

Freedom of Information request 2013-4119

Received 24th August 2013

Published 30th September 2013

Information request

1. What amount (in millions of £'s) is not claimed in Pension Credit in the last 3 years?
2. What amount in £'s is the budget for Pension Credit. It is the Pen Min Inc. Guarantee Budget in total and for women only that I'm after.
3. What happens, where does the unclaimed money go, and then what is done with it? How is it spent and on what? How much is unclaimed each year?

DWP response

In response to your questions;

1. 2009-2010 is the latest year for which there is available information
2. The Department does not have a Budget for Pension Credit or its constituent parts – instead it forecasts the level of expenditure it expects to spend

The Department of Work and Pensions forecasts that it will spend £7.21 billion in Pension Credit of which £6.25bn is on Guarantee Credit in 2013/14. Numbers rounded to the nearest £10 million

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/222845/expenditure_tables_Budget_2013.xls

Forecasts of expenditure are not produced by gender. Pension Credit is claimed at a benefit-unit level, i.e. for the couple rather than being claimed by an individual man or woman

However, there is a breakdown of forecast expenditure by family type and age for Pension Credit

Family Type	Expenditure (£bns)	
	Guarantee Credit	All
Single Male	1.52	1.72
Single Female	3.23	3.72
Couple	1.51	1.77
Total	6.25	7.21

Notes

Expenditure rounded to the nearest £10m

The expenditure split has been derived using proportions calculated from caseload splits

3. Benefit expenditure by DWP is forecasted on the basis of what the Department expects to actually spend, and, as such, this forecast does not include benefits payments that are not taken up by claimants. This means that there is no set budget for welfare expenditure that can be exceeded or under-spent.

The Department's latest estimate on take-up estimated that between 73 and 80 per cent of Pension Credit expenditure was taken-up in 2009-2010. This equated to between £1.94bn and £2.8bn of unclaimed money.

The take-up of recipients receiving Guarantee Credit only was estimated to be between 77 and 85 per cent which equates to between £0.76bn and £1.29bn of unclaimed money.

<https://www.gov.uk/government/publications/income-related-benefits-estimates-of-take-up>

(Page 44 and 46 of the publication)

This publication also produces estimates of the percentage of expenditure taken-up by family type and type of Pension Credit claimed (Page 52 of the publication). Below is a summary for Guarantee Credit only and for Pension Credit overall

Family Type	Guarantee Credit only	All
Single Male	77%-89%	76%-83%
Single Female	77%-87%	74%-85%
Couple	70%-82%	65%-74%