

Northern Ireland Life and Times Survey

RESEARCH UPDATE

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Retirement: Feeling the pinch

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Data from the Northern Ireland Life and Times Survey indicate that many pensioners in Northern Ireland are living below the poverty line. Worse still, significant numbers appear to be entitled to extra help but are not claiming it. Moreover, amongst those with apparent entitlement to extra there are those who simply do not wish to claim it.

Pensioner poverty in Northern Ireland

Earlier this year the Social Security Committee of the House of Commons endorsed research commissioned by Age Concern (England) which indicated that the minimum amount required – after housing costs and additions to take account of the extra costs of disability – is £90 in the case of a single pensioner and £135 for a married couple.

The Life and Times Survey interviewed 818 people of retirement age. Respondents were asked to provide complete information about their income and assets. Table 1 indicates that, in addition to those on Income Support, who will by definition be below the £90/£135 thresholds, significant numbers of other pensioner households reported low incomes and, in sum, 65% of single pensioners and 50% of pensioner couples

can be described as being hard pressed financially.

Table 1: Weekly income of pensioners

	% of pensioners	
	Single	Couples
Under £90	35	14
£90 - £99	3	2
£100 - £124	8	15
£125 - £134	4	7
£135+	20	50
On income support	31	12

When questioned about their own views on their financial situation 46% stated that they were “just about managing” while a further 9% said that they were “finding it difficult to make ends meet”. Over a fifth of all pensioners had had to draw on savings or borrow money during the preceding twelve months. These data reflect decades of high unemployment and lower wages which prevented people from making provision, though low levels of state benefits for the elderly have also contributed to the problem.

Disability and ill health

Given the extra costs that inevitably occur as a result of ill health, levels of disability and ill health amongst pensioners are critical factors in any analysis of pensioner incomes. The survey data indicate a substantial need for support. 45% of pensioners reported a longstanding illness or disability and these respondents were

then questioned further about whether they required help with 15 items relating to personal care and household tasks. They were given scores depending on whether they required no, some or a lot of help. As Table 2 indicates, many of these pensioners are managing quite well in relation to personal care, but a significant minority require a good deal of help. To select but a few examples – nearly a third of all these pensioners (and 14% of all pensioners) needed help getting into bed and over a third (16% of all pensioners) needed help to wash their hair. Of particular note is the 43% of these pensioners (19% of all pensioners) who felt that they needed someone else to be with them for some or a lot of the time "just in case something happened".

Table 2: Amount of help needed with personal care (for pensioners with an illness or disability)

'Needs help' score for pensioners with an illness or disability	%
0 – no help needed	31
1-2	27
3-5	16
6-10	15
11-24 – a lot of help needed	12

Beyond personal care, persons with an illness or disability may require substantial assistance with household tasks. Table 3 indicates the much higher levels of support required (whether received or not) for these types of activities.

Table 3: % of pensioners needing help with household tasks (for pensioners with an illness or disability)

Help needed with...	%
Shopping	70
Housework	68
Paying bills & doing paperwork	43

For pensioners as a whole, 31% need help with shopping, 31% with housework and 19% with paying bills and doing paperwork.

A crucial aspect of the help available to pensioners with disabilities are the benefits to assist with the extra costs of ill health – Attendance Allowance (AA) and, for those below the age of 65 when the claim is made, Disability Living Allowance (DLA). However our data suggest that many may be missing out on these benefits. Of the 45% of pensioners who reported that they had a longstanding illness or disability, some 38% were already in receipt of Attendance Allowance or the Disability Living Allowance. A further 17% appeared to have grounds for claiming the Attendance Allowance or Disability Living Allowance – middle or higher rate and there were 22 instances of possible entitlement to the Disability Living Allowance mobility component.

In recent years there has been much discussion about whether all of those getting these benefits really need them. Table 4 relates the need for care and/or supervision to receipt of DLA/AA. Whilst it was unclear why a minority of those in receipt were getting these benefits, they were heavily outnumbered by persons needing substantial help who did not. There is clearly a need for more effective measures to get these benefits to all pensioners who qualify.

Table 4: Receipt of AA/DLA middle/higher rate personal care and supervision scores (for pensioners with an illness or disability)

'Needs help' score	%	
	No receipt	In receipt
0	37	17
1-2	27	26
3-5	13	22
6-10	12	20
11-24	10	15

In summary, our data suggest that many pensioners in Northern Ireland require a substantial amount of aid and it would appear that Attendance Allowance and Disability Living Allowance are not reaching all with possible entitlement.

Funding of residential care

Inextricably linked to the issue of pensioner poverty (and the consequences of disability) is the question of how to pay for care in residential or nursing home accommodation. Three points emerged from the survey.

First, the possible need for residential or nursing home care is a source of anxiety for elderly persons – half the respondents reported that they were worried that they might need such care in the future. Amongst those with such anxiety, the loss of independence and leaving one's own home were uppermost concerns. Surprisingly, perhaps, only 10% of interviewees referred to cost.

This lack of concern on costs may be related to the second point arising from the survey, that is, the confusion about paying for residential or nursing home care. One half of interviewees thought (wrongly) that they could protect their property against care charges by simply signing it over to their children.

Third, there was strong opposition to current policy and 78% of interviewees agreed with the statement “Elderly people who have paid tax and national insurance are being charged twice over if they have to pay for care”. Nearly half the respondents were in favour of a cut off point so that a house is only taken into account if it is worth a good deal, with the majority of these opting for a cut off point of £50,000 and over.

The Minimum Income Guarantee

With regard to current policy, however, the most significant part of the data relates

to the take-up of the means-tested benefit Income Support – now known as the Minimum Income Guarantee for pensioners. Table 5 suggests that over one tenth of Northern Ireland’s pensioners may well be entitled to this benefit but are not claiming it.

However, nearly half (47%) of those advised of their possible entitlement said that they did not wish to claim it. The main obstacles to claiming were reluctance to disclose so much information about private matters and the bother of filling in complicated forms.

Table 5: Entitlement for Income Support

	%
Appears ineligible	37
Appears eligible only if claims AA/DLA	1
Appears eligible for Income Support	13
Already gets Income support	18
Ineligible due to savings	17
Insufficient information	14

In sum, there would appear to be a significant amount of non take up in Northern Ireland and a degree of reluctance to claim even with precise information.

Conclusion

Given that Northern Ireland has a strong network of advice and community centres helping people to claim their entitlement, these results are depressing. Many people had hoped that the Northern Ireland figures on take up would be better than those for Britain but this would appear not to be the case. A further point is that government is relying on means tested benefits to deal with poverty amongst the elderly but this strategy will only work if that help is claimed. Substantial efforts are being made by government to encourage claims but, at root, our data

suggest that this strategy will never be fully effective. It is time to think of a new approach to dealing with pensioner poverty.

The questions reported on here were funded by the Nuffield Foundation, Department for Social Development and

the Social Security Agency. This section of the survey involved face to face interviews with a random and representative sample of 818 adults of retirement age in their own homes. Figures do not always add up to 100 because of rounding. Eileen Evason is a Professor of Social Administration at the University of Ulster.

KEY POINTS

- ?? 65% of single pensioners and 50% of pensioner couples interviewed can be described as hard pressed financially.
- ?? 46% of interviewees admitted that they were just about managing financially; a further 9% said they were finding it difficult to make ends meet.
- ?? Appropriate benefits do not seem to be reaching all those with possible entitlement.
- ?? The Attendance Allowance and Disability Living Allowance do not appear to be reaching all who may be entitled.
- ?? Half the respondents worried that they would need residential or nursing home care in the future.
- ?? One tenth of pensioners may be entitled to the Minimum Income Guarantee for pensioners (Income Support) but not claiming it.

The *Northern Ireland Life and Times Survey* is carried out annually and documents public opinion on a wide range of social issues. In 1999, 2200 adults were interviewed on the main survey and 449 young people on the accompanying Young Life and Times Survey. Interviews were carried out by *Research and Evaluation Services*.

The *Life and Times Survey* is a joint project of the two Northern Ireland universities and aims to provide an independent source of information on what the public thinks about the social issues of the day. Check the web site for more information on the survey findings (www.qub.ac.uk/nilt) or call the survey directors at Queen's University (028 90 273585) with any queries.