

Some pensioners being well off is no reason to punish the poorer, says Ros Altmann

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Hundreds of thousands of pensioners potentially eligible for Pension Credit but not yet claiming. (Image: Getty)

With hundreds of thousands of pensioners potentially eligible for Pension Credit but not yet claiming and perhaps up to 2 million more with incomes only a little above the threshold who might now try to apply and find themselves rejected, it is inevitable the Government will be unable to process all new claims within a few weeks. Even if those applying are accepted, the administrative processes take weeks or months so they won't get their payments on time.

And those who are on low incomes but rejected as just a bit above the cut-off point, won't get any help at all. Age UK estimates there are about 2 million of them.

They also won't get the help that those on Pension Credit receive with council tax, housing benefits, dental treatment, cold weather payments and so on. They will be even poorer than those on Pension Credit and therefore at greater risk.

Pensioners don't have these sums stashed behind their sofa and they are not likely to be able to borrow money or use credit cards to pay their fuel bills. How are they supposed to manage?

Just because some pensioners are well off is no justification for punishing the poorer ones as well.

At the very least this decision should be delayed to give time for the Government to make proper assessments of the potential hardship and work out mitigations carefully. It is only fair to warn people and also to decide how to properly target help that is vital to so many properly.

Those pensioners I am most worried about are those who have already cut their spending to the bone, who live in energy inefficient homes, who spend most of their time at home, and have no way of replacing this lost money as energy bills rise. All they can do is turn down or turn off the heating.

These pensioners have grown up making do with what they have and never wanting to be in debt. Those in their 80s and 90s have suddenly had £300 snatched away from them without warning. Obviously this is causing real distress.

The Government must put this decision on hold pending a proper impact assessment and mitigation measures.