



Northern Ireland Audit Office

Encouraging Take-up of Benefits by Pensioners

REPORT BY THE COMPTROLLER AND AUDITOR GENERAL

HC737 3 July 2003





Northern Ireland Audit Office

Report by the Comptroller and Auditor General
for Northern Ireland

*Ordered by the House of Commons
to be printed 2 July 2003*

Encouraging Take-up of Benefits by Pensioners

This report has been prepared under Article 8 of the Audit (Northern Ireland) Order 1987. The report is to be laid before both Houses of Parliament in accordance with paragraph 12 of the Schedule to the Northern Ireland Act 2000, the report being prescribed in the Northern Ireland Act 2000 (Prescribed Documents) Order 2002.

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Comptroller and Auditor General

Northern Ireland Audit Office
2 July 2003

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Abbreviations

AA	Attendance Allowance
CAB	Citizens' Advice Bureau
DLA	Disability Living Allowance
DSD	Department for Social Development
FRS	Family Resources Survey
GP	General Practitioner
IB	Incapacity Benefit
IS	Income Support
MIG	Minimum Income Guarantee
NAO	National Audit Office
NIHPS	Northern Ireland Household Panel Survey
RP	Retirement Pension
SDA	Severe Disablement Allowance

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EXECUTIVE SUMMARY

Background

1. Poverty can have a great impact on the quality of life of pensioners - it can affect health, warmth, diet and care options, as well as access to the opportunities that retirement and older age can give. In Northern Ireland, there are nearly 260,000 pensioners and it is projected that this will increase to 314,000 by 2021, representing one fifth of the population. While many older people now have a good standard of living, many live in poverty. At present it has been estimated that around one third of all pensioners - 81,000 - are living in households in the bottom 30 per cent of gross household income.
2. As a result, many pensioners rely heavily on means-tested income from social security benefits. However, despite pensioners' high level of dependency on benefits, many of them fail to claim their entitlements. This can be for a number of inter-linking factors, including lack of knowledge of entitlement, a perception of being stigmatised by the receipt of benefit, and physical or other difficulties in the processes of claiming.
3. This report examines what the Department for Social Development (the Department) through the Social Security Agency, the Housing Executive and a range of other organisations, has done to tackle the problem by encouraging pensioners to take up their social security benefit entitlements. Part 2 examines the extent to which pensioners take-up their benefit entitlements, and Part 3 looks at how successful the Department has been in improving take-up.

Main Conclusions and Recommendations

On Take-up of Entitlements by Pensioners

4. The lack of sufficient and reliable information on the take-up of social security benefits has left the Department unable to accurately estimate the numbers of pensioners who do not take up the means-tested benefits to which they are potentially entitled. As a result, the Department commissioned research in 2002 to look at methods of providing benefit take-up estimates. This concluded that for Minimum Income Guarantee, take-up in Northern Ireland was broadly comparable to figures for Great Britain. On this basis it can be calculated that between 24,000 and 36,000 pensioners are potentially entitled to Minimum Income Guarantee and not claiming it (paragraphs 2.5 to 2.6).
5. In our view, the development of regional data on levels of non take-up has taken an unacceptably long time. In particular, this has hindered the development of a more strategic approach to identifying and reaching specific groups of pensioners whose risk of being eligible for benefits but not claiming them is likely to be above average. We consider it crucial that the Department collects data on estimated non-take-up of benefits by pensioners. The data should allow analysis of regional variations and provide for a greater understanding of take-up levels amongst particular groups, for example pensioners in older age bandings, those from rural communities and those with sensory impairment. The data collected should then be used to set realistic targets and to monitor the effectiveness of take-up initiatives across Northern Ireland (paragraphs 2.10).

On Action Taken to Improve Take-up of Entitlements

6. We acknowledge the efforts the Department has made to reduce the complexity of the benefits system: for example, reducing the size of the Minimum Income Guarantee claim form (paragraph 3.3); designing the new State Pension Credit to be simpler and less intrusive (paragraph 3.4); and trying to make the receipt of benefits a more automatic experience (paragraph 3.9). However, reducing the

complexity of pensioner benefits without compromising their objectives is not easy. We recognise that inherent tensions exist between simplifying the rules for pensioners claiming benefits and ensuring regularity and equity for all pensioners receiving these benefits. However, the long standing problem of take-up rates by potentially eligible pensioners suggests an ongoing need for the Social Security Agency (the Agency) to address form design issues and to devise cost-effective simplification options in relation to benefit application forms used by pensioners (paragraph 3.10).

7. Having used the GB Benefits Agency's telephone claim line for Minimum Income Guarantee since May 2000, a local claim line was opened by the Agency in August 2001. The main reason for this was that it was considered that the ubiquitous nature of the telephone would make claiming benefit easier and would encourage more eligible pensioners to apply. However, available evidence in Great Britain on the success of "tele-claiming" has been inconclusive with regard to its ability to improve take-up among pensioners. In our view, with take-up of benefits crucial to the success of State Pension Credit, it is important that the Department monitors the ongoing effectiveness of using the telephone as the main means of providing information and advice about benefits rather than by face-to-face contact (paragraphs 3.13 to 3.14).

8. The Department provides information, advice and assistance to pensioners through a comprehensive range of leaflets, directly advertising services through the media and through a network of local, community and centralised benefits offices, (including a Benefit Shop in Belfast city centre). Information on social security matters is also available in post offices and on the Internet. In May 2001, it published the A-Z Guide to Public Services for Pensioners in Northern Ireland, which consolidates in one volume regional information on benefits and services for pensioners provided by a number of different government departments and agencies. However, informal sources or channels of information are the most accessible to elderly people and our interviews with voluntary sector groups indicated that these sources, in particular, family, friends and neighbours are the most heavily used (paragraphs 3.18 and 3.20).

9. Given that advice from friends and family can be an important trigger in initiating a benefit claim from a pensioner, we consider that this has implications for how the Department targets its information on the benefits available to pensioners. We recommend that the Department should continue to build on its efforts to target pensioners, by disseminating information on the topic in ways which help raise the awareness of the public at large and pensioners' families in particular (paragraph 3.21).
10. To encourage the take-up of the Minimum Income Guarantee the Department was involved in a United Kingdom-wide advertising campaign which ran from May to November 2000 and included the sending out of 39,000 mailshots. By the end of March 2002, some 14,500 additional Minimum Income Guarantee claims were received of which some 8,500 were successful. Despite the publicity, a large proportion of low income pensioners still appear to have little knowledge about the benefits that are available to them or are reluctant to avail of them for their own reasons (paragraphs 3.22 and 3.24).
11. While under-claiming of the Minimum Income Guarantee is a general problem among the pensioner population, we are concerned that disabled pensioners with care needs may be particularly vulnerable to missing out on entitlements. Many pensioners may be eligible for the Minimum Income Guarantee by virtue of being severely disabled but to prove this they may need to have claimed Attendance Allowance (a benefit for people aged 65 or over with a physical or mental impairment.) However, the available guidance does not address the possible linkage between the two benefits in a clear and unambiguous way paragraph (3.25).
12. In line with the client-focused approach taken in its "Pensioners Guide" (see paragraph 3.18), we consider that the Department should look to build on the work carried out for the Minimum Income Guarantee campaign by extending the focus of future take-up initiatives for pensioners so that they will encompass other benefits and, in particular, Attendance Allowance and Disability Living Allowance (paragraph 3.26).

On the Campaign to Tackle Fuel Poverty

13. In April 2001, the Department launched a home energy efficiency initiative marketed as the Warm Homes Grant Scheme aimed at tackling fuel poverty. One estimate suggests that approximately 85,000 pensioner households suffer in this way. Failure to claim entitlement to benefits can contribute to the problem of fuel poverty among pensioners, as not taking up benefits can render them ineligible for initiatives such as the Warm Homes Scheme. Eaga Partnership Ltd who manage the scheme have been proactive in developing relationships with statutory and voluntary organisations that work with pensioners to seek new ways of identifying, targeting and encouraging eligible individuals to apply to the scheme. In our view, the development of such a collaborative approach is an effective way of helping encourage pensioners to take up their entitlements to benefits. The Department told us that this is something it hopes to develop at local level through the work of its Pension Advisers (paragraphs 3.27 to 3.32).

On Partnerships with the Voluntary Sector

14. We consider that as the concept of joined-up working is central to the Modernising Government reform programme, it is important that the Department seeks ways of overcoming barriers to more effective local collaboration. For instance, the Housing Executive, the Rate Collection Agency and the Social Security Agency have an electronic link between their respective databases. In view of the level of collaboration between these agencies, we recommend that the Department considers how the exchange of information could be extended to specifically highlight and contact pensioners who may be entitled to benefits but are not claiming. For instance, periodic data-matches might be used to identify potentially eligible non-recipients of Warm Home Grants by tracking pensioners in receipt of rate rebates who have not applied to the scheme. Similarly, data-matching could be used to identify pensioners who are in receipt of Minimum Income Guarantee but not receiving Housing Benefit, and vice-versa (paragraph 3.35).

15. While the Department has the prime responsibility for encouraging pensioners to take up their benefit entitlements and tackling the barriers to this, we acknowledge that the assistance of a range of other organisations is essential if this responsibility is to be successfully met. Voluntary organisations, with a more local base, often are better placed to understand the needs of the communities within which they operate and may also be more acceptable to potential claimants as points of contact. In order to persuade reluctant pensioners to claim what is rightfully theirs, we consider that there needs to be greater co-ordination between the Department and those voluntary organisations that have built up contacts with pensioners on a local basis. We acknowledge the Department's plans to extend the use of its Pension Advisers and we recommend that these Advisers build on the success of an earlier pilot exercise in developing local partnerships to provide an improved level of local advice service (paragraphs 3.36 to 3.40).

On Benefits Advice in Primary Care

16. The restructuring of the administration of pensions within the Department has led to a greater focus on outreach services, as characterised by the plans to extend the use of Pension Advisers across the social security network. Within such a potentially supportive organisational framework, we consider that there is scope for the Department to work more intensively with the voluntary sector in order to engage more directly with pensioners in their own communities by seeking opportunities to provide benefits advice in GP surgeries and health centres (paragraph 3.45).

On Costs and Benefits of Take-up Initiatives

17. Take-up campaigns can prove to be costly, so it is important that the Department collects such information in order to assess the worth and success of comparative take-up initiatives. Establishing a standard method for measuring costs and benefits will enable the Department to evaluate campaigns and to make better informed decisions about targeting resources on take-up activity (paragraph 3.48).

General Conclusions

18. In our view, the reorganisation of the administration of pensions within the Department provides it with the opportunity to promote the take-up of benefits to pensioners in a more coordinated and systematic way and to disseminate good practice. To succeed in this, however, we consider it imperative that certain key elements are put in place:

- the collection and maintenance of qualitative data on take-up levels and the analysis of reasons for low take-up rates across Northern Ireland;
- the development of strategies and the strengthening of partnerships with other bodies and agencies, particularly the voluntary sector. *The Partnership for Pensioners* working group provides a good platform for taking forward the recommendations of this review; and
- appraising how “fit for the purpose” different take-up initiatives are so as to inform the development of best practice (paragraph 3.50).

Part 1

Introduction and Scope

Background

- 1.1 As elsewhere in the United Kingdom, the number of people of state pension age (60 for women and 65 for men) is growing in Northern Ireland. Currently, there are nearly 260,000 pensioners representing around 15 per cent of the population. Even taking account of the increase in retirement age for women (between 2010 and 2020), this number is projected to increase to 314,000 by 2021¹. This suggests that, in twenty years time, almost one fifth of the population will be over state pension age. Moreover, the number of older pensioners is growing faster than the pensioner population as a whole: in 1971 fewer than 30 per cent were 75 or over. The figure is projected to be nearly half of all pensioners by 2021.

- 1.2 The growth in the number of pensioners has been matched by a general rise in their income levels. While separate statistics are not available for Northern Ireland, those for Great Britain show that, over the period 1979 to 1997, average income for pensioners (adjusted to 2000-01 prices) increased from £184 per week to £314 per week ². However, the overall growth in pensioner incomes conceals serious inequalities among pensioner households: the relative affluence of those on occupational pensions contrasts starkly with those whose incomes are supplemented by means-tested social security benefits.

1. *Population Trends*, Office of National Statistics, Summer 2002.

2. *The Pensioners' Income Series 2000-01*, Department of Work and Pensions, 2002

Defining Pensioner Poverty

1.3 While poverty can affect people of all ages, of the 260,000 pensioners in Northern Ireland, how many can be classified as poor? Although the United Kingdom government currently produces a range of indicators covering relative incomes there is no official definition of poverty in the United Kingdom. In light of this, recent research undertaken for the Office of the First Minister and Deputy First Minister³ has used proxy indicators to establish a measure of the incidence of low incomes in Northern Ireland. Using data from the Continuous Household Survey⁴, the research concluded that a third of all pensioners (an estimated 81,000) in Northern Ireland were living in the bottom 30 per cent of gross household income. It was not possible to provide a direct comparison with Great Britain because data from the Northern Ireland Family Resources Survey is not yet available (see paragraph 2.4).

Scope of Examination

1.4 Given the incidence of relative poverty among Northern Ireland's pensioners, this report examines what the Department for Social Development (the Department) through the Social Security Agency, the Housing Executive and a range of other organisations, has done to tackle the problem by encouraging pensioners to take up their social security benefit entitlements.

1.5 The elderly may miss out on their full entitlement to social security benefits due to a number of inter-linking factors, including lack of knowledge of entitlement, a perception of being stigmatised by the receipt of benefit, and physical or other difficulties in the processes of claiming. Against this background, our review examined:

3 *New TSN Research: Poverty in Northern Ireland*, Tony Dignan and Professor Eithne McLaughlin, OFMDFM, 2001.

4 *The Continuous Household Survey is one of the largest continuous surveys carried out in Northern Ireland. It is based on a sample of the general population and has been running since 1984. One of its core questions asks the head of the household to provide an estimate of total gross annual income of the household from all sources.*

- the extent to which pensioners take up their benefit entitlements (Part 2); and
- how successful the Department has been in improving take-up (Part 3).

1.6 In the course of our examination we interviewed Departmental officials and visited social security offices and voluntary sector organisations involved in take-up work. We also examined the position in England through discussion with the National Audit Office which has recently completed a similar study in England⁵. Professional advice in relation to the report was provided by Eileen Evason, Professor of Social Administration at the University of Ulster and writer/broadcaster on social security issues.

⁵ *Tackling Pensioner Poverty: Encouraging Take-up of Entitlements*, National Audit Office November 2002, HC 37.

Part 2

Take-up of Entitlements by Pensioners

Pensioners and Social Security Benefits

2.1 In addition to the State Retirement Pension, pensioners may be eligible for a wide range of social security benefits and other help. Receipt of some of this help is dependent on the Department taking account of an individual's income and savings above a fixed threshold. Many Social Security benefits also provide "passport" entitlement to others. Overall, there are 23 potential entitlements for pensioners, with 36 different linkages between 16 of them (see Appendix 1). Figure 1 summarises the benefits and help which are the main focus of this Report.

Figure 1: Key Benefits for Pensioners

<i>Social Security Benefits</i>	
Minimum Income Guarantee	Paid to people aged 60 and over to help with basic living expenses. (Equivalent to Income Support for those under 60).
Attendance Allowance	Provides help with the additional costs brought about by illness or disability and is for people aged 65 or over.
Disability Living Allowance	Provides help with the cost brought about by illness or disability and is for people who make a claim before they reach 65 years of age. There is a <i>care component</i> for people who need help with personal care and a <i>mobility component</i> for people who need help getting around.
Housing Benefit	Provides help with paying rent and rates and some service charges.
<i>Other help for older people</i>	
Warm Homes Grant Scheme	Provides grants to low income households to install insulation and central heating.

- 2.2 In Northern Ireland, many pensioners rely heavily on means-tested income from social security benefits. Currently, just over half of those over State Retirement Pension age are in receipt of one or more benefits. Appendix 2 provides a breakdown of the benefit combinations currently being claimed by pensioners.

Take-up of Minimum Income Guarantee

- 2.3 Despite pensioners' high level of dependency on social security benefits in Northern Ireland, interest groups and others have long been concerned that many pensioners fail to claim their entitlements to benefits. In Great Britain, using data from the Family Resources Survey,⁶ the Department for Work and Pensions⁷ estimated that, in 2000-01, between 24 and 32 per cent of potentially entitled pensioners did not claim the Minimum Income Guarantee, while one in ten pensioners who were potentially entitled did not claim Housing Benefit. The evidence for other benefits was less clear, however, research by the Department for Work and Pensions estimated that take-up of Attendance Allowance (available only to over 65s) was between 40 and 60 per cent.
- 2.4 The Family Resources Survey was launched by the Department for Work and Pensions in 1992 to provide comprehensive information on benefit uptake and the financial status of specific groups, often at regional level. However, it has only recently been launched in Northern Ireland and will not start to provide information until the Autumn of 2003. As a result, the lack of sufficient and reliable information on the up-take of social security benefits has left the Department unable to estimate accurately the numbers of pensioners who do not take up the means-tested benefits to which they are potentially entitled.

6 *The Family Resources Survey (FRS) is a continuous survey which was launched in October 1992 by the Department of Social Security (now known as the Department for Work and Pensions). The main advantages of the FRS (compared with other government surveys) are the larger sample size, the ability to identify benefit units and the inclusion of more detailed questions relating to social security benefits. The survey is organised on a quarterly basis and runs over the fiscal year. Topics covered include: basic household and individual characteristics, housing costs, household income, ownership of vehicles and consumer durables; plus information on carers and disabilities.*

7 *Income Related Benefits: Estimates of take-up in 2000-2001, Department for Work and Pensions, 2003.*

2.5 While the lack of a Family Resources Survey has restricted systematic monitoring by the Department of the scale and nature of benefit take-up in Northern Ireland, the Department commissioned research in 2002 to look at methods of providing benefit take-up estimates⁸. An earlier analysis⁹ of the 1999-2000 Northern Ireland Life and Times Survey¹⁰ had suggested that thirteen per cent of pensioner households in Northern Ireland were entitled to, but not claiming, Minimum Income Guarantee. More recently, tentative analysis of data collected from the Northern Ireland Household Panel Survey¹¹ suggests that this has risen to almost 17 per cent of pensioner households. These analyses did not produce an overall estimate of take-up because of the level of pensioners failing to identify themselves as receiving Minimum Income Guarantee, which is thought to be significant.

2.6 The Department's research points out that the estimates for Great Britain apply a range of adjustments to the Family Resources Survey estimates which generally produce higher take-up figures than those based on survey data alone. Once subject to such adjustments, the research suggests that take-up figures in Northern Ireland are broadly comparable to figures for Great Britain, however it also notes that the range of uncertainty is large and is partly a matter of judgement. Currently, there are around 76,500 pensioners in receipt of Minimum Income Guarantee. On the basis of estimated take-up levels in Great Britain,

8 *The Take-up of Income Support and Job Seeker's Allowance in Northern Ireland*, Stephen McKay, Personal Finance Research Centre, University of Bristol, May 2002.

9 *Pensioners and Minimum Income Guarantee: Observations from Recent Research*, E. Evason, L. Dowds and P.Devine, *Social Policy and Administration* 36:1, pp 36-45, February 2002.

10 *The Northern Ireland Life and Times Survey* was launched in October 1998 as a resource for everyone interested in the social attitudes of people living in Northern Ireland. Set up by Queen's University Belfast and University of Ulster and run every year, the survey aims to put on record the attitudes, values and beliefs of the people in Northern Ireland on a wide range of social policy issues. *Life and Times* has its roots in the Northern Ireland Social Attitudes Survey, which ran from 1989 to 1996.

11 *The primary objective of the Northern Ireland Household Panel Survey (NIHPS) is to provide high quality, timely data on the short-term processes of change at the individual and household level across a number of domains, for example, income, savings and wealth. NIHPS started in October 2001 and approximately 2,000 households participated in the first wave of the survey. These households were visited again in the second wave of the survey, the fieldwork for which was completed in early 2003. The Northern Ireland Statistical Research Agency which is responsible for undertaking the fieldwork has agreed with Queens University Belfast and the University of Ulster the setting up of a small unit to analyse the NIHPS data and to promote the survey.*

between 24,000 and 36,000 pensioners in Northern Ireland are potentially entitled to Minimum Income Guarantee but are not claiming it.

Take-up of Other Entitlements

2.7 The data on take-up levels for other benefits among pensioners in Northern Ireland is even less specific. For instance, claims for Housing Benefit can be made directly to the Northern Ireland Housing Executive and procedures are in place to alert pensioners to the potential for Minimum Income Guarantee entitlement as part of the Housing Benefit assessment process. However, as claim forms for Minimum Income Guarantee also include a separate form for claiming Housing Benefit/Rate Rebate, it is likely that a proportion of those estimated not to be availing of their entitlement to Minimum Income Guarantee are also missing out on housing benefits. Similarly, the Warm Homes Grant Scheme which was introduced in April 2001 to provide grant assistance for household heating, insulation and draught-proofing, depends on the householder being in receipt of certain qualifying benefits (see paragraph 3.27).

State Pension Credit

2.8 In October 2003, the benefits system for pensioners will be reformed with the introduction of State Pension Credit to replace Minimum Income Guarantee. State Pension Credit is designed to give help to the poorest pensioners, as the Minimum Income Guarantee currently does, and also to those with modest private pensions or earnings who have, in the past, felt penalised making additional provision. Some 76,500 existing Minimum Income Guarantee cases will migrate to State Pension Credit automatically by October 2003 and the Department plans to run a take-up promotion campaign to an estimated 15,000 households with potential entitlement by March 2004. Estimates in Great Britain suggest that by 2025 two-thirds of single pensioners and half of all pensioner

couples will be entitled to State Pension Credit.¹² Similarly, changes to Invalid Care Allowance in October 2002 have meant that this benefit is now available to carers over the age of 65. According to the Department, this may mean that an additional 5,000 carers could be entitled to benefit. Given available estimates of the current take-up rate for Minimum Income Guarantee, unless measures aimed at increasing up-take levels prove to be more successful, the problem of unclaimed entitlements may continue under these new arrangements

- 2.9 While we welcome the fact that the Family Resources Survey is currently being implemented in Northern Ireland, in our view, the development of regional data on levels of non take-up has taken an unacceptably long time. In particular, this has hindered the development of a more strategic approach to identifying and reaching specific groups of pensioners whose risk of being eligible for benefits but not claiming them is likely to be above average. Research has shown that the barriers hindering pensioners from claiming benefit entitlements can have a greater impact on certain groups, for example, disabled pensioners¹³ and those in isolated rural areas.¹⁴

- 2.10 We consider it crucial that the Department collects data on estimated non-take-up of benefits by pensioners. The data should allow analysis of regional variations and provide for a greater understanding of take-up levels amongst particular groups, for example pensioners in older age bandings, those from rural communities and those with sensory impairment. The data collected should then be used to set realistic targets and to monitor the effectiveness of take-up initiatives across Northern Ireland.

12 *Response to the Pension Credit - A Consultation Paper*, Association of British Insurers, London: ABI, 2001.

13 *First findings of the Disability Follow-up to the Family Resources Survey*, Department of Social Security, March 1998.

14 *Underwriting Citizenship for Older People: The impact of additional benefit income for older people: A report for the National Audit Office*, (Unpublished), G. Craig; P. Dornan; J. Bradshaw; R. Garbutt; S. Mumtaz; A. Syed; and A. Ward, 2002.

Part 3

Action to Improve Take-up of Entitlements

Introduction

3.1 The report by the National Audit Office (see paragraph 1.6) outlines the main barriers to pensioners claiming social security benefits. Figure 2 demonstrates that this revealed a mixture of administrative and process impediments along with customers' attitudinal resistance. This part of the Report reviews the strategies and initiatives which have been developed to address the problem of pensioners failing to take-up their entitlement to benefits.

Figure 2: Barriers to Take-up Among Pensioners

System	<p>Complexity of the overall system - including rules which vary between benefits and frequently change, and complex linkages between benefits</p> <p>Intrusive means testing - requiring pensioners to provide sensitive information about their income and capital</p>
Administration	<p>Leaving the initiative to the pensioner to start the claim process - many pensioners assume they will be informed of entitlements.</p> <p>Poor or inaccessible channels of communication - the means of communication to obtain information or make a claim may not be appropriate for the client group.</p> <p>Access to information and advice - many pensioners perceive information as difficult to obtain.</p>
Customer level	<p>Ignorance of, and misconceptions about the benefits available - many pensioners have little or no knowledge of benefits available especially if they have had little contact with advice agencies</p> <p>Difficulty completing forms - some forms are time-consuming and difficult to complete and many assume the whole process will be difficult</p> <p>Fear of stigma and humiliation - associated with the belief that benefits are 'handouts'</p> <p>Fear of losing independence - claiming benefits is seen by some as being dependent on the state</p> <p>Perception that making a claim is not worth the effort - some make a judgement as to whether the anticipated gains are worth claiming for, given the assumptions about the arduous process.</p>

Simplification of Benefits System

- 3.2 Complexity is unavoidable in any means-tested benefit programme which by definition, requires as a minimum that the customer meets some sort of income test. However, in many such benefits, the complexity is rooted in the requirement that eligibility is determined through the use of an extensive set of rules governing income, resources and living arrangements. The Northern Ireland Public Accounts Committee commented on the impact of complexity on fraud and error in Income Support. Moreover, it also urged the Social Security Agency to look at the scope for simplifying the application process to ensure that claimants could claim their proper entitlement.¹⁵
- 3.3 In the Memorandum of Response to the Committee, the Social Security Agency agreed that the application process can be complex and difficult for claimants and that it would seek to exploit the opportunities created through its welfare reforms and Modernisation Programme to improve the application process and provide a much simpler and streamlined service to customers. In October 2001, the Agency produced a new claim form and leaflet for pensioners claiming Minimum Income Guarantee. The claim form was reduced in size from 40 pages to 10 and the questions simplified so that they would be more easily understood. The accompanying leaflet was also revised to reflect a more user-friendly approach.
- 3.4 State Pension Credit (see paragraph 2.8), which is to be introduced in 2003 is designed to be more like the processes of the tax system than those of the benefits system and to be simpler and less intrusive. Ways of doing this include making longer, fixed-term awards and dispensing with frequent checks for changes in circumstances. The rationale for this development is to recognise that pensioners' circumstances tend not to change very frequently and that this should be reflected in less burdensome administrative arrangements. In particular, most pensioners over the age 65 will only be asked for a statement of circumstances every five years, rather than on an annual basis under the

¹⁵ *Report on the Administration of Income Support Benefit*, Public Accounts Committee, November 2000, 1/00/R.

Minimum Income Guarantee. It is hoped that this will contribute to a higher take-up rate than under the current scheme. The Government in Great Britain has also made a specific commitment to simplify Housing Benefit, so that awards follow the same pattern as State Pension Credit. This means, that from June 2003, pensioners are no longer asked to make a repeat claim every year. Similar legislation has been made for Northern Ireland.

3.5 We acknowledge that greater simplification should help to improve take-up of any benefit. However, there are complexities in the State Pension Credit scheme in that it seeks to combine three separate objectives:

- a minimum income for the poorest pensioners;
- a reward for those who have saved; and
- future reward for tomorrow's pensioners to encourage saving

In view of this complexity, we consider that the Department will need to ensure that the purpose and detail of the new scheme are sufficiently clear for prospective beneficiaries to be able to make an informed decision about whether or not to claim. If pensioners lack confidence about their potential entitlements, they may choose not to claim.

3.6 In view of the significant under claiming of the Minimum Income Guarantee (see paragraph 2.5) the Department faces a challenge in convincing people that State Pension Credit is distinct from Minimum Income Guarantee which it replaces. It will be imperative to ensure that those who are potentially entitled do not feel that the perceived barriers which attach to the Minimum Income Guarantee also attach to the State Pension Credit.

3.7 The interaction of State Pension Credit with other benefits may also add to the complexity of the benefits system. Even if it is made simpler than the current system, many poorer pensioners would remain dependent on claiming and receiving Housing Benefit. While bringing the statement of circumstances for

Housing Benefit awards into line with those for State Pension Credit should help to ease the complexity of claiming (see paragraph 3.4), a recent report by the Audit Commission¹⁶ suggests that the introduction of State Pension Credit may lead to numerous other changes in allowance and entitlement rules in Housing Benefit which will add to the complexity faced by potential claimants.

3.8 Action has also been taken to simplify the benefits system for pensioners in residential care and nursing homes. Until recently, pensioners who had been in receipt of public funding towards the cost of an independent sector residential care or nursing home place before April 1993 received it in the form of a special higher level of income support. Funding the care of such pensioners after 1993 was transferred to Health and Social Services Boards. The preserved rights of pre-1993 pensioners ended with effect from April 2002. The Social Security Agency works out a new amount of benefit for these residents using normal Income Support/Minimum Income Guarantee allowances and premiums. The same rules will apply, therefore, for people in care homes as for those supported in their own homes.

3.9 In addition, the Department has taken steps to speed up the simplification of the benefits system by trying to make the receipt of benefits a more automatic experience. It has begun to contact potential claimants at various “trigger points” around the benefit system. For instance, from April 2002, customers contacting the Retirement Pension “tele-claims” service, have been asked a series of questions to help them test their potential entitlement to Minimum Income Guarantee.

3.10 Reducing the complexity of pensioner benefits without compromising their objectives is not easy. We recognise that inherent tensions exist between simplifying the rules for pensioners claiming benefits and ensuring regularity and equity for all pensioners receiving these benefits. However, the long standing problem of take-up rates by potentially eligible pensioners suggests an ongoing need for the Agency to address form design issues and to devise cost-effective simplification options in relation to benefit application forms used by pensioners.

¹⁶ *Housing Benefit: The National Perspective*, Audit Commission, 2002.

Administrative Arrangements

- 3.11 The complexity of the process of applying for benefits has been compounded by the fragmented way in which it is administered. The administration of entitlements spans the Housing Executive, the Rate Collection Agency and the central and local offices of the Social Security Agency. In order to improve the handling of assistance provided for pensioners, new arrangements were introduced in April 2003 to provide a single gateway to benefits for pensioners (with the exception of Attendance Allowance).
- 3.12 The work of a new Pensions Service is being rolled out to provide a regional service delivered through two Pension Centres, an existing one in Belfast and a new one in Londonderry. The initial priority of the latter Centre will be to manage the introduction of State Pension Credit, for which it is estimated up to an additional 15,000 households may be eligible. The Centre opened in April 2003 to accept advance claims for State Pension Credit and to be fully operational by October 2003.

Telephone Claims

- 3.13 The new arrangements for dealing with pensioners will build on the existing service where pensioners can already avail of a telephone-claims service for both Retirement Pension and Minimum Income Guarantee. Having used the Benefits Agency's telephone claim line for Minimum Income Guarantee since May 2000, a local claim line was opened by the Agency in August 2001. The main reason for this was that it was considered that the ubiquitous nature of the telephone would make claiming benefit easier and would encourage more eligible pensioners to apply. However, available evidence in Great Britain on the success of "tele-claiming" has been inconclusive with regard to its ability to improve take-up among pensioners. While the Department of Work and Pensions¹⁷ found that 81 per cent of callers interviewed were satisfied with the service they received, only

¹⁷ *Evaluation of the Minimum Income Guarantee Claim Line*, K. Bunt, L. Adams and A. Jones, Department for Work and Pensions Research Report No. 147, 2001.

20 per cent of those surveyed by the National Audit Office (see paragraph 1.6) said that they would ideally like to obtain benefits information by telephone.

3.14

In our view, with take-up of benefits crucial to the success of State Pension Credit, it is important that the Department monitors the ongoing effectiveness of using the telephone as the main means of providing information and advice about benefits rather than by face-to-face contact.

Pension Advisers

3.15 The potential for greater face-to-face contact with pensioners has been increased by recent developments in the Department's reorganisation of pension services. Since January 2002 it has appointed, on a pilot basis for one year, two Pension Advisers working from two of the Social Security Agency's local offices. Their role is to work in an "outreach" capacity with different groups within the local community in order to improve the take-up of benefits by pensioners. To date the results of their efforts have been encouraging. Figure 3 shows that, overall, 43 per cent of the enquiries received by Pension Advisers led to claims being made for various benefits and of these claims, 67 per cent were successful. Given the success of the pilot exercise, the Department told us that it has appointed Pension Advisers to cover the catchment areas of its 35 Social Security Offices in the lead up to the introduction of Pension Credit in October 2003.

Figure 3: Outcome of Pension Adviser Pilot Initiative

Benefit	Enquiries	Claims Made	Successful Claims	%Successful Claims
Community Care Grants	225	184	153	83
Attendance Allowance	99	33	13	39
Minimum Income Guarantee	201	77	51	66
Health Service Charges	44	16	11	69
Retirement Pension	49	18	8	44
Other	376	97	49	51
Total	994	425	285	67

Source: Social Security Agency

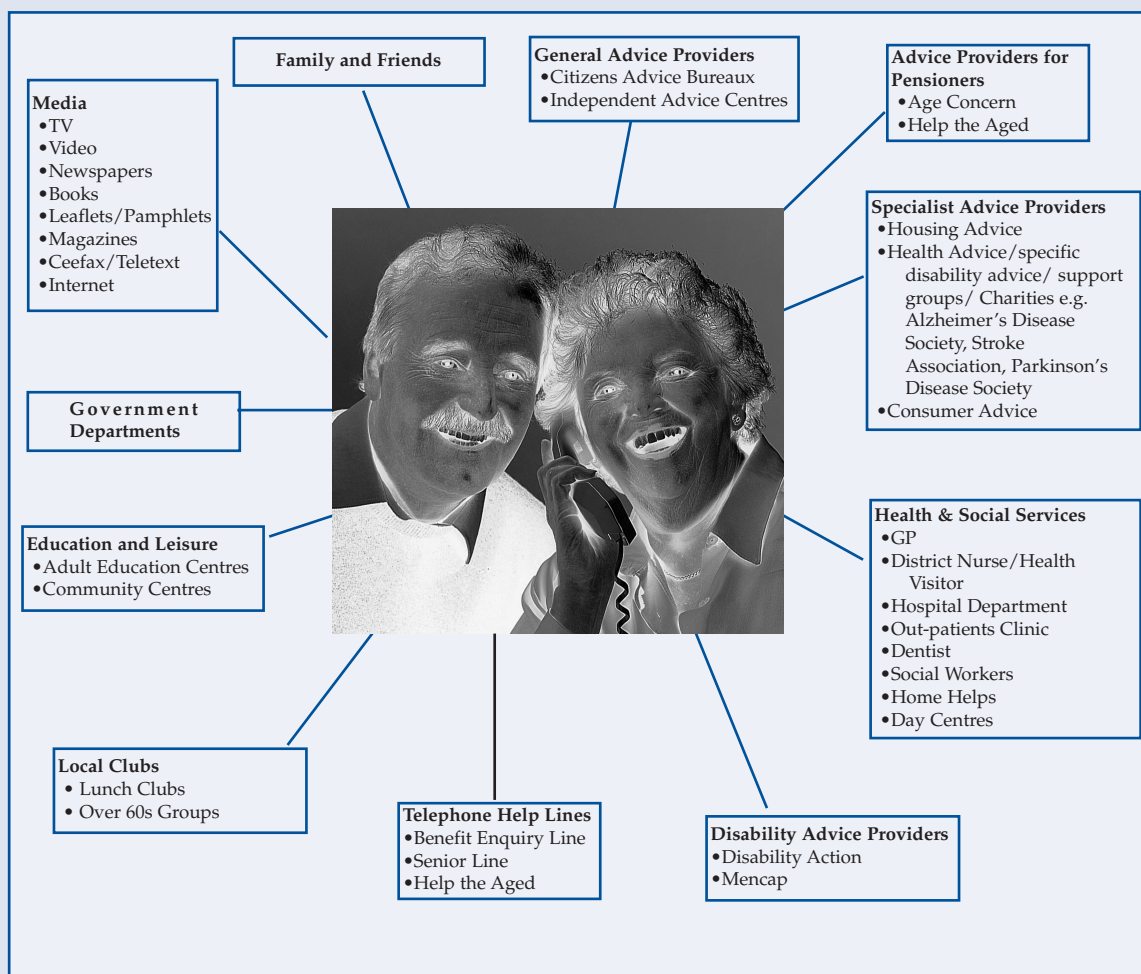
Provision of Information to Pensioners

3.16 Running through much Government social policy and, expressed in a range of activities and initiatives, is the theme of unimpeded access to information about services by those who are in need of them. The NAO found through its research that many pensioners in Great Britain have scant knowledge about how the benefits system works or the benefits that are available (paragraph 1.6). A recent study by the Assembly's Office of the First Minister and Deputy First Minister¹⁸ recognises the difficulties faced by the elderly, among other groups, in accessing essential services such as the benefits system. In particular, it points out that changes in regulations relating to such services compounds the problems faced by the elderly in that this group is the least likely to be able to find out information.

3.17 The potential sources and channels of information available to pensioners are summarised in Figure 4.

¹⁸ *Barriers to Access to Essential Services*, Office of the First Minister and Deputy First Minister, Equality Unit, 2001.

Figure 4: Summary of Sources and Channels of Information Available to Pensioners



Source: Adapted from A. Tinker et al (1993) *The information needs of elderly people - an exploratory study*. London: Age Concern Institute of Gerontology.

3.18 The Department provides information, advice and assistance to pensioners through a comprehensive range of leaflets, directly advertising services through the media and through a network of local, community and centralised benefits offices, (including a Benefit Shop in Belfast city centre). Information on social security matters is also available in post offices and on the Internet. In addition, the Department has taken action to deal with perceived shortcomings in the literature issued on benefits applicable to pensioners. In May 2001, it published the *A-Z Guide to Public Services for Pensioners in Northern Ireland*, which consolidates in one volume regional information on benefits and services for

pensioners provided by a number of different government departments and agencies. Since publication, the Agency has distributed 85,000 copies of the guide through a wide range of outlets including the Post Office, the Housing Executive, Social Services, doctors' surgeries and Social Security Offices. The publication, which received a national Plain English award, is also available on the internet.

3.19 Research has shown, however, that pensioners often require information and advice to be more specifically addressed to their individual needs. In Great Britain, a study commissioned by the Department of Social Security in 1998¹⁹ concluded that the improvement most widely cited as likely to encourage a claim was avoiding the need for pensioners to go to a benefits office. The most popular suggestion overall was a home visit. Survey work carried out as part of the NAO report also showed a strong preference for face-to face contact as a means of receiving information and advice about pensions and benefits. We acknowledge that the Agency has introduced local Pension Advisers, whose job will entail carrying out home visits which should help to address this need.

3.20 Informal sources or channels of information are the most accessible to elderly people and our interviews with voluntary sector groups indicated that these sources, in particular family, friends and neighbours, are the most heavily used. The survey carried out by the NAO also provides support for the view that elderly people are most likely to look for help in claiming benefits within their social environment.

3.21 Given that advice from friends and family can be an important trigger in initiating a benefit claim from a pensioner, we consider that this has implications for how the Department targets its information on the benefits available to pensioners. We recommend that the Department should continue to build on its efforts to target pensioners, by disseminating information on the topic in ways which help raise the awareness of the public at large and pensioners' families in particular.

¹⁹ *Overcoming Barriers: Older People and Income Support*, P. Costigan, H. Finch, H. Jackson, B. Legard and J Ritchie, Department of Social Security Research Report 100. Leeds, Corporate Document Services.

Campaign to Encourage Take-up of Minimum Income Guarantee

- 3.22 In addition to the special Freephone service which was set up in May 2000 to encourage take-up of Minimum Income Guarantee (paragraph 3.13), the Department was also involved in a United Kingdom-wide advertising campaign which ran from May to November 2000. As part of the take-up campaign, information held on Social Security Agency benefit claimants in Northern Ireland was “matched” by the General Matching Service team in Great Britain. The General Matching Service is aimed at comparing the information held on various Benefits Agency computer systems in order to detect inconsistencies. In this instance the Service was used to identify pensioners who appeared to have an income below eligible levels but who were not claiming benefits. This information was used to send out approximately 39,000 mail-shots to pensioners in Northern Ireland. The mail-shot contained a number of simple questions that allowed pensioners to decide whether, in their circumstances, it was worthwhile pursuing a claim. In addition, from April 2002, the Social Security Agency has been writing to every customer aged 60 or over who has been identified as potentially entitled to Minimum Income Guarantee.
- 3.23 A national television advertising campaign between May and November 2000 supported the first tranche of mail-shots and was designed to encourage use of the Department’s new claim service. The advertisements featured well known figures, and were intended to challenge the perceived stigma by emphasising that Minimum Income Guarantee was an entitlement. Research into the campaign by the Department of Work and Pensions in Great Britain indicates that it raised the awareness of Minimum Income Guarantee, with the proportion of respondents who had seen or heard anything about the benefit or Income Support increasing by 32 percent to 74 per cent.
- 3.24 Paragraphs 2.5 and 2.6 provided estimates that between 24,000 and 36,000 pensioners may be entitled to Minimum Income Guarantee but not claiming it.

The Department told us it was confident that the 39,000 mail-shots generated as a result of the data match would have addressed a significant percentage of these latest estimates of the population potentially entitled to the benefit. It is difficult to measure precisely the extent to which the Minimum Income Guarantee campaign increased take-up levels due to changes in the capital rules in April 2001 which widened eligibility to include pensioners with savings of up to £12,000. However, as a result of various take-up initiatives, by the end of March 2002, some 14,500 additional Minimum Income Guarantee claims were received of which some 8,500 were successful. Despite the publicity, a large proportion of low income pensioners still appear to have little knowledge about the benefits that are available to them or are reluctant to avail of them for their own reasons.

- 3.25 While under-claiming of the Minimum Income Guarantee is a general problem among the pensioner population, we are concerned that disabled pensioners with care needs may be particularly vulnerable to missing out on entitlements. Many pensioners may be eligible for the Minimum Income Guarantee by virtue of being severely disabled but to prove this they may need to have claimed Attendance Allowance (a benefit for people aged 65 or over with a physical or mental impairment.) However, the available guidance does not address the possible linkage between the two benefits in a clear and unambiguous way.

- 3.26 In line with the client-focused approach taken in its “Pensioners Guide” (see paragraph 3.18), we consider that the Department should look to build on the work carried out for the Minimum Income Guarantee campaign by extending the focus of future take-up initiatives for pensioners so that they will encompass other benefits and, in particular, Attendance Allowance and Disability Living Allowance.

Campaign to Tackle Fuel Poverty

- 3.27 Fuel poverty ie the inability to maintain adequate temperatures in a household for reasons of cost, is an important factor in the social exclusion of pensioners. As well as causing difficulties for elderly people who may sometimes face a choice between keeping warm and eating, it can lead to the wider social costs of general

ill-health and excess winter deaths. In April 2001, the Department launched a home energy efficiency initiative marketed as the Warm Homes Grant Scheme and aimed at tackling fuel poverty in an estimated 170,000 households belonging to those on low incomes, lone parents, disabled people and pensioners. One estimate²⁰ suggests that approximately half of those households suffering fuel poverty contain people aged 60 or over (singles or couples). This would equate to around 85,000 pensioner households in Northern Ireland.

3.28 The scheme is managed by Eaga Partnership Ltd²¹ and provides grants for home owners or those living in private rented accommodation. Pensioners in receipt of specified benefits can receive a grant of up to £2,700 for the installation or conversion of central heating systems and other energy efficiency measures such as loft and cavity wall insulation.

3.29 The target of the Warm Homes Grant Scheme is to have assisted at least 40,000 households by 2006. Figure 5 shows that by December 2002 significant progress had been made towards the target and in meeting the needs of pensioners in particular. Over 60 per cent of referrals and completed jobs were in households occupied by pensioners. In view of the demand, the budget for the scheme was increased from £4.3 million in 2001-02 to £8 million in 2002-03.

Figure 5: Warm Homes Scheme - December 2002

	Referrals	Heating Completed	Insulation Completed	Total Completed
All Applicants	13,921	2,153	8,222	10,375
Over 60: Owner Occupiers	7,734	1,979	3,658	5,637
Over 60: Private Rented	1,532	324	692	1,016

Source: Eaga Partnerships Ltd

²⁰ *Energy Follow-Up Survey*, Department of Environment, Food and Rural Affairs, 1998.

²¹ *Eaga Partnership Ltd is an employee-owned company which manages a varied range of public and private funded schemes aimed mostly at low-income households. The administration of the Warm Homes Scheme by Eaga Ltd was not examined as part of this report.*

- 3.30 Failure to claim entitlement to benefits, however, can contribute to the problem of fuel poverty among pensioners, as not taking up benefits can render them ineligible for initiatives such as the Warm Homes Scheme. For example, another scheme operated by the Armagh and Dungannon Health Action Zone in Aughnacloy and Darkley as a pilot project to inform policy on the development of the Warm Homes initiative found that a number of the householders surveyed were not aware of, or not claiming, benefits to which they were potentially entitled. As a result, many households required advice on benefits as well as assistance in making claims. As partners in the Health Action Zone the local Citizens' Advice Bureaux and Social Security Agency offices conducted benefits health checks for householders resulting in an increase in their weekly income and, importantly, qualifying them for Warm Homes grants. Advice facilities were also set up in the local country market to increase local awareness of benefits available and encourage them to avail of assistance.
- 3.31 Since the commencement of the Warm Homes Grant Scheme, there have been instances where householders of pensionable age applying for grants appeared not to be in receipt of the qualifying benefit(s) to which they were entitled. In these instances all Eaga Partnerships Ltd have been able to do is direct individuals to either a local Social Security Agency office or voluntary advice group. Case Examples 1 and 2 demonstrate that the quality of pensioners' lives can be improved significantly by ensuring that they take up all the benefits to which they are entitled.

Case Example 1

An application was made by an elderly couple living in the Dungannon area. They own their own home and one was in receipt of Attendance Allowance (AA). AA entitled them ONLY to insulation measures not the central heating system that they actually needed. Both were in ill health and Mrs. X, who suffered from osteoporosis, had to light and maintain a coal fire so that Mr. X could come down to a warm room. The coal fire only provided heat in the living room and there was no heat in any other part of the house which meant that there was damp and mould particularly in the kitchen and bathroom. Mr. & Mrs. X's health was also affected by this as they were moving from one room of extreme heat to another of extreme cold. When this situation was highlighted, Eaga decided to explore the options fully. After making an initial application for Rate Rebate (a qualifying benefit) and involving the local Citizens Advice Bureau, the outcome was positive. The Rate Rebate application was approved with a payment of £116.60 being made. In addition, the couple successfully applied for Minimum Income Guarantee and AA for both parties at a higher rate than before. The final outcome was not only that Mr. & Mrs. X's income increased quite considerably but they also were now in receipt of a qualifying benefit. This meant that as well as getting their home fully insulated, they also had a fully controllable oil fired central heating system installed

Case Example 2

A case came to light in the Armagh area where Mrs. Y was over 60 owned her own home but was not in receipt of any benefits. This woman lived alone, had had breast cancer twice and continued to suffer from an acute chest complaint. She had a coal fire which only heated the living room and had mould etc. in many other rooms in her home. Socially she became quite isolated as she often refused company because she was embarrassed about the state of her home. Her physical ill health was exacerbated by moving from extreme heat to extreme cold and in the winter months she had to eat, sleep and bathe in the living room as this was the only area of the house that had any heat. To highlight the advantages of getting onto the right benefits, with Mrs. Y's consent, Eaga involved the local C.A.B. Mrs. Y was entitled to only 17p a week of Rate Rebate but she now became an eligible candidate for the Warm Homes Scheme. As a result of this, Mrs. Y received insulation measures and a fully controllable oil fired central heating system.

- 3.32 Despite the successful outcome in these two cases, it may be the case that some prospective claimants do not fully explore their entitlements and lose out on both benefits and inclusion on the Warm Homes Scheme. Eaga Partnership Ltd has been proactive in developing relationships with statutory and voluntary

organisations that work with pensioners to seek new ways of identifying, targeting and encouraging eligible individuals to apply to the Scheme. We understand that the Department is currently considering a proposal from the company for the provision of an outreach “benefit health-check” service and someone to actively apply for benefits on behalf of the householder. In our view, the development of such a collaborative approach is an effective way of helping encourage pensioners to take up their entitlements to benefits. The Department told us that this is something it hopes to develop at local level through the work of its Pension Advisers (see paragraph 3.15).

- 3.33 In another initiative to target pensioners who are likely to be eligible for grant under the Warm Homes Scheme, Eaga contracted with the Northern Ireland Housing Executive to send information leaflets about the scheme to pensioners who were receiving housing benefit in respect of privately- rented accommodation.
- 3.34 While the company are unable to quantify precisely the impact the mail-shots had on the number of referrals subsequently received, it considers the outcome of the exercise to have been cost-effective. As a measure of this, it attempted to replicate the procedure through the Rate Collection Agency (an agency of the Department of Finance and Personnel) who hold information that can be used to identify pensioners in owner-occupied households who are in receipt of rate rebates. The Rate Collection Agency will release information where Eaga has obtained the prior consent of individuals. However, following advice from the Information Commissioner, it has informed Eaga that there are limitations on third-party use of information that it holds and to inform its clients about the scheme would be a breach of Data Protection legislation. The Rate Collection Agency told us that current legal advice indicates that appropriate statutory provisions must underpin any data matching exercise.

3.35

However, we consider that as the concept of joined-up working is central to the Modernising Government reform programme, it is important that the Department seeks ways of overcoming barriers to more effective local collaboration. For instance, the Housing Executive, the Rate Collection Agency and the Social Security Agency have an electronic link between their respective databases. In view of the level of collaboration between these agencies, we recommend that the Department considers how the exchange of information could be extended to specifically highlight and contact pensioners who may be entitled to benefits but are not claiming. For instance, periodic data-matches might be used to identify potentially eligible non-recipients of Warm Home Grants by tracking pensioners in receipt of rate rebates who have not applied to the scheme. Similarly, data-matching could be used to identify pensioners who are in receipt of Minimum Income Guarantee but not receiving Housing Benefit, and vice-versa.

Partnerships with the Voluntary Sector

3.36 While the Department has the prime responsibility for encouraging pensioners to take up their benefit entitlements and tackling the barriers to this, we acknowledge that the assistance of a range of other organisations is essential if this responsibility is to be successfully met. As outlined at paragraph 3.15, the Pension Advisers appointed by the Department are intended to work closely with local communities in targeting those pensioners potentially entitled to benefits. In general, we found that voluntary organisations were often heavily involved in initiatives to encourage pensioners to claim benefits. A range of different advice services was identified:

- **Outreach:** in addition to the home visits offered to pensioners by local Social Security Offices, home visits are also provided by Citizen Advice Bureaux and Age Concern staff. Weekly advice sessions are also provided at some GP practices by Citizen Advice Bureaux staff. Although these are not specifically targeted at pensioners they do provide a potential contact point for them;
- **Telephone Help-lines:** in addition to the help-lines run by the

Department, for example the Benefit Enquiry Line and the Warm Homes help-line run by Eaga Partnership Ltd, there are numerous help-lines for pensioners providing detailed benefits advice, for example: Age Concern's *Advice Line* which dealt with 4,329 queries in 2000-01 and reported benefit maximisation of £68,000; and Help the Aged's *Seniorline*, which dealt with around 5,500 enquiries in 2000-01 and identified £75,000 in unclaimed benefits.

- **Leaflets and Information Packs:** A British Gas/Help the Aged partnership in Great Britain has led to the production of a benefits information leaflet "Can you claim it?". Help the Aged in Northern Ireland have distributed these leaflets to local GP practices, libraries, pensioner groups and individuals. Age Concern has produced a book on *Your Rights: A Guide to Money Benefits for Older People*.

3.37 Voluntary organisations, with a more local base, often are better placed to understand the needs of the communities within which they operate and may also be more acceptable to potential claimants as points of contact. Figure 6 describes the key features of one collaborative initiative undertaken in Cookstown, and highlights the outcomes of the work.

Figure 6: The Cookstown Benefits Uptake Campaign

Approach: Helping families and individuals to access social security and disablement benefits.

Details: This campaign provides advice on benefit entitlements through outreach clinics in rural areas and home visits when appropriate. Core funders in the project are the National Lottery Charities Board, Rural Development Council, Cookstown District Partnership, Cookstown District Council and the Northern Ireland Housing Executive.

Outcomes: Since the campaign was launched in September 1996 and the campaign's Annual Report and Accounts for 1999 -2000 indicated that it had netted a total of £248,000. Pensioners accounted for a quarter of more than 700 contacts made to the campaign throughout Cookstown District.

3.38 In view of the Cookstown experience and similar examples from Great Britain contained in the report by the National Audit Office (see paragraph 1.6), we consider it crucial that the Department works in partnership with others in order to improve their performance in successfully encouraging benefit uptake among eligible pensioners. The Department has initiated co-operation on issues related to benefit take-up with the voluntary sector at a regional level:

- It has established a regional *Partnership for Pensioners* working group whose aim is to develop ways of improving benefit awareness and uptake for older people.
- In May 2001 the Department launched its “*A-Z Guide*” for pensioners; in June 2002 it launched an “*A-Z Guide for People with Disabilities*,” many of whom are pensioners; and in October 2002 it produced an “*At a glance guide to the Minimum Income Guarantee*” for use by advice workers and health service personnel. A range of voluntary groups representing the interests of older people were closely involved in the development of these;
- The Department worked jointly with Age Concern/Help the Aged in promoting the Minimum Income Guarantee initiative: for example, provision of posters and leaflets for display; joint publicity campaigns at Agency/ Age Concern offices in provincial towns; and visits to pensioners’ clubs and day centres; and
- The Social Security Agency has agreed to provide funding to the voluntary sector to alleviate the additional work expected to be generated as a result of the implementation of the Northern Ireland Welfare Reforms and Modernisation Programme. This will include works on the Pensions Credit and Direct Payment. This funding will be administered through the Department.

3.39 At local level, we found that many of the Social Security Agency's 35 offices had run benefit uptake events, some with a specific focus on pensioners. In addition many of them had also developed partnerships with local voluntary groups with whom they met regularly to raise awareness of benefits, share information or address problem issues. In terms of Housing Benefits, the Rate Collection Agency undertook an awareness campaign in partnership with the Agency, District Councils and the voluntary and community sectors during 2002 - 2003. This campaign involved outreach access days in all 26 Council areas, a Freephone service to discuss entitlement supported by joint marketing by the partnership and local newspapers. In our view, the potential benefits from working with partners are greater than has been realised to date.

3.40 While one-off take-up initiatives, like the Minimum Income Guarantee campaign, can have some success, in our view, these need to be supported by a longer-term, sustained strategy to improve take-up among all those who are eligible. In order to persuade reluctant pensioners to claim what is rightfully theirs, we consider that this strategy needs to be based on greater co-ordination between the Department and those voluntary organisations that have built up contacts with pensioners on a local basis. We acknowledge that the Department has introduced Pension Advisers (see paragraph 3.15) and we recommend that these Advisers should continue to build on the success of the pilot exercise in developing local partnerships to provide an improved level of local advice service.

Benefits Advice in Primary Care

3.41 General practitioners and community nurses are exceptionally well placed to detect those pensioners who are suffering genuine financial hardship but they are not well equipped to give advice about the complex system of social security benefits. As a result, in Great Britain, the National Association of Citizens Advice Bureaux reported in 1999²² that health authorities provided £2 million to fund its provision of general welfare advice in health care settings. In addition, local authorities are funding similar projects throughout the country.

²² *Prescribing Advice*, National Association of Citizens Advice Bureaux: London, 1999.

- 3.42 As indicated at paragraph 3.36, the Citizens Advice Bureaux in Northern Ireland also provides such an outreach service on a small scale. Typically, these projects involve placing an advice worker within a GP surgery for one session a week. Patients may be referred for advice by the GP and other health care staff or may be able to make an appointment directly themselves. Recent developments within the South and East Belfast Health and Social Services Trust will provide the opportunity to build on such work. The Trust is currently in the process of opening three new Community Treatment and Care Centres which are intended to provide a one-stop service by bringing together, under one roof, treatment, care and information services which had been provided from a large number of buildings spread throughout the south and east of the city. The Citizens Advice Bureaux offices for this area of Belfast will be located within the three Centres.
- 3.43 In Great Britain, a number of projects have conducted benefit take-up campaigns targeted specifically at pensioners registered with particular practices. Figure 7 presents the outcomes for three such schemes.

Figure 7: Examples of income generated for pensioners by benefit take-up campaigns

Project	Income Generated
<p>North Derbyshire RDA Project</p> <p>Mailshots to all patients 60 years + over two years two years (April 1996-March 1998)</p>	<p>233 claims 127 won; 6 pending; 73 lost.</p> <p>New Entitlement: £250,000. Arrears: £32,000 TOTAL: £282,000</p>
<p>GP Surgery in Camden (Reported in NACAB (1999))</p> <p>CAB advisor wrote to all registered patients over 80 years.</p>	<p>206 patients contacted. 93 (45%) received a benefit. £137,820 in extra annual income. £11,440 generated in one-off payments and arrears. The most common benefit received was Attendance Allowance.</p>
<p>Lancashire County Council Welfare Rights Service (2000)</p> <p>Benefits checks to all listed pensioners at 3 GP practices in Clitheroe Health Centre.</p>	<p><u>Project 1: Contacted all 80 years +</u></p> <p>769 letters sent; 199 (26%) responded; 188 benefits checks conducted; 109 (63%) potential claimants identified. Total 128 claims made Total unclaimed benefits obtained: £3,856/week or £200,554/year. Range: 65p - £150/week. Main unclaimed benefits: Attendance Allowance (48%); income support (23%); council tax (20%)</p> <p><u>Project 1: Contacted all 75-80 years</u></p> <p>775 letters sent; 182 (23%) responses; 174 benefits checks conducted; 109 (63%) potential claimants identified. Total 196 claims made Total raised: £5,389/week or £303,660/year. Range: 70; to 172 week. Main unclaimed benefits: Attendance Allowance (47%); council tax benefit (23%); income support (18%). Note: Higher income from Project 2 due to more couples (Two claimants) and home visits.</p>

Source: Welfare Advice in Primary Care, Peter Greasley and Neil Small, Nuffield Portfolio Programme Report 17, January 2002.

3.44 Research in this area also supports the view that welfare services provided in partnership with primary care meet the needs of patients and health service staff alike: there is evidence that such services may lead to an improvement in the health and quality of life of patients²³ while such improvements may have the added benefit of reducing patients' use of health service resources, for example consultations and prescriptions.²⁴

23 *An evaluation of the health and advice project: its impact on the health of those using the service*, S. Abbott and L Hobby, Health and Community Care Research Unit, University of Liverpool, 1999.

24 *Mutual Benefits*, R. Bundy, Health Service Journal, 2001.

- 3.45 The restructuring of the administration of pensions within the Department has led to a greater focus on outreach services, as characterised by the introduction of Pension Advisers across the social security network. Within such a potentially supportive organisational framework, we consider that there is scope for the Department to work more intensively with the voluntary sector in order to engage more directly with pensioners in their own communities by seeking opportunities to provide benefits advice in GP surgeries and health centres.

Costs and Benefits of Take-up Initiatives

- 3.46 The publicity campaigns, provision of information and outreach initiatives referred to above are all important elements in ensuring that pensioners receive the income they are entitled to. Non-recipients are not a uniform group and different people respond to a variety of approaches. In addition to the proportion of successful claims generated by a particular approach, it is, of course, essential that the Department monitors the costs of benefit take-up work.
- 3.47 We found that the independent evaluation of the Minimum Income Guarantee campaign, for example, measured its effectiveness in terms of the increase in caseload numbers after publicity and calculated the weekly benefit gain based on the increases eventually obtained. Across Northern Ireland this averaged £23 a week per successful claim, amounting to an annualised sum of around £5 million. However, while the campaign generated a large number of new claims, it also resulted in a significant number of unsuccessful claims. Moreover, we acknowledge that the Department for Work and Pensions bore the costs of the advertising campaign, the mailshots and the provision of the claim line. Other resource implications of the campaign in Northern Ireland were not subject to measurement by the Department: for example, information booklets and the provision of advice and staff training.

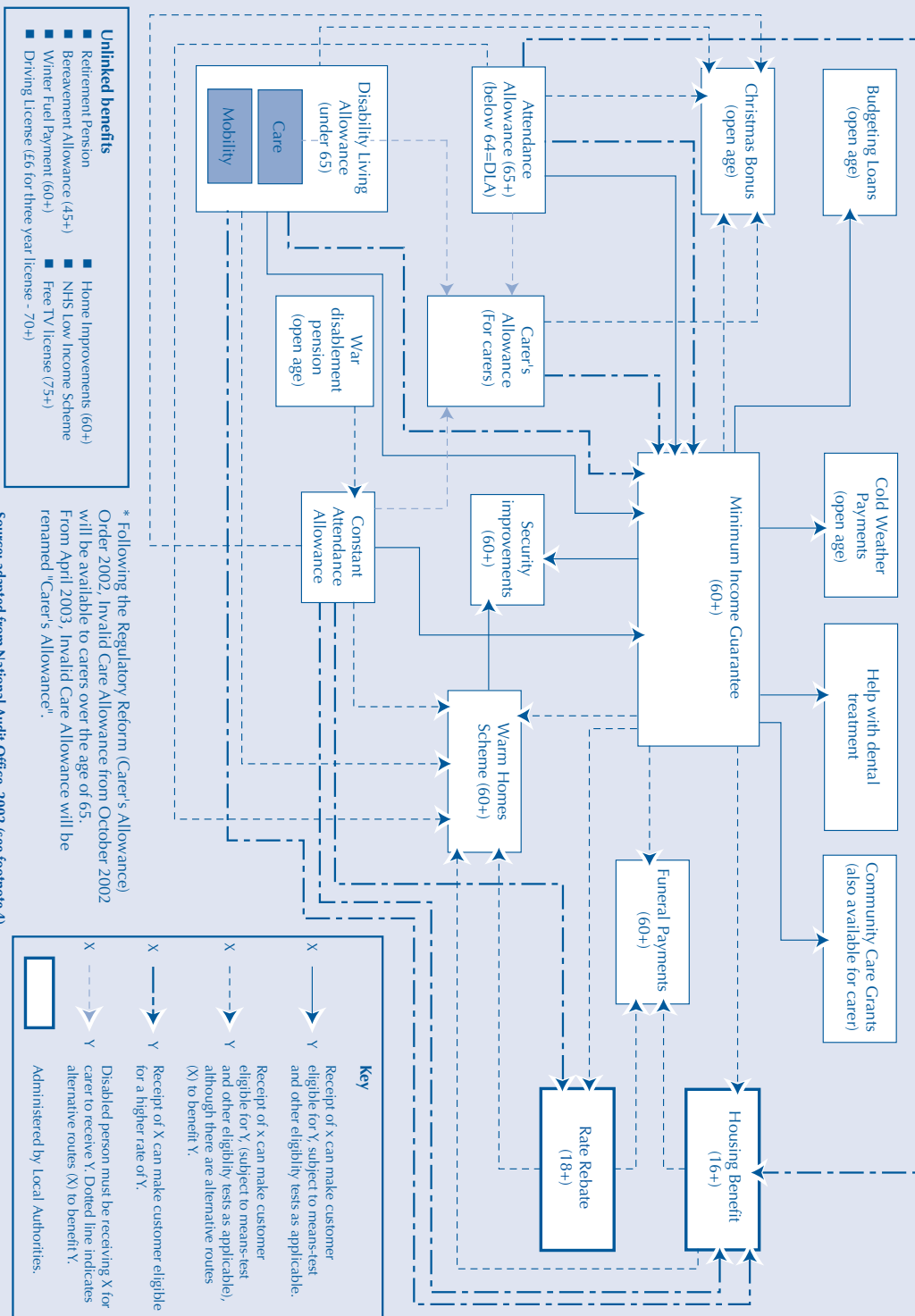
- 3.48 Take-up campaigns can prove to be costly, so it is important that the Department collects such information in order to assess the worth and success of comparative take-up initiatives. Establishing a standard method for measuring costs and benefits will enable the Department to evaluate campaigns and to make better informed decisions about targeting resources on take-up activity.

General Conclusions

- 3.49 We acknowledge that the various campaigns run by the Department and others have made good progress in encouraging eligible pensioners to claim their benefit entitlements. However, we are concerned that many older people are still struggling to make ends meet and it is important, therefore, that the Department ensures that pensioners claim and receive all the help to which they are entitled.

- 3.50 In our view, the reorganisation of the administration of pensions within the Department (see paragraph 3.11) provides it with the opportunity to promote the take-up of benefits to pensioners in a more coordinated and systematic way and to disseminate good practice. To succeed in this, however, we consider it imperative that certain key elements are put in place:
- the collection and maintenance of qualitative data on take-up levels and the analysis of reasons for low take-up rates across Northern Ireland;
 - the development of strategies and the strengthening of partnerships with other bodies and agencies, particularly the voluntary sector. *The Partnership for Pensioners* working group (see paragraph 3.38) provides a good platform for taking forward the recommendations of this review; and
 - appraising how “fit for the purpose” different take-up initiatives are so as to inform the development of best practice.

Benefits for Pensioners: Linkages



Appendix 2

Breakdown of the Benefit Combinations Being Claimed by Pensioners (May 2002)

	MALE	FEMALE	ALL
DLA only	368	1,302	1,670
AA only	539	786	1,325
DLA, AA	3	5	8
SDA only	28	111	139
SDA, DLA	47	722	769
SDA, AA	14	64	78
SDA, DLA, AA	1	14	15
IB only	4	6	10
IB, DLA	5	3	8
IB, AA	0	0	0
IS only	783	1,204	1,987
IS, DLA	450	1,076	1,526
IS, AA	388	742	1,130
IS, DLA, AA	5	19	24
IS, SDA	79	212	291
IS, SDA, DLA	242	688	930
IS, SDA, AA	81	190	271
IS, SDA, AA, DLA	8	16	24
IS, IB	1	8	9
IS, IB, DLA	2	10	12
IS, IB, AA	0	0	0
RP only	47,828	77,067	124,895
RP, DLA	8,354	15,141	23,495
RP, AA	13,405	22,398	35,803
RP, AA, DLA	145	177	322
RP, IS	4,289	9,781	14,070
RP, IS, DLA	4,101	7,966	12,067
RP, IS, AA	8,145	24,404	32,549
RP, IS, AA, DLA	108	224	332
TOTALS	89,423	164,336	253,759

Key:

Attendance Allowance (AA)

Incapacity Benefit (IB)

Severe Disablement Allowance(SDA)

Disability Living Allowance(DLA)

Income Support (IS)

Retirement Pension (RP)

Source: Department for Social Development

List of NIAO Reports

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