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Pension Credit

West Sussex Coastal Health Inequalities

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Background

What is Pension Credit?

Pension Credit^{1,2} is the main means-tested benefit for pensioners (House of Commons Library, 2020). It was introduced in October 2003, replacing income support for pensioners. Pension Credit aims to provide financial support to pensioners on low income to bring their weekly income up to a minimum standard amount. The amount pensioners receive is higher if they have caring responsibilities, are severely disabled or have housing costs.

For people reaching State Pension age before April 2016, it has two parts:

- **Guarantee Credit**, which provides financial help for people aged over the 'qualifying age' for Pension Credit (linked to State Pension age) whose income is below a set amount.
- **Savings Credit**, an extra amount for people aged 65 or over, who have made some provision for their retirement (such as savings or a second pension).

Savings Credit was removed for people reaching State Pension age from 6 April 2016 when the new State Pension was introduced. Therefore, most people who reach State Pension age on or after 6 April 2016 will not be eligible for Savings Credit.

Who claims Pension Credit?

People who have reached State Pension age (currently 66 for men and women) may be eligible for Pension Credit if their weekly income is below a set amount³. The threshold for weekly income varies depending on whether

claimants are single or live with a partner. Savings and investments of more than £10,000 are also considered. The savings credit element of Pension Credit is only available for people reaching State Pension age prior to April 2016.

Many older people on very low income do not claim the means-tested benefits they are entitled to (Radford, et al., 2012). The Department of Work and Pensions (DWP) estimates that around 760,000 households eligible for Pension Credit do not claim it (Department for Work and Pensions, 2024). In 2022/23, 65% of those entitled to Pension Credit received the benefit, with lower take-up among those aged 75 years and over and couples.

Why does it matter?

On 9th June 2025, the UK Government announced they are reinstating the Winter Fuel Payment for everyone over State Pension age in England and Wales, with an income of, or below, £35,000 a year (UK Government, 2025). This briefing was drafted before this change was announced.

1. Pension Credit is intended to ensure pensioners on low income have financial security

According to the DWP, the average Pension Credit award is worth over £3,900 per year⁴. Recipients also become eligible for other forms of support, such as help with housing costs, council tax and energy bills. The total financial support unlocked by Pension Credit could be significant for pensioners on low income (Ghelani & Walker, 2024). A report from the Joseph Rountree Foundation suggests that the State Pension, along with top-up via Pension Credit can support many pensioners on low-income to have an income close to a socially acceptable standard of living (Davis, et al., 2024).

¹ [Pension Credit: Overview - GOV.UK](#)

² [A detailed guide to Pension Credit for advisers and others \(September 2024\) - GOV.UK](#)

³ [Pension Credit: Eligibility - GOV.UK](#)

⁴ [Pension Credit: What you need to know - GOV.UK](#)

2. Access to some entitlements (such as Winter Fuel payments) rely on eligible households claiming Pension Credit

Recipients of Pension Credit are also eligible to apply for a free TV licence (if aged 75 or over), discounted Council Tax, and help with NHS costs, such as prescriptions, dental treatment, and transport costs for appointments. They may also be able to access other benefits to help cover housing costs, such as Housing Support or Support for Mortgage Interest.

Winter Fuel payments are intended to give older people reassurance that they can afford to heat their homes in winter. Eligibility for Winter Fuel payments changed in September 2024⁵, withdrawing the payment from pensioner households not in receipt of Pension Credit or other means-tested benefits (House of Commons Library, 2024). The new eligibility changes apply for winter 2024/25. Eligible households need to have applied for or be in receipt of Pension Credit by 21 December 2024 to receive Winter Fuel payments.

Winter Fuel payments are among other benefits that can help with heating costs, such as Cold Weather Payments⁶, the Warm Home Discount Scheme⁷ and Household Support Fund⁸. Eligibility often relies on claimants being in receipt of other benefits including Pension Credit.

3. There is an association between low pensioner income and higher public spending

Poverty in older age is associated with a range of poorer outcomes in later life (Scharf, et al., 2017). One research paper states that the significant cost

of health and social care associated with pensioner poverty far outstrips savings from non-take up of Pension Credit (Hirsch & Stone, 2020).

4. Coastal communities in West Sussex are generally older, and experience poorer health outcomes than non-coastal neighbours

Access to Pension Credit can provide financial assistance to pensioners on low-income. Prior research⁹ suggests that coastal communities in West Sussex are more likely to be older and experience poorer health outcomes. Analysis of current data can provide insight into take-up of Pension Credit across coastal areas of West Sussex.

What data is available?

The DWP publishes quarterly data¹⁰ capturing:

- 1) The number of pension credit claims as at the last day of the quarter
- 2) The average weekly award (in £s) paid to pension credit claimants at each quarter.

This data is broken down by geography (e.g. census output areas, local authorities) and claim characteristics (e.g. age, sex, type of pension credit).

DWP also releases annual, national estimates of take-up of pension credit¹¹. Take-up statistics are reported in two different ways:

- 1) Caseload: the number of people claiming pension credit / the estimated number of people entitled to claim

⁵ [Changes to winter fuel payments: The Social Fund Winter Fuel Payment Regulations 2024 - House of Lords Library](#)

⁶ [Cold Weather Payment: Eligibility - GOV.UK](#)

⁷ [Warm Home Discount Scheme: Overview - GOV.UK](#)

⁸ [Household Support Fund - West Sussex County Council](#)

⁹ [Health and Wellbeing of West Sussex Coastal Communities - West Sussex JSNA Website](#)

¹⁰ [Stat-Xplore - Log in](#)

¹¹ [Income-related benefits: estimates of take-up - GOV.UK](#)

- 2) Expenditure: the amount of pension credit claimed and the estimated amount that could be claimed.

Caseload and expenditure take-up rates vary because people who do not claim pension credit are typically entitled to lower awards than those who do claim.

Method

Small area (lower super output area, LSOA) data on Pension Credit claims was sourced from the DWP. Pension Credit statistics are released on a quarterly basis, with current data available to May 2024.

This briefing reports the number of live claims for Pension Credit, as at the last day of each quarter¹². Proportions are shown of the total 'pensioner' population aged 66 and above¹³. This is the current State Pension age for men and women in England.

Note that this is not a measure of uptake of pension credit. The DWP do not produce estimates of the number of potential claimants within small areas¹⁴, although national take-up rates are reported (see section on Take-up). The size of the eligible population is likely to vary at small geographies, depending on the demographics and socioeconomic status of the communities they contain. Analyses cannot yet explore whether recent changes to eligibility for other entitlements to now require recipients to claim Pension Credit has resulted in improved take-up of this benefit.

¹² Data on average weekly award amount (in pounds) that is paid to Pension Credit claimants at each quarter is also reported by the DWP on statxplorer.

¹³ Mid-year population estimates at Lower Super Output Area (LSOA), by single year of age. Mid-year estimates from 2021 onward are only released for 2021 LSOA

Results

Live claims

In West Sussex, there were around 15,120 live claims for pension credit as of May 2024. This equates to around 7.7% of the population of pensioners (aged 66+). Nationally, the proportion of live claims was higher at 11.5%.

At May 2024, the proportion of live claims in coastal West Sussex was higher than the county total at 9.0%. This also exceeds the proportion for non-coastal areas of West Sussex (7.6%). Across the coastal towns, Southwick had the highest proportion of live claims (11.9%), and East Wittering has the lowest proportion (6.3%). Worthing has the highest number of live claims (n = 2,410).

When compared to non-coastal West Sussex, all coastal towns in the county had a higher proportion of live claims for Pension Credit. The only exception was East Wittering which did not differ from the non-coastal average (see Table 1).

Small areas

The proportion of live claims for Pension Credit (among 66+ population) is plotted for small areas (LSOA) in West Sussex in Figure 2. These were split into 5 equal groups (quintiles). Small areas shown in red are among the 20% of areas in West Sussex with the highest proportion of live claims for Pension Credit. Many of these areas fall among coastal West Sussex, with 27.6% of coastal LSOAs among areas in West Sussex with the highest proportion (top 20%) of claims for Pension Credit. In non-coastal West

geographies. Estimates have been adjusted using apportionment method to 'backdate' to 2011 boundaries. This brings the population estimates in line with available data on pension credit from DWP which is only released at 2011 LSOAs.

¹⁴ The sample size from the FRS does not permit reliable estimates for small areas.

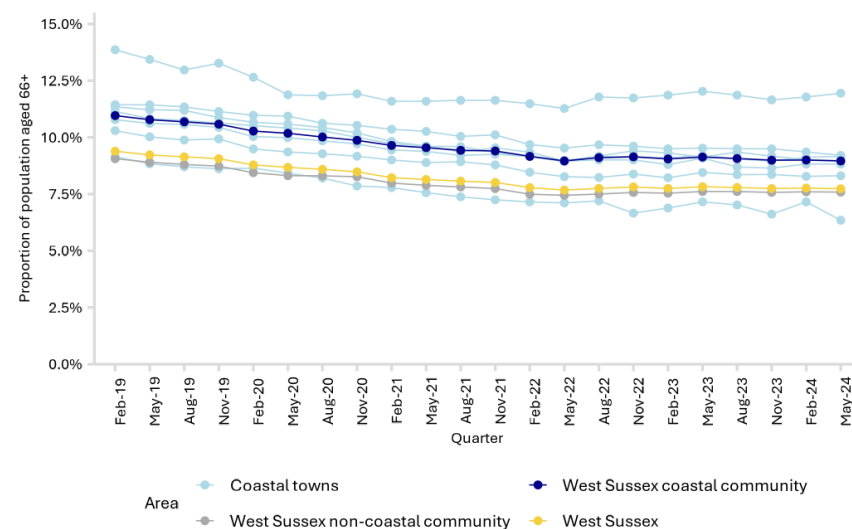
Sussex, 21.0% of LSOAs fell within this quintile. More than a quarter of the pensioner population in some small coastal areas of the county were claiming Pension Credit (3 LSOAs in Bognor Regis, 1 each in Worthing and Littlehampton).

Trends

Over time, the number of live claims for Pension Credit has fallen in coastal West Sussex, despite a growing pensioner population (Figure 1). In February 2019, there were around 8,970 live claims for Pension Credit, falling to 7,460 by May 2024. This is a decrease of 2 percentage points, falling from 11.0% to 9.0%. More recently, the proportion of pensioners claiming Pension Credit has slowed, sitting at around 9.0% for the past couple of years. Within coastal towns of West Sussex, a similar pattern occurs, with the proportion of live claims in most areas decreasing by around 2 percentage points from February 2019 to May 2024.

The downward trend in overall Pension Credit caseload is partly due to the increase to national State Pension age and the introduction of the New State Pension (nSP), among other factors^{15,16,17}.

Figure 1: Proportion of the population aged 66+ claiming Pension Credit in coastal areas of West Sussex; Feb-19 to May-24.



Source: DWP pension credit (from Stat-Xplore); ONS small area population estimates (from NOMIS)

Note. The denominators used are mid-year population estimates. 2023 and 2024 quarterly data uses the 2022 mid-year population estimates as newer data is unavailable for small areas.

¹⁵ For example, the introduction of the New State Pension nSP in 2016 has meant that women tend to get more pension under the new rules. Increases to pensions may impact on eligibility for Pension Credit.

¹⁶ For example, see [DWP benefits statistical summary, February 2020 - GOV.UK](https://gov.uk/statistics-and-research/publications/dwp-benefits-statistical-summary-february-2020)

¹⁷ [Background information and methodology for financial year ending 2023 - GOV.UK](https://gov.uk/statistics-and-research/publications/background-information-and-methodology-for-financial-year-ending-2023)

Table 1: Number and proportion of live claims for Pension Credit of population aged 66+, quarterly data; May-24

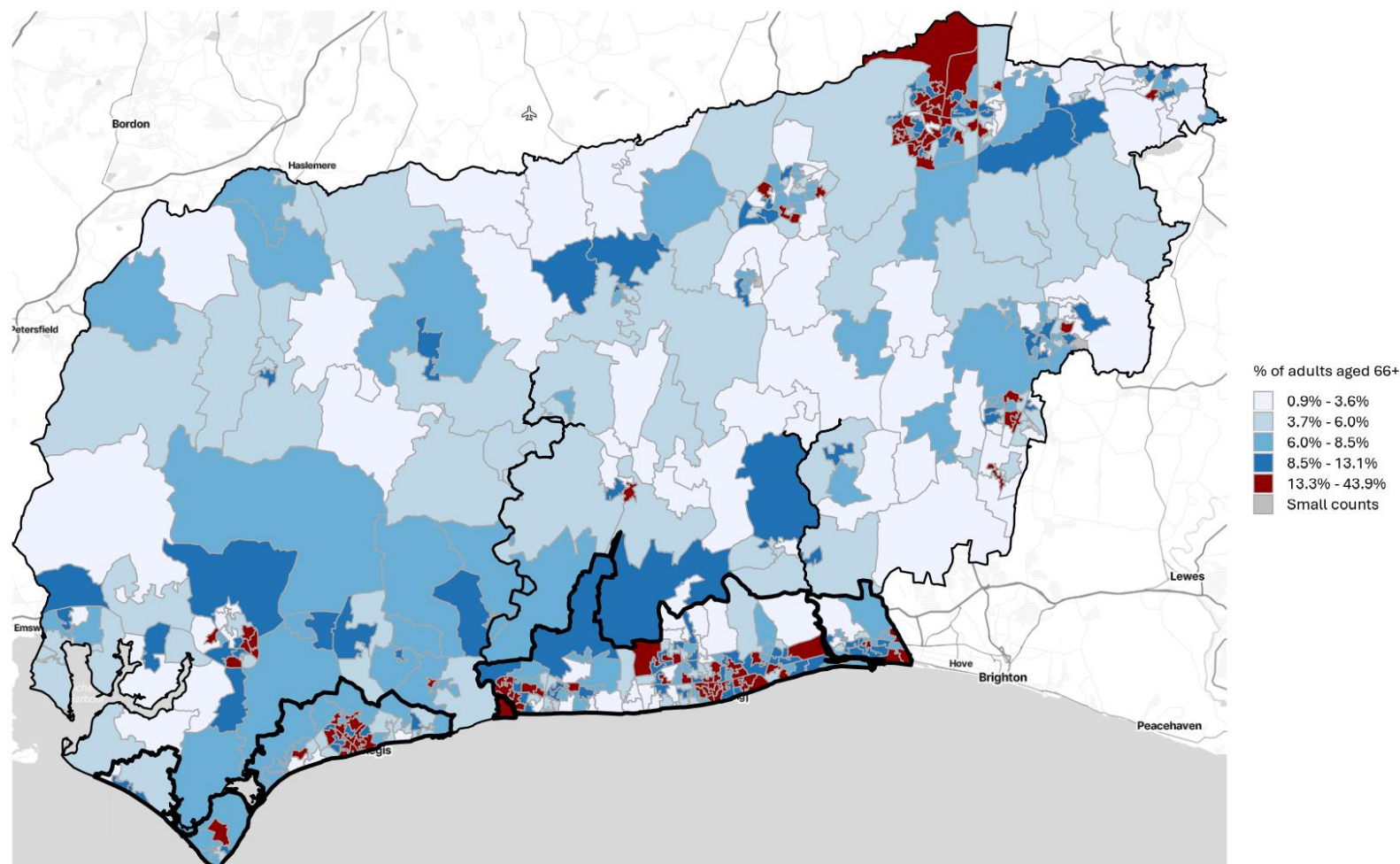
Notes. Counts in areas that contained missing/suppressed data at LSOA level will be incomplete, these are denoted with an *. Counts may vary from published data and from data taken Stat-Xplore at larger geographies. This is due to suppression and disclosure control processes. In general, counts derived from LSOA were within 1% of counts presented at a national or county level.

Area	Number of claims	Proportion of population aged 66+			Versus non-coastal West Sussex	Versus West Sussex	Versus England
		%	LCL	UCL			
Bognor Regis BUA	1,789	9.2%	8.8%	9.6%	Higher	Higher	Lower
East Wittering BUASD	141	6.3%	5.4%	7.4%	Similar	Lower	Lower
Littlehampton BUASD	1,396	8.3%	7.9%	8.7%	Higher	Higher	Lower
Selsey BUA	341	8.8%	8.0%	9.8%	Higher	Higher	Lower
Shoreham-by-Sea BUASD	1,101	9.0%	8.5%	9.5%	Higher	Higher	Lower
Southwick BUASD	284	11.9%	10.7%	13.3%	Higher	Higher	Similar
Worthing BUASD	2,411	9.2%	8.8%	9.5%	Higher	Higher	Lower
West Sussex coastal community	7,463	9.0%	8.8%	9.2%	Higher	Higher	Lower
English coastal community	135,239*	12.3%	12.2%	12.4%	Not compared	Higher	Higher
West Sussex non-coastal community	5,462*	7.6%	7.4%	7.8%	Not compared	Similar	Lower
English non-coastal community (excluding London)	508,012*	10.6%	10.6%	10.6%	Not compared	Not compared	Lower
West Sussex	15,115*	7.7%	7.6%	7.9%	Not compared	Not compared	Lower
England	1,149,831*	11.5%	11.4%	11.5%	Not compared	Not compared	Not compared

Source: DWP Stat-Xplore

Figure 2: Proportion of live claims for Pension Credit among adults aged 66+ in small areas of West Sussex (2011 Lower Super Output Areas); May 2024

Notes. LSOAs are shaded based on the proportion live claims for Pension Credit, with data for LSOAs within West Sussex split into 5 equal groups (quintiles). Areas within the top quintile (highest proportion of claims) are shown in red. Quarterly data sourced from the DWP. The boundary for Coastal West Sussex is illustrated with a thicker black border.



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Other characteristics

Small area (LSOA) breakdowns by other characteristics (e.g. age, type of claim etc.) are unavailable due to disclosure control processes. The general pattern of claims by different characteristics have been described for England and lower-tier authorities in West Sussex to provide context.

Age

At May 2024, 66.3% of live claims in England were among pensioners aged 75+ (based on age of main claimant). In general, lower-tier authorities in West Sussex tend to have a higher proportion of claims among older pensioners (75+) when compared to England. More than 70% of live claims were among those aged 75+ in all lower-tier authorities in West Sussex (ranging from 71.6% in Horsham to 74.5% in Mid Sussex), besides Crawley (63.6%).

Gender

At May 2024, roughly two-thirds of people getting pension credit were female in England (66.2%). Lower-tier authorities in West Sussex tend to have a higher proportion of claims amongst females than England (ranging from 67.6% in Worthing to 71.0% in Mid Sussex).

Across the entire county, 69.2% of pension credit claimants were female, and this proportion increases with age (84.1% of claimants aged 90+ were female).

Partner type

In England, more single people than couples receive pension credit, with 87.1% of claims among single people. Lower-tier authorities in West Sussex tend to have a higher proportion of claims from single people when compared to England (ranging from 87.6% of claims in Crawley to 91.6% in Worthing). Of those, more claims are among single women than men.

Type of claim

Some people will be entitled to Guarantee Credit, Savings Credit (if they have reached State Pension age as at April 2016), or both.

In England, most pension credit claims included Guarantee Credit¹⁸ (87.5% of claims). In West Sussex, this proportion is slightly lower than England (85.4%). This likely reflects the older age profile of the West Sussex population, with a greater proportion of residents potentially eligible for Savings Credit due to their age. Aside from Crawley (11.3%), all lower-tier authorities in West Sussex had a greater proportion of claims for Savings Credit only than England (12.5%).

¹⁸ Includes claims for Guarantee Credit only and for both Guarantee and Savings Credit.

Take-up

The DWP releases annual estimates of take-up for income-related benefits within the entitled pensioner population. These estimates are based on DWP administrative data, local authority administrative data, and data from the Family Resources Survey (FRS). The current method¹⁷ to produce take-up statistics dates to FYE 2020, with methods having changed and evolved over time.

National estimates of take-up

In FYE 2023, an estimated 65% of those entitled to Pension Credit claimed the benefit in Great Britain (Table 2). The average amount of unclaimed Pension Credit was estimated at around £1,900 per year for each family entitled but not claiming the benefit.

Table 2: Estimates of take-up (caseload) of Pension Credit in Great Britain, FYE 2019 to 2023

Notes. Rounded proportions are shown. DWP estimates of the number of claimants nationally are also available. Data is not available for 2021 due to the COVID-19 pandemic interrupting data collection from the FRS.

Financial Year ending:	Estimated take-up of Pension Credit		
	%	95% Lower CI	95% Upper CI
2019	63%	61%	65%
2020	66%	64%	68%
2021	*	*	*
2022	63%	61%	66%
2023	65%	64%	67%

Source: [Income-related benefits: estimates of take-up: financial year ending 2023 - GOV.UK](#)

Take-up does vary by characteristics of claimants, with higher take-up among single males (68%) than for single females (66%) and couples (59%). Take-up is also higher among those aged under 75 (68%) than over 75 (64%).

Applying national estimates to local areas

National take-up of Pension Credit (FYE 2023) has been applied to the most recent number of live claims (as at May 2024). This provides an estimate of the number who did not claim the benefit. Note that this does not capture any changes that may have occurred in the number of claims since the Government announcement on 29 July 2024 stating that, for Winter 2024, Winter Fuel Payments will now be dependent on receiving another means-tested benefit. Since that announcement, there have been campaigns nationally and locally aimed at increasing uptake¹⁹.

This is a crude measure in the absence of local estimates, which is unlikely to be hugely accurate. Take-up is likely to vary across areas and groups, so these figures aim only to provide a general idea of the number of eligible families that may not claim Pension Credit in coastal West Sussex.

The estimated number of families not claiming Pension Credit in coastal West Sussex may fall between 3,680 and 4,200 families (Table 1Table 3). Across the entirety of West Sussex, the number of families not claiming may fall between 7,440 and 8,500 families.

Table 3: Estimated number of families not claiming Pension Credit, as at May-24

Area	Estimated non-take-up of Pension Credit		
	Number	Lower	Upper
Coastal West Sussex	4,020	3,680	4,200
West Sussex	8,140	7,440	8,500

¹⁹ E.g. [County Council calls for people eligible to sign up for pension credit - West Sussex County Council](#)

Barriers and facilitators for take-up of Pension Credit

Previous research has identified consistent ‘barriers’ that prevent pensioners’ from claiming Pension Credit, such as eligible non recipients not claiming due to a general lack of awareness of the benefit, perceived ineligibility and stigma, and difficulties navigating the application process e.g., length and complexity of forms (Department for Communities, 2022; Independent Age, 2022; Radford, et al., 2012).

A report by Independent Age (2023) highlighted that activity at a local level can make a significant difference to Pension Credit uptake. Their ‘toolkit’ included initiatives such as specifically targeting eligible non recipients, establishing trust and adopting an ‘all benefits approach’, with local authorities using contact to check eligibility for all benefits, not just Pension Credit.

New applications and awards

On 29th July 2024, the government announced that Winter Fuel Payments for winter 2024/25 will now be dependent on receiving another means tested benefit (primarily Pension Credit). The DWP have released data on Pension Credit claims in the 16 weeks before and after the announcement to explore whether there has been any change in the volume of applications²⁰. This data is only reported for Great Britain.

The DWP found that:

- There has been a 145% increase in Pension Credit claims received in the 16 weeks following the announcement than the 16 weeks before.
- Compared to the 16-week period before the announcement, the number of Pension Credit claims awarded has increased by 17% (from

36,400 to 42,500) in the 16 weeks since. This is alongside a 96% increase in the number of Pension Credit claims not awarded.

- There has also been an increase in the number of cleared Pension Credit claims, from around 63,100 in the 16 weeks before 29th July announcement to 95,300 in the 16 weeks following (a 51% increase in the number of claims cleared).

There has also been an increase in the time taken to process Pension Credit claims^{21,22}. Claimants awarded Pension Credit may receive backdated Pension Credit and Winter Fuel Payments (covering Winter 2024) if they applied before 21 December 2024.

²⁰ [Pension Credit applications and awards: November 2024 - GOV.UK](#)

²¹ [Pension Credit: Processing of Applications - Hansard - UK Parliament](#)

²² [Support for Pensioners - Hansard - UK Parliament](#)

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Appendices

Proportion of population aged 66+ claiming pension credit; Feb-2019 to May-24

