

Stake your credit claim

Paul Lewis on why over-75s should claim Pension Credit now to keep their free TV licence

THE BBC'S DECISION to scrap free TV licences for people over 75 unless they also get the means-tested Pension Credit benefit has caused widespread protest. At the moment about 4.6 million get a free licence (the Department for Work and Pensions picks up the bill) and the BBC says it would cost it £745 million a year to continue the scheme after it bears the whole cost from next year. The licence currently costs £154.50 but is

'Four out of ten who could claim it don't'

expected to be around £158 from April 2020.

The almost 950,000 over-75s who already receive Pension Credit can send proof of their entitlement to TV Licensing and keep their free licence. The 3.75 million who do not get Pension Credit will have to pay for their TV licence from 1 June 2020. Among them are an estimated 650,000 over-75s who could get

Pension Credit if they applied.

Pension Credit has one of the worst take-up rates of any means-tested benefit. Four out of every ten who could claim it do not do so. The BBC hopes the change will "raise the visibility of Pension Credit as a way of claiming a free TV licence". But previous efforts to increase the take-up of Pension Credit have all failed. Indeed, take-up has fallen from around 65% in 2004/05 to 60% in 2016/17.

ASINGLE PERSON AGED 75 or more with an income up to £201.53 a week (£293.61 for a couple) can get Pension Credit. Savings over £10,000 reduce the limits. They are higher for carers and severely disabled people. People who successfully claim will get a free TV licence even if they get just 1p a week in Pension Credit. However, on average, over-75s who claim will get £2,500 a year benefit, and if they pay council tax this will often be reduced to zero. To claim, call **0800 99 1234** with your income details and, if possible, National Insurance number.

Anyone aged 74 and born before 1 June 1945 is still entitled to a free TV licence from their 75th birthday until 1 June 2020.

More information at: entitledto.co.uk; tvlicensing.co.uk/age; and gov.uk, search "pension credit".

Paul Lewis hosts Money Box on Radio 4

QUESTIONS? Send any questions to Paul.Lewis@radiotimes.com

Although he cannot reply personally he will address readers' concerns when possible in this column

RT MONEY

LOOKING TO BOOST YOUR FINANCES?



Get a free guide to unlocking the cash in your home, written by RT's money expert Paul Lewis

Homeowners aged 55 to 95 are increasingly looking at their properties in a new light, as a way to help boost their finances to fund the things they wish for. With a lifetime mortgage, the most popular form of equity release plan, you could release tax-free cash from your home to spend however you like and, as your home remains your own, you can enjoy the money without having to downsize.

Popular reasons for releasing cash include making home improvements, paying off an outstanding mortgage, clearing credit card debts, going on holiday and gifting money to children or grandchildren.

UNLOCKING THE CASH IN YOUR HOME – THE FACTS

- Cash released is tax-free and yours to spend however you like
- With a lifetime mortgage, typically there are no monthly payments to make as the loan, plus roll-up interest, is repaid when the plan comes to an end
- With a lifetime mortgage, the most popular type of equity release plan, you still own your own home and can live in it as long as you like
- You can guarantee an inheritance for your family with some plans
- You will never owe more than the value of your home with Equity Release Council approved plans
- A lifetime mortgage is a loan secured against your home, like a traditional mortgage
- Equity release will reduce the value of your estate and may affect your entitlement to means-tested benefits
- Always think carefully before securing a loan against your home

If you're considering unlocking cash from your home it's important to seek independent specialist advice. *Radio Times* has partnered with Key, an independent equity release adviser, and produced a FREE guide written by *Radio Times* money expert Paul Lewis.

To request your FREE guide written by Paul Lewis, or to book a free, no-obligation consultation, call **0800 138 2695** or visit radiotimes.com/equity

Lines are open Monday–Thursday 9am–8pm, Friday 9am–5.30pm and Saturday 9am–5pm

Unless you decide to go ahead, Key's service is free of charge as Key's typical advice fee of 1.99% of the amount released would only be payable on completion of a plan. Subject to a minimum advice fee of £1,499.

