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NEWS RELEASE

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Just Group State Benefit Index: ‘freebies’ still far better known than more valuable State Benefits

- Just Group State Benefits Index reveals near-universal knowledge among over 65s about popular ‘freebie’ benefits like the bus pass, free prescriptions and Winter Fuel Payments
- But nearly a quarter are in the dark on Pension Credit – a valuable Benefit specifically designed to support pensioners on lower incomes
- Housing Benefit, Council Tax Reduction and Disability Living Allowance also less well known but worth far more than the ‘freebies’

When it comes to claiming State Benefits in retirement do you know your free bus pass from Disability Living Allowance? Your Winter fuel payments from Pension Credit?

Did you know that the average annual Pension Credit payment could pay for your medical prescription season ticket 31 times over? Or that the annual value of the higher rate Attendance Allowance would fund more than 30 yearly TV licences?

The **Just Group State Benefits Index** reveals that over 65s in the UK know far more about ‘freebie’ benefits, such as the free bus pass or free prescriptions, despite their financial value being much less on average than State Benefits like Pension Credit.

The group of ‘freebie’ benefits offered to many pensioners – the bus pass, free prescriptions and winter fuel payments – are almost universally well-known by over-65s in the UK according to the research from **Just Group, the retirement specialist**[†].

The TV licence was known by 95% of people when the survey was last run but has dropped to 86%, perhaps as a consequence of its dependence on claiming Pension Credit.

Levels of awareness of ‘freebie’ benefits

	Bus Pass (1)	Free prescriptions (2)	Winter fuel payments (3)	Free TV licence (4)
Weekly amount	£23.20 (Av.)	£2.08 (Season ticket)	£25.00 (higher rate)	£3.06
% of over 65s who know about it	95%	95%	93%	86%

Despite being so well known by over 65s these ‘freebie’ benefits are worth between £2.08 and £25.00 per week each.

In contrast, nearly a quarter (23%) did not know about Pension Credit – the main benefit created for pensioners who are struggling on low incomes – even though the benefit is worth more than £65 a week on average and tops up weekly income to £182.60.

One in five (19%) also said they did not know about Housing Benefit which provides help with rent payments.

The latest government statistics reveal that despite around 1.4 million pensioners being eligible for Pension Credit, around £1.7 billion pounds of the benefit goes unclaimed every year, worth an average of £3,300 per household.*

Levels of awareness of more financially valuable benefits

	Pension Credit (5)	Council Tax Reduction (7)	Attendance Allowance (9)	P.I.P (11)
Weekly amount (£)	£65 (Av.)	£28.71 (Av.)	£92.40 (higher rate)	£92.40 (higher rate, Daily living)
% of over 65s who know about it	77%	84%	80%	56%
	Housing Benefit (6)	Disability Living Allowance (8)	Employment Allowance (10)	
Weekly amount (£)	£131.98 (Private rental)	£92.40 (higher band)	£117.60 (Support group)	
% of over 65s who know about it	81%	78%	59%	

Other benefits that could provide valuable financial help to pensioners such as Attendance Allowance and Disability Living Allowance were even less well known among over 65s, despite the higher bands of each benefit being worth £92.40 a week, or £4,804.80 a year.

Stephen Lowe, group communications director at retirement specialist Just Group, said that the figures demonstrated that pensioners needed to ensure they do not miss out on their benefit entitlement when approaching retirement.

“The social and cultural references to ‘freebie’ benefits means nearly all over 65s know about them but their financial value is dwarfed by other benefits which are less well known,” he said.

“People should check whether they could be entitled to additional financial support throughout their adult life, but reaching State Pension Age should act as an important reminder to take a closer look. For a start, people must actively claim their State Pension and they will also be able to start claiming the two elements of Pension Credit as well as Council Tax Reduction – if they are eligible – from State Pension Age.

“Pension Credit is particularly important as it is the gateway to other benefits including the free TV licence, support with medical and heating costs, as well as additional government means-tested support as we have seen through the energy crisis.

“Our own experience shows many are missing out and suffering significant financial loss from not claiming these benefits. Based on in-depth fact-finding interviews with clients seeking equity release advice we found that last year nearly two-thirds of pensioner homeowners eligible for Council Tax Reduction failed to claim at an average annual loss of £1,003.

2022	Guarantee Pension Credit	Savings Pension Credit	Council Tax Reduction	Universal Credit
Eligible to claim	6%	3%	26%	1%
Take-up rate among those eligible to claim	64%	0%	35%	50%
Average annual value of new claim identified	£1,153	£292	£1,003	£3,692

“We urge everyone nearing retirement to check if they’re entitled to extra State benefit income.”

There are a range of resources available to provide information and guidance for those planning for retirement or struggling for income in retirement:

- The government provides a free, independent and impartial guidance service called Pension Wise
- The government highlights free, independent third-party benefit calculators at <https://www.gov.uk/benefits-calculators>
- Local councils provide information on financial help to pay rent or Council Tax
- Organisations such as the Money Advice Service and charities such as Citizens Advice and Age UK can be good sources of assistance.
- Professional advisers will charge but can provide regulated advice alongside information about benefit eligibility.

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Notes to Editors:

† Research conducted by Opinium on behalf of HUB Financial Solutions among 1,006 UK adults aged 65+ between 1-5 April 2022

* DWP: Eligible pensioners urged to claim Pension Credit to help with cost of living – June 2022:
<https://www.gov.uk/government/news/eligible-pensioners-urged-to-claim-pension-credit-to-help-with-cost-of-living>

Freebie benefits

1. Average bus pass: [Bus and tram fares - Transport for London \(tfl.gov.uk\)](https://www.tfl.gov.uk)
2. Prescription season ticket: <https://www.nhs.uk/nhs-services/prescriptions-and-pharmacies/nhs-prescription-charges/>
3. Winter fuel payment: <https://www.gov.uk/winter-fuel-payment>
4. TV Licence: <https://www.tvlicensing.co.uk/pay-for-your-tv-licence/ways-to-pay#:~:text=From%201%20April%202021%2C%20a,a%20TV%20Licensing%20payment%20card.>

Other Benefits

5. **Pension Credit:** <https://www.gov.uk/government/publications/pension-credit-toolkit/pension-credit-toolkit-advice-and-guidance-for-stakeholders>
6. **Housing Benefit:** <https://www.gov.uk/government/statistics/dwp-benefits-statistics-august-2021/dwp-benefits-statistics-august-2021>
7. **Council Tax Reduction:** [Council tax levels set by local authorities: England 2022-23 \(revised\)](https://publishing.service.gov.uk/government/publications/council-tax-reduction/council-tax-levels-set-by-local-authorities-england-2022-23-revised) (publishing.service.gov.uk)
8. **Disability Living Allowance:** <https://www.gov.uk/dla-disability-living-allowance-benefit/DLA-rates>
9. **Attendance Allowance:** <https://www.gov.uk/attendance-allowance/what-youll-get>
10. **Employment & Support Allowance:** <https://www.gov.uk/employment-support-allowance/what-youll-get#:~:text=You'll%20get%3A,re%20in%20the%20support%20group>
11. **PIP:** <https://www.gov.uk/pip/what-youll-get#:~:text=The%20weekly%20rate%20for%20the%20mobility%20part%20of%20PIP,%C2%A323.70%20or%20%C2%A362.55>.

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 around £23 billion of customers' retirement savings and has helped customers release more than £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:

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- Individually underwritten retirement income products delivering a guaranteed income for life;
- 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.

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