing out, the highest for six years
- Just Group calls for benefits information to be a staple element of retirement guidance

Cash-strapped pensioner homeowners are missing out on thousands of pounds of extra income by failing to claim their full entitlement to State Benefits.

Just Group's tenth annual State Benefits Survey found that of pensioner homeowners entitled to receive benefits, nearly half (46%) are failing to claim anything, each missing out on an average of £1,423 a year per household. A further two in 10 (18%) are claiming but receiving too little, each missing out on a staggering £2,102 a year.

"Our survey once again shows that meaningful sums of money that would make a huge difference to people's lives are not being claimed," said **Stephen Lowe**, group communications director at Just Group.

"The low level of take-up for some of the key benefits raises serious questions about the support being given to help people navigate the complexities of the benefits system."

The research from Just Group, based on in-depth fact-finding interviews with clients seeking advice on equity release during 2019, shows:

	2019	2018	2017	2016	2015
Entitled to claim at least one of the key benefits	40%	42%	41%	50%	51%
Of those entitled, failing to claim any benefit...	46%	49%	42%	40%	62%
...average annual loss from failing to claim	£1,423	£1,139	£545	£576	£798
Of those entitled, failing to claim full benefits	18%	20%	19%	22%	13%
...average annual loss from underclaiming	£2,102	£855	£2,032	£672	£695
Average annual value of missing benefits	£1,614	£1,058	£1,013	£610	£780

"One of the first tasks of the adviser is to check customers' entitlement to benefits," said **Stephen Lowe**. "Of those eligible for State support, we found nearly two-thirds were missing out made up of 46% failing to claim anything and 18% claiming something but actually entitled to more."

“The highest amount being missed was £13,660 a year extra income due to a customer in Suffolk who was already receiving help with Council Tax but missing other key benefits. Another customer in Dorset who was failing to claim any benefit was entitled to £9,195 a year income. Overall, more than half of those missing out on some or all benefits were entitled to at least £1,000 a year or more.” *Further profiles are available in the Notes to Editors.*

Guarantee Pension Credit has the highest take up rate of the three key benefits at 85% but those failing to claim are missing out on an average £1,690 a year and those who are claiming but not receiving all they are entitled to should receive £2,281 a year more.

Savings Pension Credit has the lowest take-up rate of just 21% with those failing to claim losing £453 a year.

Council Tax Reduction is claimed by 42% of those entitled, with an average annual loss of £801 to those failing to claim and an average £289 a year shortfall for those claiming but not receiving the full amount.

2019	Guarantee Pension Credit	Savings Pension Credit	Council Tax Reduction
Entitled to claim	9%	8%	36%
Take-up rate	85%	21%	42%
Average annual value of new claim identified	£1,690	£453	£801
Average annual value of additional claim	£2,281	-	£289

Council Tax Reduction is claimed by 42% of those entitled, with an average annual loss of £801 to those failing to claim and an average £289 a year shortfall for those claiming but not receiving the full amount.

Overall, 42% of those eligible to claim were missing out on one of the key benefits, 14% were missing out on two benefits and just one in 100 were missing out on three.

“Our benefits survey reflects official figures which show vast amounts go unclaimed¹,” said **Stephen Lowe**. “For the two elements of Pension Credit, the government estimates about 1.3 million families are failing to claim up to £3.5 billion a year.

“Our figures focusing on homeowners raise questions about whether homeowners are less likely to think they are eligible so less likely to claim, or whether the guidance or information is not there to help them claim or to allow them to check they are claiming the right amount.

“It certainly reinforces the argument that State Benefits information should be included as part of the free, independent and impartial financial guidance now being offered by the government backed Pension Wise service to those aged 50+ who are considering accessing pension money.”

Notes to Editors:

Profiles

1. A 64-year-old client from Suffolk was missing out on the highest amount of State Benefit. Despite already claiming £20.57 a week in Council Tax Reduction, the person was entitled to a further £262.70 a week from a combination of extra CTR, Universal Credit and other benefits.
MISSING BENEFITS: £13,660 per year – more than the PLSA’s minimum income living standard of £10,200 a year for single people.²

2. *The oldest person missing out on benefits completely was an 89-year-old from near Huddersfield in West Yorkshire who was found to be entitled to £15.03 a week in Council Tax Reduction.
MISSING BENEFITS: £781 per year – enough to take a holiday in the UK based on the PLSA's Retirement Living Standards*
3. *The oldest couple not claiming any benefits were aged 86 and 85 from Surrey who were found to be entitled to £25.70 a week Guaranteed Pension Credit and £57.92 Council Tax Reduction.
MISSING BENEFITS: £4,348 per year – more than needed to meet a couple's food and alcohol bill for an entire year based on the PLSA's Retirement Living Standards.*
4. *Many of those already claiming were receiving less than their full entitlement to Guaranteed Pension Credit, the main benefit targeted at people who have reached State Pension age. A 77-year-old from Lincolnshire who was already receiving £60.55 GPC weekly along with £22.19 CTR was found to be entitled to an extra £90 GPC.
MISSING BENEFITS: £4,680 per year – enough to fund a summer and winter half board hotel break abroad and allow £1,000 each for clothing and personal expenses, based on the PLSA's Retirement Living Standards.*

Footnotes

1 - DWP: Income-related Benefits – estimates of take-up:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/757268/income-related-benefits-estimates-of-take-up-2016-17.pdf

1 - PLSA, Retirement Living Standards 2019:

<https://www.plsa.co.uk/Press-Centre/Press-Releases/Article/PLSA-launches-Retirement-Living-Standards>

About Just

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, care and defined benefit de-risking markets, Just has been trusted to manage over £19 billion of customers' retirement savings and has helped customers release over £4.6 billion from their properties.

Just provides the following wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees:

Marketed Products

- De-risking solutions for pension scheme trustees who want to remove the financial uncertainty of operating defined benefit pension schemes;
- Individually underwritten retirement income products delivering a guaranteed income for life and flexible pension plans offering customers the options to blend secured and unsecured income;
- Long term care plans that provide those people moving into residential care with peace of mind by knowing a regular payment will be made to the care provider for the rest of their life;
- Lifetime mortgages for people who want to safely release some of the value from their home.

Professional services

- Regulated financial advice and guidance services for individuals wanting help in using their pension savings and/or releasing some of the value from their home; and

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- A range of business services tailored for our corporate clients, ranging from consultancy and software development to fully outsourced customer service delivery and marketing services.

The companies within Just Group are authorised and regulated in the United Kingdom by the Financial Conduct Authority and / or the Prudential Regulation Authority.

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