

WELFARE REFORM MARKS CHANGE FOR PENSIONERS

The UK Welfare Reform Act 2012, which has seen many new policies implemented from April 2013, will introduce significant changes within the welfare system. Although welfare is a reserved matter for the UK Government, some of the new measures introduced may have a significant impact on the services delivered by the Scottish Government and local authorities under devolution, mainly health services, social care and housing.

The following information relates to pensioners and older people in Scotland. It details the recent changes to benefits under the Welfare Reform Bill, as well as detailing other changes which will take place over the next few years, although these may well change.

The Welfare Reform Act will affect the way many people's benefits are calculated and these changes may well have a detrimental impact on the overall income received.



The issues which may have the most impact on the incomes of older people are:-

- State Pension Age and Working Age
- Changes to Council Tax Benefit
- Housing Benefit and the Bedroom Tax
- Disability Living Allowance and Personal Independence Payment
- Universal Credit and Pension Credit

State Pension Age and Working Age

In Scotland, the state pension age for women has been gradually increasing and has risen from age 60 from age 61 1/2 by April 2013. This increase will continue to rise until October 2020 by which time the age for eligibility for state pension will be

66 for both men and women. Your state pension age will also determine when you become eligible for a winter fuel payment.

Your state pension age can be calculated by going to the following link.

<https://www.gov.uk/calculate-state-pension>

Changes to Council Tax Benefit

There will be changes in the way rebates and help with Council Tax are funded although all assistance given will still be administered by your local authority. As of April 2013, there will be a further Council Tax freeze, however water and other ancillary charges have increased, differing with each local authority. These increased charges will not be included in any council tax rebate entitlements therefore many people may well see less of a rebate in their reviewed bills.

Housing Benefit and The Bedroom Tax

People on low incomes and who rent accommodation from either a social landlord or council and housing associations may be eligible for housing benefit which goes towards paying their rent. From April 2013, an under occupation deduction will come into operation, this is now more commonly known as "the bedroom tax."

Reductions will be made to the amount of housing benefit a person receives if they are deemed to exceed the number of bedrooms to which they are entitled to under the new regulations.

Initially under the new guidelines, there will be a reduction in housing benefit for people of "working age", age 61 1/2 as at April 2013. The reductions in housing benefit will be, one bedroom extra, 14%, more than one bedroom extra, 25%. Once the tenant, or their partner if applicable, reaches "pension age" the extra room restriction no

(Continued from front page)

longer applies, however, there are concerns that in the future, people who reach "pension age" but who have a younger partner, may be affected by this rule. There are concerns that many of the people this will affect will be women.

Disability Living Allowance and Personal Independence Payment

Personal Independence Payment (PIP) is a new benefit. It will replace Disability Living Allowance (DLA) for people of working age (16-64) from April 2013.

The budget for PIP is expected to be at least 20% less than that presently set for DLA and charities and older people's organisations are urging those people nearing retirement age to apply for DLA, if they believe they are eligible, before April 2013, when PIP will be introduced. No new claim for DLA will be dealt with after June 2013. (It is to be noted that under current guidelines PIP will not be piloted in Scotland).

There will be two parts to the new PIP - a Daily Living Component and a Mobility Component. Claimants will receive one or both depending on their circumstances. There will be a standard rate and an enhanced rate, the amount for each rate is still to be decided. Entitlement for PIP will be based on a points system on how a disability or health condition impacts upon the person making the claim and how far they are able to participate and live independently and is quite different from DLA in that it does not take into consideration some issues such as supervisory care, medication needs and day time and night time care needs. First time claimants will be subject to a three month qualifying period. It must also be established that any needs arising from the disability or condition be expected to last a further nine months. This is called the 'prospective' test.

For those already in receipt of DLA the three month qualifying period will not apply. They will, however, still have to meet the 'prospective' test. People with terminal illnesses will automatically be fast-tracked onto the enhanced rate of the Daily Living Component. If they qualify for the mobility component of this benefit, this can also be applied for.

Some people who are eligible for DLA may not be eligible for PIP or receive a lesser amount under the new scheme, however if you are currently in receipt of DLA and are 65 or over when PIP is introduced in April 2013, you will not be affected under current guidelines.

Universal Credit and Pension Credit

From October 2013 the Government plans to introduce a new benefit called Universal Credit which is designed to gradually replace many means tested benefits and tax credits for working age people (child and working tax credit, income based Job Seekers

Allowance, Income Support, Income related Employment and Support Allowance and Housing Benefit.) Universal Credit will be available both to those out of work and those in work on low incomes. Applications will be made online and it is up to the claimant to manage their claim through an online account. Universal Credit will be paid to claimants on a monthly basis, in arrears.

Standard Allowance

Universal Credit will consist of an age-related standard allowance with other elements, such as childcare, housing and other costs, to be added as appropriate. There will be different rates standard of allowance for

- single claimants under 25,
- single claimants age 25 and over
- couples where both are under 25 and couples where one or both are aged 25 and over.

The rates that are to apply when Universal Credit is fully introduced are yet to be decided.

Under the new legislation, Housing Benefit and Child Tax Credit will be abolished and so Pension Credit may need to be changed to provide help with rent, and to provide support for people with dependent children who currently claim Pension Credit.

When Universal Credit is introduced, mixed-age couples will no longer be able to make a new claim for Pension Credit if one of them is still under Pension Credit age, instead they will have to apply for Universal Credit.



CAMPAIGNING FOR A BETTER DEAL FOR OLDER PEOPLE SINCE 1992

Since our last publication, our Executive Committee members have been attending meetings and conferences on behalf of the SPF, as well as campaigning for groups in their local areas.

This year has seen the SPF holding outreach meetings in Dundee and Renfrewshire, which were very well attended, and are planning others in Grangemouth, Brechin and Ayrshire over the coming months.

We have also had information stalls at the STUC Women's Conference, Renfrewshire Seniors Forum AGM, Clackmannanshire Welfare Information Day and STUC Youth Conference as well as attending as guest speakers at Irvine Seniors Forum AGM, Dundee Seniors Forum AGM, Clydebank Trades Council and Holyrood Conference events.

Meetings with MSP's are still taking place and recently our volunteers have met with Community Safety Minister, Roseanna Cunningham MSP, Transport Minister, Keith Brown MSP and Health Minister, Alex Neil MSP as well as holding talks with civil servants in Edinburgh on housing reform and consulting with Transport Scotland on the concessionary travel scheme.

We are keen to get our message across to as many older people as possible and are looking to spread our campaigns throughout Scotland.

If you, or your organisation, are interested in having us along, please get in touch – we're waiting to hear from you!

OUT AND ABOUT WITH THE SPF



Keep up to date with The Scottish Pensioners' Forum

Find us on: www.scottishpensioners.org.uk

Also on Facebook and Twitter @ScotPensForum

22nd ANNUAL CONFERENCE



The 22nd Annual Conference of the Scottish Pensioners Forum will take place on **Tuesday 11th June 2013**, at Glasgow City Chambers.

The event is open to all SPF members and affiliated organisations, with this year's theme being "Why Demonise Pensioners: Our Today is Your Tomorrow."

We hope that you can come along and celebrate another successful year for the SPF.

FORTHCOMING EVENT

Due to the recent changes to welfare reform, the SPF felt it necessary to hold a large scale event to allow pensioners to have their say and to voice their concerns over how these changes affect them.



A date has been set for **Saturday 7th September 2013** at Adelaide's, Bath Street, Glasgow and we have contacted some key speakers to come along on the day. As the event organisation is at the preliminary stages, we will contact our members with further details as they become available.

INDEPENDENCE REFERENDUM

As the date for the Scottish Independence Referendum date has now been set for 18th September 2014, the SPF will be planning an event(s) over the coming months to discuss what this means for Scottish pensioners. Further details of these events will be made available through our website, newsletter and social media pages.



Join the Scottish Pensioners' Forum
Campaigning for a better deal for older people since 1992

Application forms can be requested from:
Scottish Pensioners' Forum,
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elephone 0141 337 8113
or at: www.scottishpensioners.org.uk