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NEWS RELEASE

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Three-quarters of over 75s say TV licence rule change unlikely to prompt them to check Pension Credit entitlement

- 95% of over 75s aware of the TV licence rule changes set for introduction on 1st August
- 1.2 million households eligible for Pension Credit are not claiming the benefit
- Yet more than three-quarters of over-75s still say they won't check their eligibility

Research from **Just Group** finds that new rules coming into force on 1 August are unlikely to radically shift the low take-up of Pension Credit in the UK¹ even though up to 1.2 million eligible households are currently missing out on the benefit with a total of around £2.5 billion going unclaimed each year².

The research from the retirement specialist found widespread awareness of the coming change in TV licence legislation, with 95% of over 75s saying they were aware of the new rules coming into force.

Yet, more than three in four (77%) over 75s still said that the change in TV licence rules would not make them more likely to check whether they were eligible for the benefit – meaning they could be forced to pay £157.50 a year for a TV licence and still miss out on Pension Credit.

Concerningly, this behaviour is even more prevalent amongst those currently not claiming any State Benefits (other than the State Pension) with four in five (79%) saying they still wouldn't check if they were entitled to Pension Credit.

Stephen Lowe, group communications director at Just Group, commented: "Leaving aside the politics of the new TV licence rules, we hoped that this change might lead to an increase in Pension Credit take-up and provide much-needed help to those missing out.

"This research pours cold water on that idea, with the majority of over 75s still unlikely to check their eligibility despite the high-profile issue of now having to pay an extra £157.50 for their annual TV licence.

"There can be a reluctance to claim from the State out of embarrassment or because they do not know how to access the additional financial support on offer but these are not small amounts of money that people are missing out on. Pension Credit can substantially alter standards of living for people and help them to achieve a better later life."

Just Group's own data suggests that home ownership may also be a key factor in retirees not claiming Pension Credit³. The group's specialist regulated advisors must conduct in-depth fact-finding interviews with clients seeking equity release, including a full State Benefits check, and each year they find a shockingly high number of people missing out on substantial sums of money.

This year's data revealed that 79% of eligible homeowners are not claiming Savings Pension Credit and missing out on an average of £453 a year, while 15% are not receiving their entitled Guarantee Pension Credit at an average cost of £1,690 a year.

Just's consumer research¹ also discovered that nearly half (48%) of homeowners over 45 had never checked whether they were eligible for State Benefits, compared to just one in seven (14%) renters.

"Our annual benefits survey identifies vast amounts of financial support that go unclaimed in the UK each year. It raises questions whether retirees are getting the necessary information and guidance to help them claim and ensure they receive all they are entitled to.

"It also demonstrates that homeowners are far less likely to check their benefit entitlement. It is important that this group do not automatically assume that owning their own home precludes them from State support."

There are a range of resources to help people check whether they could be entitled to extra help:

- The government highlights free, independent third-party benefit calculators: <https://www.gov.uk/benefits-calculators>
- Local councils can provide information on benefits such as financial help to pay rent or Council Tax.
- The Money Advice Service is accessible online or via phone and offers information on debt and benefits.
- Charities such as Citizens Advice and Age UK can be good sources of assistance
- Regulated financial advisers will charge but will provide professional financial advice alongside information on benefit eligibility

Enquiries

Media

Stephen Lowe, Group Communications Director

Lucy Grubb, Head of Media & PR

Telephone: +44 (0) 1737 827 301
press.office@wearejust.co.uk

Temple Bar Advisory

Alex Child-Villiers
William Barker
Sam Livingstone

Telephone: +44 (0) 20 7975 1415

Notes to Editors:

Research

1 - Poll of 1,004 UK adults aged 65+ conducted for Just Group by Opinium between Wednesday 22 January and Tuesday 28th January 2020

2 - **DWP**, Income-related benefits: estimates of take-up: financial year 2017 to 2018:

<https://www.gov.uk/government/statistics/income-related-benefits-estimates-of-take-up-financial-year-2017-to-2018>

3 - Two-thirds of pensioner homeowners failing to claim full benefits entitlement, reveals Just Group's tenth annual survey: <https://www.justgroupplc.co.uk/~media/Files/J/JRMS-IR/news-doc/2020/200113-release-two-thirds-of-pensioner-homeowners-failing-to-claim-full-benefits-entitlement.pdf>

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