



Northern Ireland Audit Office

Uptake of Benefits by Pensioners



REPORT BY THE COMPTROLLER AND AUDITOR GENERAL
23 February 2011



Northern Ireland Audit Office

Report by the Comptroller and Auditor General for Northern Ireland

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Uptake of Benefits by Pensioners

This report has been prepared under Article 8 of the Audit (Northern Ireland) Order 1987 for presentation to the Northern Ireland Assembly in accordance with Article 11 of that Order.

K J Donnelly
Comptroller and Auditor General

Northern Ireland Audit Office
23 February 2011

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Abbreviations

A2B	Access to Benefits
ASA	Advice Service Alliance
ASU	Analytical Services Unit
BEU	Benefit Entitlement Unit
BME	Black and Minority Ethnic
CARDI	Centre for Ageing Research and Development in Ireland
CSR	Comprehensive Spending Review
DFP	Department of Finance and Personnel
DHSSPS	Department of Health, Social Services and Public Safety
DLA	Disability Living Allowance
DSD	Department for Social Development
DWP	Department for Work and Pensions
FRS	Family Resources Survey
FYB	For Your Benefit
HMRC	Her Majesty's Revenue and Customs
ICT	Information Communication and Technology
IDGBU	Inter-departmental Group on Benefit Uptake
LPS	Land & Property Services
NIA	Northern Ireland Assembly
NIAO	Northern Ireland Audit Office
NICS	Northern Ireland Civil Service
NIE	Northern Ireland Electricity
NIHE	Northern Ireland Housing Executive
NISRA	Northern Ireland Statistics and Research Agency
OFMDFM	Office of the First Minister and Deputy First Minister
PSA	Public Service Agreement
PTP	Pensions Transformation Programme
SSA	Social Security Agency
VFM	Value for Money

Executive Summary



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Background

1. The number of people of state pension age is growing. At 30 June 2010, 17 per cent (307,000) of the Northern Ireland population were pensioners. By 2041, this is expected to rise to 23 per cent (479,000). More than one in five of Northern Ireland's pensioners are classified as living in poverty.
2. While pensioners rely on a number of different sources for their income, they are highly dependent on benefits. 55 per cent of pensioners' income comes from benefits – primarily State Pension. Therefore maximising household income by accessing a range of benefits can make a crucial difference to the lives of older people.
3. However, pensioners do not always claim those benefits to which they are entitled. The main barriers include perceptions of non-eligibility, concern as to how receipt of one benefit could impact on continued eligibility for another benefit and the belief of many non-claimants that they have sufficient funds to live on. Several reports, including by the Westminster and Assembly Public Accounts Committees and organisations such as Help the Aged have identified that lack of uptake of benefits by pensioners needs to be addressed.
4. The main public sector agencies and bodies involved in administering benefits to pensioners are the Department for Social Development's Social Security Agency (SSA) and Northern Ireland

Housing Executive (NIHE); and the Department of Finance and Personnel's (DFP) Land & Property Services (LPS).

Estimating Benefit Uptake by Pensioners

5. It is inherently difficult to estimate benefit uptake rates. In the past, the Department for Social Development (the Department) relied on information generated from the Family Resources Survey (FRS) to produce uptake estimates on two of the main benefits - State Pension Credit and Housing Benefit. However, the FRS is not sufficiently detailed in terms of income levels and personal circumstances to accurately identify those who would qualify for benefit and the survey results were prone to very wide margins of error. For example, the 2004-06 FRS estimated that unclaimed entitlement to State Pension Credit ranged from £26 million to £168 million; and Housing Benefit ranged from £5 million to £29 million. Because of these weaknesses, estimates of uptake are no longer produced from this source.
6. Historically the Department had not estimated uptake rates for pensioner benefits other than State Pension Credit and Housing Benefit. However in 2008, external consultants produced uptake estimates for the remaining pensioner benefits. This exercise estimated uptake rates by pensioners ranging from 45 per cent for Attendance Allowance to 95 per cent for State Pension. However the consultants considered that this work should be regarded as a first step towards

producing sound estimates, noting that the absence of comprehensive, reliable management information prevents production of sound estimates.

7. LPS administers four rate-related benefits:
- through its membership of an Inter-departmental Group on Benefit Uptake (IDGBU), LPS is continuing to work with colleagues to quantify uptake levels of Housing Benefit among owner-occupiers;
 - in relation to the Disabled Persons Allowance, which is awarded to ratepayers who make certain specific changes to their property to facilitate disabled persons, it is impossible to determine numbers eligible and, consequently, uptake rates;
 - using information from the FRS, LPS estimates that uptake levels for the Lone Pensioner Allowance is high, at around 77 per cent; and
 - in relation to uptake rates for Rate Relief, a review commissioned by DFP in 2007 indicated that around 42 per cent of those eligible were not taking up their entitlement. Pensioners were identified as one of the main groups.
8. Although producing reliable estimates of benefit uptake rates can be difficult, without such estimates, NIAO considers that there is a lack of a firm evidence base to develop an uptake strategy. The lack of data in this area represents a

major information deficit as it eliminates the possibility of benchmarking against the UK as a whole and it limits the extent to which meaningful targets can be set. If benefit-paying agencies are to improve the level of uptake on benefits, they must continue to consider cost-effective ways of generating relevant information.

Improving Benefit Awareness and Increasing Uptake of Benefits by Pensioners

Data Sharing

9. The legislative base is in place to share data across the benefit-paying agencies in Northern Ireland for the purposes of detecting fraud and for encouraging the uptake of benefits. SSA has appropriate protocols and legislation in place for sharing data with LPS. Although ongoing discussions are taking place concerning the transfer, use, storage and disposal of data, as yet there are no protocols in place with NIHE.
10. The introduction of legislation to allow agencies to share data for the purposes of detecting fraud and encouraging the uptake of benefits is welcome. In future, individual agencies must maintain records of individual data sharing activities and be in a position to produce information on the extent to which each exercise detected fraud or improved the uptake of benefits.

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Other measures introduced to improve uptake

11. Each of the benefit-paying authorities has introduced measures to improve uptake of its benefits. Key measures are as follows.

SSA

12. The SSA, in partnership with the Independent Advisory Sector, has undertaken five Benefit Uptake Programmes at a cost of approximately £2.4 million. The exercises targeted over 70,000 pensioners and resulted in additional annual benefit payments of £17.3 million to this group. Other activities brought the total additional benefit payments for pensioners up to over £25 million. An independent review (produced in 2008) reported that *“the benefit uptake activities to date have proved to be reasonably successful in terms of generating additional benefit uptake, are perceived to be positive in overcoming barriers to benefit uptake and are able to proactively target harder to reach customers”* but also made a number of recommendations for improvement.
13. A range of measures have also been developed by SSA, as part of its day-to-day business, to ensure that people are advised of their potential entitlement to benefits. These include review and simplification of application forms; provision of an Online Benefit Calculator; provision of advice and information through the NI Direct website; and the provision of Pension Service Outreach

Services which provides Pension Advisers at locations throughout Northern Ireland. The SSA has not undertaken any specific evaluations to assess the impact of each of these individual developments but considers that the measures it has introduced should help address barriers to benefit uptake.

14. In addition, SSA's Pensions Transformation Programme (PTP) aims to simplify access to the full range of pensioner benefits. PTP enables more joined-up working between the State Pension and State Pension Credit systems. The relative costs and success of the PTP have not yet been assessed. This is due to be done later this year as part of its Post Project Review.

NIHE

15. NIHE launched its formal strategy for improving the uptake of Housing Benefit in the social rented sector in September 2009. However, even in the absence of a formal strategy, it had taken a range of steps to improve uptake. These include:
- the inclusion, as part of the new tenancy “sign-up procedures”, of information for all new NIHE tenants on the Housing Benefit scheme;
 - the inclusion of reminders about the availability of Housing Benefit on tenants’ quarterly rent statements and on all correspondence relating to rent arrears;

- a publication entitled "Housing News" is circulated to all tenants and includes information on Housing Benefit and other benefits; and
 - leaflets on pensioner entitlement to Housing Benefit have been printed and circulated and benefit information is available from the NIHE website.
16. The launch of NIHE's formal uptake strategy in 2009 is still relatively recent and it will be important that, in due course, the success of the strategy in increasing uptake is measured and any lessons are widely disseminated.

LPS

17. The Northern Ireland domestic rating system was revised in April 2007. A Review of the new system identified that pensioner poverty could be reduced by encouraging eligible pensioners to secure Rate Relief. Following the Review, from April 2008 a range of Rate Relief measures were introduced to assist pensioners.
18. DFP also commissioned a study on Housing Benefit, Rate Relief and Disabled Persons Allowance to develop a strategy to improve uptake of benefits by vulnerable groups. The study was published in March 2008 and all of the recommendations were accepted by the Department. Improvements introduced included the revision and simplification of application forms and leaflets for all LPS schemes and the availability of a "visits service" to pensioners who request

assistance completing application forms. IDGBU was established to oversee the implementation of cross-cutting recommendations arising from the report.

19. LPS also commissioned Advice NI to prepare proposals for an uptake pilot project. Following Advice NI proposals, LPS ran two pilots targeting 200 people. Although LPS evaluated the exercise as 'disappointing', 25 individuals were awarded additional benefits, amounting to a total of £20,000.

The Views of the Independent Advisory Sector

20. We asked a number of Independent Advisory Sector groups for their views on how benefit uptake might be improved. The groups acknowledged and commended the efforts that had been made to date to promote the uptake of benefits. However, they also suggested that further improvements could be made.
21. Suggested improvements included the development of a more collaborative approach, with improved communication between the various agencies and with the voluntary sector. Groups also suggested the adoption of a longer-term approach, with better planning of individual benefit uptake campaigns. The extension of outreach activities was also suggested as a positive step. A recurring theme raised by groups in improving uptake was the need to remove complexity within the benefits system and to simplify the application

Executive Summary

process. There was also a call for a commitment to longer-term outcome-based funding for independent advice services and the removal of means-testing which was considered to be invasive on the applicant.

22. Independent Advisory Sector groups considered that, with the current economic climate set to deteriorate further, the need to increase the uptake of benefits is becoming more important. They recommended the development of more innovative, cost-effective and longer-term strategies to ensure that the most vulnerable and disadvantaged people are protected.
 23. It is important that the views of the Independent Advisory Sector groups are fully considered by the relevant departments and agencies and, where appropriate, action is taken to resolve the issues raised. The recent formation of the IDGBU could usefully act as a forum for engaging with the Independent Advisory Sector on a planned and regular basis.
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Part One:
Introduction and Background



Part One: Introduction and Background

People of pensionable age represent an increasing proportion of the population as a whole and around one fifth are classified as living in poverty

1.1 In Northern Ireland, as elsewhere in the United Kingdom, the number of people of state pension age¹ is growing. At 30 June 2010, 17 per cent (307,000) of the Northern Ireland population were pensioners. By 2030, pensioners are expected to account for almost 20 per cent (401,000) of the Northern Ireland population, rising to 23 per cent (479,000) by 2041².

1.2 During 2008-09, 23 per cent (or just over one in five) of Northern Ireland's pensioners were living in poverty³; of these, 15 per cent were living in deeper poverty⁴. Comparative figures across the UK were 16 and 9 per cent respectively.

1.3 Statistics indicate that there are specific groups of pensioners who are particularly vulnerable, including those living in disadvantaged areas and those who are over 75 years of age, especially

single females/widows who may not have occupational pensions. In 2008, a report⁵ identified pensioners as "*the biggest single group among the fuel poor*⁶". That report stated that, at the time, 54 per cent of those in fuel poverty were over 60. The combined effect of constraints on public spending, as a result of the current economic climate, and rising fuel costs will undoubtedly mean that more pensioners will experience the health impacts of living in fuel poverty.

1.4 Further analysis of Northern Ireland poverty figures shows that there are pockets of poverty within Northern Ireland. Figure 1 shows the distribution of pensioners living in poverty (using a 3 year average from 2006-07 to 2008-09) across each of the 26 Local Government Districts.

1 Currently the state pension age for men is 65. On 6 April 2010, the state pension age for women started to increase gradually from age 60 to 65 making it equal to that of men. As part of the Spending Review (October 2010), the Government announced that the state pension age for men and women will reach 66 by 2020.

2 NISRA Population Projections by the Office of National Standards (2008 based)

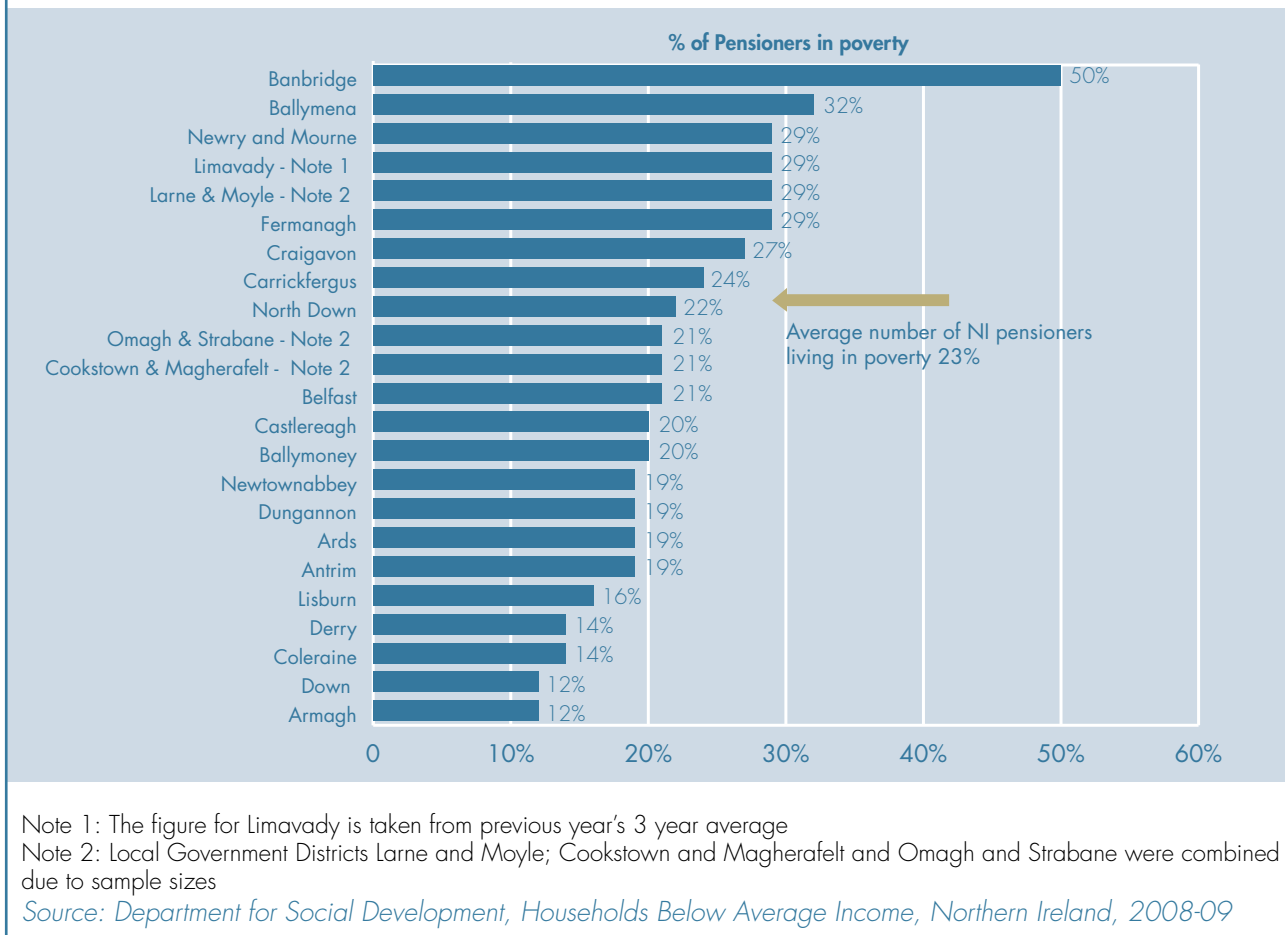
3 DSD, Households Below Average Income Report, NI 2008-09 – living in poverty is defined as those individuals living on less than 60% of the average UK income after deduction of housing costs: £206 per week

4 DSD, Households Below Average Income Report, NI 2008-09 – living in deeper poverty is defined as those individuals living on less than 50% of the average UK income after deduction of housing costs: £172 per week.

5 *Warm Homes: Tackling Fuel Poverty*, NIAO, NIA 178/07-08, 23 June 2008

6 A household is in fuel poverty if, in order to maintain an acceptable level of temperature throughout the home, the occupants have to spend more than 10 per cent of their income on fuel.

Figure 1: Percentage of pensioners living in poverty (using a 3 year average from 2006-07 to 2008-09) in each Local Government District



1.5 Research published in October 2010⁷ revealed significant disparities in income and pensions among the older population across Ireland. Single pensioners in Northern Ireland were found to be more at risk of poverty than those living in the Republic of Ireland while older women across Ireland were found to have a higher risk of poverty than men. The research identified that the recent fall in poverty rates among older people

living in the Republic of Ireland was largely due to a substantial increase in pension rates, but noted that poverty rates among older people in Northern Ireland have continued to increase. The report concluded that living standards for older people in the Republic of Ireland are higher than those for older people living in Northern Ireland.

⁷ *Inequalities in Older Age: The Impact of the Recession on Older People in Ireland, North and South*, Queen's University Belfast and University College Dublin, published by the Centre for Ageing Research and Development in Ireland (CARDI) on 20 October 2010

Part One: Introduction and Background

The Government's Anti-Poverty and Social Inclusion Strategy for Northern Ireland gives a commitment to ensuring older people have sufficient income to meet their needs

- 1.6 The government is committed to ensuring a better quality of life for people living in Northern Ireland, particularly among older people. To achieve this, it has developed several initiatives to tackle poverty and social exclusion, see Appendix 1. The Department for Social Development (the Department) is not responsible for reducing poverty but the benefits it administers play an important role in tackling poverty. Maximising household income by accessing a range of benefits can make a crucial difference to the lives of older people.
- 1.7 The government's efforts to enhance the lives of older people are supported by the Anti-Poverty and Social Inclusion Strategy for Northern Ireland. The Strategy sets out proposals aimed at ensuring that, by 2020, all older people enjoy financial security and independence. Planned initiatives include allowing older people to remain in work (should they choose to do so) and increasing the uptake of social security benefits.
- 1.8 Improving benefit uptake is also specified as one of the Northern Ireland Executive's priorities and since 2005-06 a Public Service Agreement (PSA) has been approved by the Executive which includes a target "..... to contribute to combating poverty by increasing benefit uptake through targeting vulnerable groups".

The latest Programme for Government document includes the following PSA target:

"to drive a programme across Government to reduce poverty and address inequality and disadvantage".

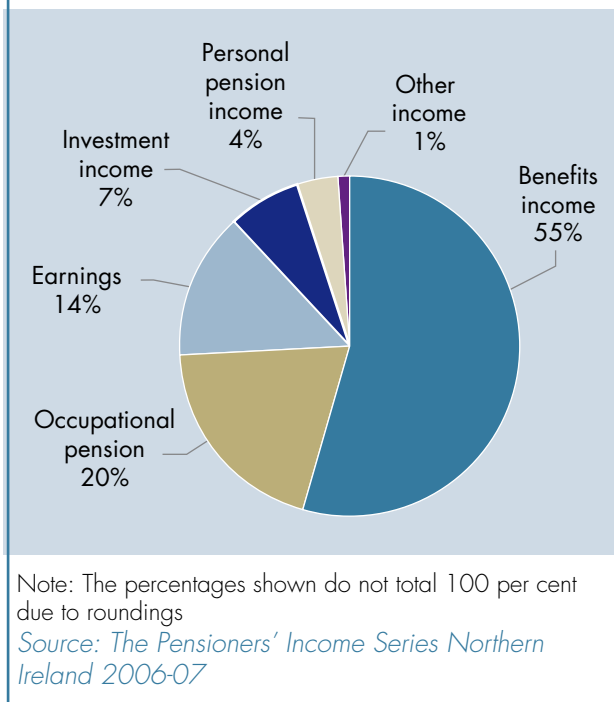
- 1.9 In support of this target, the Social Security Agency (SSA) has committed to continuing its Benefit Uptake Strategy activities and has adopted the following key targets:
- by December 2010 to have implemented a new operating model for delivery of services to pensioners; and
 - to meet published annual targets for implementation of key outcomes of SSA's Business Review.

Pensioners' incomes are highly dependent on income from benefits

- 1.10 Pensioners rely on a number of different sources for their income. In 2006-07, over half (55 per cent) of pensioners' income came from benefits⁸ – primarily State Pension. Each year, State Pension payments of around £1.5 billion are claimed by around 96 per cent of Northern Ireland's pensioner units⁹. Only around 14 per cent of pensioner units derived an income from earnings. On average, each pensioner unit receives a gross income of £302 per week. Figure 2 provides a breakdown of the sources of this income.

8 Figures were obtained from the Pensioners' Income Series 2006-07. The Department no longer publishes information in this format.

9 A pensioner unit refers to either a "single pensioner" or a "pensioner couple". A "pensioner couple" counts as one pensioner unit although it consists of two married or cohabiting people where either or both partners are over State Pension age. In 2006-07, there were a total of 200,000 pensioner units - 110,000 single pensioners and 90,000 pensioner couples (consisting of two people). People of pension age can exercise their right to defer receiving their State Pension until a later date.

Figure 2: Sources of Weekly Pensioner Income

There are well recognised barriers which stop older people claiming all the benefits to which they are entitled

1.11 Pensioners do not always claim those benefits to which they are entitled. There are several reasons why individuals may be reluctant to apply for benefits. Figure 3 provides a list of the possible barriers identified through research¹⁰. The main barriers include perceptions of non-eligibility, concern as to how receipt of one benefit would impact on continued eligibility for another benefit and the belief of many non-claimants that they have sufficient funds to live on.

A number of reports have identified that the lack of uptake of benefits by pensioners needs to be addressed

1.12 In 2003, we reported on the uptake of pensioner benefits¹¹ and examined the actions taken by government departments and agencies to encourage claims. Our report concluded that, while good progress had been made in encouraging pensioners to claim, many older people were still struggling to make ends meet.

1.13 The report acknowledged that efforts had been made to improve uptake. Actions such as improved form design; greater monitoring of the effectiveness of the telephone as the main means of providing information and advice; better targeting and dissemination of information on benefits; improved data matching with agencies; and the development of strategies and strengthened partnerships with the voluntary sector were all considered to be important steps in removing the barriers which prevent claims.

1.14 The report did, however, identify that the Department's lack of regional data on uptake levels had hindered development of a more strategic approach to identifying and reaching the most vulnerable pensioners who are not claiming the benefits to which they are entitled. As a result, the report recommended collation of data on estimated non uptake of benefits by pensioners to be used to improve the effectiveness of uptake initiatives across Northern Ireland.

¹⁰ This list of potential barriers was included in KPMG's *Strategic Review of SSA Benefit Uptake Activities* (April 2009) and followed a review of benefit uptake research undertaken in Great Britain and Northern Ireland.

¹¹ Encouraging Take-up of Benefits by Pensioners, NIAO HC 737, July 2003

Part One: Introduction and Background

Figure 3: Barriers to Benefit Uptake

- Attitudinal issues including fear of negative stigma for claiming benefits;
- The wish to remain independent, self-sufficient and maintain a sense of pride;
- A misunderstanding about the way benefits work and the complexity of the system;
- Issues regarding the process of applying, including objections to, or negative perceptions of, various aspects of the claim process, including:
 - a lack of awareness and a misunderstanding of the claim process;
 - the design and language used on application forms and explanatory notes;
 - evidence requirements;
 - unwillingness to disclose financial information;
 - fear of submitting documents;
 - the complicated application process;
 - fear of making fraudulent mistakes on a very complicated application form;
 - having to undergo complicated bureaucratic procedures and a loss of privacy;
 - the perception that the benefit administrators are policing, not helping, and are thought to be a cold, bureaucratic authority;
- Access problems to the Benefit Office, for example the lack or cost of transport, and waits involved while at the Benefits Office;
- The outcome of claims – the fear of refusal, and feeling that the hassle of the application process is not worth it for the amount received;
- A belief that the potential claimant is not eligible;
- Lack of awareness of particular benefits;
- Concern about how the receipt of some benefits would impact upon other benefits received;
- Individuals feel that they have sufficient income to live on.

Source: *Strategic Review of SSA Benefit Uptake Activities by KPMG, April 2009*

1.15 In a follow-up progress report in July 2005¹², the Department told us that further progress had been made by the Department/Agencies but accepted that additional work was required.

1.16 In April 2007, the Westminster Public Accounts Committee reported¹³ on the progress made by the Department for Work and Pensions (DWP) in encouraging the uptake of benefits to tackle pensioner poverty in GB. Its report made eight recommendations. In its response¹⁴ DWP undertook to:

12 Departmental Responses to Recommendations In NIAO Reports, HC 206, 19 July 2005

13 Twenty-sixth Report from the Committee of Public Accounts, 2006-07: DWP Progress in Tackling pensioner poverty – encouraging take-up of entitlements, HC 169, April 2007

14 Treasury Minutes on the Twenty-Sixth Report from the Committee of Public Accounts 2006-07: DWP Progress in tackling pensioner poverty – encouraging take-up of entitlements, Cm 7152, July 2007

- adopt a more joined up approach with a range of organisations, to provide more holistic responses to older people's needs;
 - improve the data it uses to target take-up activity, for example through the use of advanced data analysis techniques, and share lessons learned and good practice; and
 - introduce measures to simplify the benefit system.
- 1.17 During 2008, the Northern Ireland Assembly's Public Accounts Committee (the Committee) held two evidence sessions which dealt with social security related issues. In the first session,¹⁵ the Committee voiced its concerns that counter-fraud activity had the potential to discourage the uptake of benefits. In response to the Committee's concerns, the Department undertook to ensure that any future counter-fraud publicity campaigns would be designed in such a way as not to discourage the uptake of benefits, particularly by older people¹⁶.
- 1.18 In the second evidence session¹⁷, the Committee highlighted the potential for further collaboration with advice centres, the voluntary and community sector and other information outlets to assess benefit entitlement and promote benefit take up. In response to these concerns, the Department undertook to build on existing entitlement checks (including those carried out as part of the Warm Homes Scheme)
- and explore the scope for working further with these sectors¹⁸.
- 1.19 In 2008, Help the Aged highlighted the problems of an ageing society. Its report¹⁹ concluded that the number of pensioners failing to claim benefits was significant: at least one-third and possibly as many as half of those entitled to State Pension Credit were thought not to claim. Help the Aged concluded that the existing means-tested systems were failing older people. More recent estimates (see paragraph 2.6 and Figure 5) show that between 17 per cent and 51 per cent of pensioners do not avail of their benefits.
- 1.20 More specifically, Help the Aged considered that the complexity of the state pension and benefit system deterred older people from accessing the income to which they were entitled. It recommended simplification of the process, with more automatic payment of benefits to eradicate repeated form-filling and requests for information. In addition, it considered that the Northern Ireland government needed to make a greater effort to promote the benefits available, through effective targeting and communication.
- 1.21 In response to these concerns, SSA told us that DWP in GB began a pilot scheme (in November 2010) which issues State Pension Credit payments automatically for a fixed three-month period. Entitlement is assessed using information held by DWP and, therefore, no formal claim is required

15 Social Security Benefit Fraud and Error, NIA 73/07-08, 23 January 2008

16 DFP Memorandum on the 12th Report from the Public Accounts Committee, Session 2007-08, DSD Social Security Benefit Fraud and Error, NIA 178/07-08, 27 June 2008

17 Public Accounts Committee: Report on Warm Homes: Tackling Fuel Poverty, 18/08/09R, 27 November 2008

18 DFP Memorandum on the Fifth Report from the Public Accounts Committee Session 2008-09, Warm Homes – Tackling Fuel Poverty, NIA 91/08-09, 13 March 2009

19 Spotlight on Older People in Northern Ireland, Help the Aged, Northern Ireland, 2008

Part One: Introduction and Background

by the recipient. At the end of the pilot there will be a thorough evaluation, with initial findings expected mid-2011. SSA told us that any subsequent changes in GB will be considered for implementation in Northern Ireland.

which the views of individuals and groups on issues relating to older people can be brought to Junior Ministers and to OFMDFM. The Advocate will be replaced in Spring 2011 when the permanent post, Commissioner for Older People, will be filled. As part of our review, we issued a copy of our draft report to the Older People's Advocate for comment.

This study assesses the progress made in encouraging benefit uptake in Northern Ireland

- 1.22 In this report, we consider the work of SSA, the Northern Ireland Housing Executive and Land & Property Services in improving the uptake of pensioners' benefits since the last update in 2005, (see paragraph 2.1).
- 1.23 During the course of our work, we sought the views of a range of Independent Advisory Sector²⁰ organisations on the uptake of pensioner benefits. We have made reference to various comments from this sector throughout our report and we have reproduced each of the written responses submitted to us, at Appendices 3-6. The comments provided by the Independent Advisory Sector have not been validated by us or agreed by SSA and should not be taken to represent the views of SSA. In our view, however, the Independent Advisory Sector is a key stakeholder and it is important that its views are reflected in this report.
- 1.24 In December 2008, the Office of the First Minister and Deputy First Minister (OFMDFM) appointed an Older People's Advocate for Northern Ireland. The Advocate provides a channel through

²⁰ The Independent Advisory Sector is comprised of a number of charities, not-for-profit organisations and support groups who work in partnership with the public sector to promote the interests of specific groups within society.

Part Two:

The availability and quality of pensioner benefit uptake estimates



Part Two: The availability and quality of pensioner benefit uptake estimates

The Department for Social Development and the Department of Finance and Personnel provide various benefits to pensioners through their associated bodies

2.1 A number of departments, agencies and other bodies are involved in administering benefits to pensioners (and promoting benefit uptake activity) as follows:

- the **Social Security Agency (SSA)** is an executive agency of the Department for Social Development (the Department). The overall aim of the SSA is to ensure, where possible, that those who are eligible receive the financial assistance and services to which they are entitled, and encourage personal responsibility in terms of applying for benefits. SSA is responsible for the administration of a range of social security benefits;
- the **Northern Ireland Housing Executive (NIHE)** is a non-departmental public body of the Department. As part of its responsibilities, NIHE administers the Housing Benefit and Rate-Relief Schemes (including the Lone Pensioner Allowance) for occupants who rent their homes; and
- **Land & Property Services (LPS)** is an executive agency of the Department of Finance and Personnel (DFP). As part of its responsibilities, LPS administers the Housing Benefit and Rate-Relief Schemes (including the Lone Pensioner Allowance) for

occupants who own their homes. LPS administers Disabled Persons Allowance for both owner occupiers and those who live in rented accommodation.

In addition, **the Office of the First Minister and Deputy First Minister (OFMDFM)** is responsible for co-ordinating action and monitoring progress against the Older People's Strategy.

2.2 An individual may be entitled to one or more benefits at various stages throughout their life. Entitlement is determined on the basis of age, personal circumstances and, in many cases, on the finances of the individual. In some cases, eligibility for one benefit can impact upon eligibility for another benefit.

2.3 Details of the main benefits which are available to Northern Ireland pensioners are set out in Figure 4.

Figure 4: Main benefits available to pensioners

Paying Authority	Benefit Name	Description of Benefit	Expenditure 2009-10 £'000
SSA	State Pension	A regular payment which can be claimed by those who reach state pension age and who have paid, or have been credited with, enough National Insurance Contributions. The standard rate for a single person for 2010-11 is £97.65	1,591,547
SSA	State Pension Credit	A means-tested benefit available in two parts as follows: Guarantee Credit – ensures those who reach the qualifying age receive a minimum weekly income; and/or Savings Credit – provides an extra amount to reward those who reach the qualifying age and who have saved for their retirement.	351,396
SSA	Attendance Allowance	A tax-free benefit paid to people aged 65 or over, who need help with their personal care because they have a physical or mental disability. Rates for 2010-11: £71.40 (High) and £47.80 (Low)	Note 1
SSA	Carers' Allowance	A taxable benefit for informal carers who spend at least 35 hours a week caring for someone who is ill or has a disability. The rate paid depends on which other benefits are being paid to the individual. The rate for 2010-11 is £53.90	Note 1
SSA	Disability Living Allowance	A tax-free benefit payable to those aged under 65 who need help with personal care, getting around or both, because of an illness or disability. (Individuals over 65 will not be eligible for this benefit unless they applied and were assessed as entitled in the years prior to their 65th birthday). The rate payable depends on the level of care and mobility needs. Care rates for 2010-11: £71.40 (High); £47.80 (Middle); £18.95 (Low) - Mobility rates for 2010-11 are £49.85 (High) and £18.95 (Low)	Note 1
SSA	Winter Fuel Payment	An annual automatic tax free payment to people who reach the qualifying age to help with the costs of keeping warm during winter. Rates (per household) for 2010-11: £250 (aged 60-79) and £400 (aged 80 and over). A small number of those eligible need to apply if they are not receiving specific social security benefits during the qualifying week.	68,830

Part Two: The availability and quality of pensioner benefit uptake estimates

Figure 4: Main benefits available to pensioners (continued)

Paying Authority	Benefit Name	Description of Benefit	Expenditure 2009-10 £'000
SSA	Christmas Bonus	A tax free payment of £10 to those in receipt of a qualifying benefit (including State Pension Credit and State Pension) in the week beginning with the first Monday in December. In 2008-09 the Bonus was temporarily increased to £70 (regular bonus of £10 plus an additional payment of £60).	1,368
SSA	Cold Weather Payment	An automatic payment made when the average temperature is or forecast to be 0 degrees centigrade or below for seven consecutive days. To qualify for the payment a person must be receiving State Pension Credit for at least one day in the period of cold weather. The rate for 2010-11 is £25 for each qualifying week.	16,876
NIHE	Housing Benefit (People who rent their homes)	A means-tested benefit available to people on low income responsible for paying rent and/or rates. Pensioners receiving the Guarantee element of State Pension Credit are automatically entitled to full Housing Benefit. Pensioners receiving the Savings element of State Pension Credit or who don't get State Pension Credit at all may still be entitled to some Housing Benefit.	Note 1 518,070
LPS	Housing Benefit (Owner occupier)		34,585
NIHE	Rate Relief (People who rent their homes)	A means-tested benefit which assists with rates bills for pensioners who are either not eligible or are only partially eligible for Housing Benefit. Pensioners are automatically assessed for Rate Relief when they are applying for Housing Benefit.	Note 1 1,817
LPS	Rate Relief (Owner occupier)		2,703
NIHE	Lone Pensioner Allowance (People who rent their homes)	Offers a 20 per cent discount on the rates bill for those aged 70 or over who live on their own.	418
LPS	Lone Pensioner Allowance (Owner occupier)		3,447
LPS	Disabled Persons Allowance (Owner occupier and people who rent their homes)	A reduction available to rates bills for domestic properties to which certain adjustments have been made to meet the needs of a disabled person.	Note 1 2,539

Source: NI Direct
Note 1: No breakdown was available between pensioners and non-pensioners expenditure for this benefit

There are inherent difficulties in measuring the extent to which pensioners take up the benefits to which they are entitled

2.4 It is inherently difficult to estimate benefit uptake rates. In the past, the Department relied on information²¹ generated from the Family Resources Survey (FRS) to produce uptake estimates on two of the main benefits - State Pension Credit and Housing Benefit.

2.5 This method of estimation, however, contained a number of weaknesses, including:

- a time delay in generating information - as a result, estimates tended to be out of date, for example the latest estimate relates to 2004-06;
- the very wide margins of error which survey results tended to show;

- the data did not permit reliable, regional analysis; and
- the data lacked detail. Both State Pension Credit and Housing Benefit are means-tested benefits. The information gathered through the FRS is not sufficiently detailed in terms of income levels and personal circumstances to accurately identify those who would qualify for benefit.

The uptake estimates for State Pension Credit and Housing Benefit for the periods 2003-05 and 2004-06 were of limited use

2.6 Figure 5 shows uptake estimates for State Pension Credit and Housing Benefit for two periods (2003-05 and 2004-06)²². However, little reliance can be placed on these estimates due to the limitations noted in paragraph 2.5. The large margins of

Figure 5: Uptake estimates for State Pension Credit and Housing Benefit

Estimated Figures	State Pension Credit		Housing Benefit (for pensioners)	
	2003-05	2004-06	2003-05	2004-06
Estimated uptake rates	51% - 67%	49% - 83%	78% - 93%	78% - 94%
Estimated number of pensioners not claiming benefits to which they are entitled	39,000 - 74,000	17,000 - 86,000	3,000 - 12,000	3,000 - 12,000
Estimated value of unclaimed benefit	£57m - £134m	£26m - £168m	£5m - £30m	£5m - £29m

Source: *Income Related Benefits, Estimates of Take-up in Northern Ireland, 2004-06*

21 The *Income-Related Benefits, Estimates of Take-up in Northern Ireland Series* is based on the Family Resources Survey and uses Departmental administrative benefit data sources to confirm which benefits (if any) respondents receive. The 2004-06 Report (November 2007) was the last edition to be published.

22 When considering the success of benefit uptake activities it is important to note that the first activities commenced in 2005. Any resulting increase in uptake would therefore have had minimal effect on these estimates.

Part Two: The availability and quality of pensioner benefit uptake estimates

error, particularly in relation to the uptake of State Pension Credit, make it difficult to draw any conclusions as to whether there has been any improvement in uptake, to plan targeting and awareness programmes or to set meaningful targets.

- 2.7 These figures need to be treated with caution, however we note that:
- the 2004-06 estimated State Pension Credit uptake rate of between 49 per cent and 83 per cent equates to a substantial level of unclaimed entitlement (between £26 million and £168 million); and
 - the 2004-06 estimated Housing Benefit uptake rate of between 78 per cent and 94 per cent suggests that unclaimed entitlement amounts to between £5 million and £29 million and that between 3,000 and 12,000 pensioners were not claiming those benefits to which they were entitled.

The FRS indicates that pensioners entitled to benefits but not claiming were three times more likely to be living in poverty than pensioners who claim their benefits. The FRS also indicated that approximately 50 per cent of all pensioners who were entitled to benefits but not claiming were living in poverty²³.

- 2.8 The Department told us that in view of the known weaknesses with this method of estimation, particularly the extremely wide confidence levels, it had concluded that the estimates produced for State Pension Credit and Housing Benefit were not

statistically valid and would no longer be produced.

The estimates of uptake rates of other SSA benefits are also of limited use

- 2.9 Historically the Department had not estimated uptake rates for pensioner benefits other than State Pension Credit and Housing Benefit. However in 2008, the Department commissioned external consultants to undertake a *Strategic Review of SSA Benefit Uptake Activities* (see paragraph 3.18). The consultants' review included, among other things, validation of the FRS-based estimates for unclaimed State Pension Credit and Housing Benefit and production of uptake estimates for remaining pensioner benefits.
- 2.10 The consultants considered that this work should be regarded as a first step towards producing sound estimates and should only be seen as a starting base for future work and consultation. In line with our findings in earlier reports (see paragraph 1.12), the consultants noted that the absence of comprehensive reliable management information prevents production of sound estimates.
- 2.11 Figure 6 summarises the estimates provided to the Department by the consultants. The fourth column shows a rating (out of 5) which indicates the consultants' view of the robustness of the estimates.

Figure 6: Estimates of NI Benefit Uptake and Number of Unclaimed Entitlements

Benefit	Estimated eligible non-recipients 2007 ¹	Estimated Benefit uptake rate 2007	Robustness of estimated uptake rate (Rating out of 5 where 5 indicates the most robust)
State Pension	18,000	95%	4.5
State Pension Credit	45,000	67%	1.0
Housing Benefit – pensioner	28,000	58%	0.5
Winter Fuel Payment	33,000	90%	4.5
Carers Allowance	19,000 ²	71%	2.5
Attendance Allowance	75,000	45%	2.0

1 It is not appropriate to total the figures in this column since an individual may be entitled to more than one benefit.

2 Estimate relates to 2006

Source: *Strategic Review of SSA Benefit Uptake Activities by KPMG, April 2009*

2.12 These figures need to be treated with caution; however we note the following:

- estimated uptake rates are highest for State Pension and the Winter Fuel Payment and lowest for Attendance Allowance (although this estimate is not considered particularly robust);
- estimated uptake rate for State Pension Credit (67 per cent) broadly agrees with the mid-point of the FRS survey-based estimate; and
- estimated uptake of Housing Benefit (58 per cent) is at odds with the FRS estimate which estimated uptake at between 78 and 94 per cent (however, the consultants have identified that their methodology is not robust).

2.13 NIAO accepts that it is difficult to calculate the extent to which pensioners take up those benefits to which they are entitled. However, without such estimates, the Department lacks a firm evidence base on which to develop an appropriately targeted uptake strategy. The absence of information on uptake eliminates the possibility of benchmarking against the UK as a whole, limits the extent to which meaningful targets can be set to improve uptake and precludes the accurate monitoring of the impact of any strategies adopted.

2.14 The lack of data in this area represents a major information deficit. In our view, the Department (and its agencies) must continue to consider whether:

- there is merit in providing additional resources to the FRS in order to

Part Two: The availability and quality of pensioner benefit uptake estimates

boost the sample to the extent that would permit uptake analysis to be performed with sufficient confidence; and

- there are other approaches and data sources, beyond the FRS, which would allow soundly-based quantification of the extent of benefit uptake, taking account of the legislative reform that would be required to allow NICS departments to share personal data for the purposes of benefit uptake/administration.

We welcome SSA's assurance that its statisticians intend to liaise with academics in Northern Ireland to consider establishing whether any other approaches could be used to meet this research requirement.

DFP uses a range of information for measuring rate-related uptake levels

- 2.15 Four rate-related benefits are administered by LPS (see Figure 4 at paragraph 2.3). These benefits are Housing Benefit; Rate Relief; Lone Pensioner Allowance; and Disabled Persons Allowance. Eligible pensioners are encouraged by LPS to apply for relevant benefits.
- 2.16 DFP has no detailed statistics for the level of uptake of Housing Benefit or the Disabled Persons Allowance by pensioners. In relation to Housing Benefit, LPS told us that it continues to be an active member of an Inter-departmental
- Group on Benefit Uptake (see paragraph 3.43) and through this, attempts to work with colleagues to provide better quantification of uptake levels. LPS told us that because of the nature of the Disabled Persons Allowance, which is awarded to ratepayers who make certain specific changes to their property to facilitate disabled persons, it is impossible to determine numbers eligible and, consequently, uptake rates.
- 2.17 LPS uses information from the FRS to estimate Lone Pensioner Allowance uptake rates. Survey information from the Northern Ireland Statistics and Research Agency (NISRA) indicates that there are approximately 41,000 owner-occupiers aged 70 or over living alone. Fifteen thousand of these potential claimants are in receipt of full Housing Benefit and/or Rate Relief and therefore have no reason to claim Lone Pensioner Allowance. Of the remaining 26,000 potential applicants, LPS administers Lone Pensioner Allowance to just over 20,000 claimants. Based on these figures, LPS considers that the uptake level of Lone Pensioner Allowance is high, at around 77 per cent.
- 2.18 In relation to uptake rates for Rate Relief, DFP told us that "*The Executive Review of the Rating System*" (see paragraph 3.41) in December 2007 indicated that around 42 per cent of those eligible were taking up their entitlement. Pensioners were identified as one of the main groups²⁴. This estimate was compared against estimated uptake of Council Tax Benefit in Great Britain, which was calculated at between 38

24 LPS told us that this information was produced by NISRA on the basis of information gathered through the Census.

per cent and 41 per cent, with almost three quarters of those not claiming thought to be pensioners.

- 2.19 We note that DFP has taken steps to estimate the level of uptake of the benefits and reliefs that it administers. We accept that producing such estimates can be difficult, but we consider that if DFP is to improve the level of uptake on benefits it must continue to consider cost-effective ways of generating relevant information. Analysis of the information will then allow efforts to improve uptake to be more accurately targeted.
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Part Three:
Improving benefit awareness and increasing uptake
of benefits



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Data sharing legislation permits Departments to share personal information but some work remains to be done in agreeing protocols between Northern Ireland benefit-paying agencies

- 3.1 Historically, perceived data protection and legislative barriers to sharing data meant that, in applying for benefits, applicants needed to supply the same information to a number of different agencies. Where data sharing arrangements can be improved, there may be potential to increase the uptake of benefits.
- 3.2 Public body perceptions of data sharing constraints have been raised recently by the Public Accounts Committee (the Committee)²⁵. At an evidence session in September 2009, the Committee questioned whether the relevant legislation precluded the sharing of information across the Department, NIHE and housing associations. The Committee recommended that all cases where public bodies were unsure over data sharing possibilities should be referred to the Information Commissioner for “*detailed, authoritative guidance*”.
- 3.3 In relation to social security benefits, a range of legislation introduced since 1992 enables Northern Ireland benefit-paying agencies to share data for the purposes of maximising uptake or identifying fraud, as follows:

Maximising Uptake

- **Social Security Administration (Northern Ireland) Act 1992** – permitted the sharing of information between SSA, the Department and NIHE for the purposes of maximising the uptake of Housing Benefit and other social security benefits;
- **Welfare Reform (Northern Ireland) Act 2007** – extended data sharing powers within the Department and across other benefit-paying agencies;
- **Rates (Amendment) Act (Northern Ireland) 2009** – provided new powers to allow government agencies to better target owner-occupiers likely to be entitled to Rate Relief, Disabled Persons Allowance, Lone Pensioner Allowance and/or Housing Benefit. The Act also amended the Social Security Administration (Northern Ireland) Act 1992, permitting the sharing of information between SSA, the Department, and LPS for the purposes of maximising the uptake of Housing Benefit and other social security benefits.

Fraud Prevention and Detection

- **Social Security Administration (Fraud)(Northern Ireland) Order 1997** – amended the Social Security Administration (Northern Ireland) Act 1992 to permit the supply of personal information across (and within) departments and agencies, where that information is to be used to detect fraud.

25 PAC Report on the Management of Social Housing Rent Collection and Arrears, 16/09/10R 15 September 2009.

3.4 The legislative base is therefore in place to share data across the benefit-paying agencies in Northern Ireland for benefit uptake purposes. SSA has confirmed that appropriate protocols and legislation are in place for sharing data with LPS. However, as yet there are no protocols in place between the Department and NIHE in relation to data sharing. We note that ongoing discussions are taking place concerning the transfer, use, storage and disposal of data with a view to putting appropriate protocols in place.

3.5 We welcome the introduction of legislation to allow Northern Ireland benefit-paying agencies to share data for the purposes of detecting fraud and for encouraging the uptake of benefits. We recommend that each agency, subject to its specific progress in this area, continues or commences, data sharing. For all exercises, individual agencies must maintain records of individual data sharing activities and be in a position to produce information on the extent to which each exercise detected fraud or improved the uptake of benefits.

DSD, as the main paying department, has introduced a range of additional measures to increase uptake levels

3.6 Each of the benefit-paying authorities has also developed and introduced measures to improve uptake of its benefits. This part of our report sets out each of the measures which have been adopted.

3.7 In support of the government's commitment to reducing poverty levels in Northern Ireland (including within the pensioner group), the Department, through SSA, has introduced various measures to increase the uptake of benefits by pensioners. These include:

- A. Benefit Uptake Programmes (see paragraphs 3.8 to 3.15); and
- B. a range of on-going operational measures (within the Department and SSA) designed to improve pensioner access to benefits (paragraphs 3.28 to 3.30)

In addition, SSA told us that its deployment of new technology through the Pensions Transformation Programme has resulted in more joined-up working and contributed to increasing uptake of benefits by pensioners, particularly in relation to State Pension Credit (paragraphs 3.31 to 3.34).

A: Benefit Uptake Programmes

3.8 The first benefit uptake strategy (the Strategy) was produced in March 2004. Prior to 2004, SSA had no over-arching strategy for the uptake of benefits but rather had promoted uptake through a wide range of specific actions, including marketing and awareness activities.

3.9 The Strategy's overall aim was to ensure, where possible, that those people who are eligible, receive the financial assistance and services to which they

Part Three: Improving benefit awareness and increasing uptake of benefits

are entitled. The Strategy facilitated a more targeted approach to benefit uptake and since 2005-06, a series of annual Programmes with detailed exercises has been undertaken by SSA. The Strategy was aimed at promoting the further uptake of social security benefits across its three main customer groups²⁶, one of which is pensioners, by addressing the known barriers (see Figure 3 at paragraph 1.11).

- 3.10 The Strategy relied on partnership working with the Independent Advisory Sector which was, for the first time, contracted to offer vulnerable clients (including pensioners) a review of their benefit entitlement. In practical terms, initial contact and follow-up letters were issued from SSA directly. The letters directed recipients to the relevant Independent Advisory Sector provider for an assessment of their benefit entitlement.
- 3.11 Details of each of the five annual uptake programmes since 2005-06 are set out below:

2005-06 Benefit Uptake Programme

The 2005-06 Programme consisted of three separate exercises, all focused on improving uptake of State Pension Credit. A total of 3,746 older people were targeted, including pensioners living in disadvantaged areas, single female pensioners receiving Housing Benefit but not State Pension Credit, and pensioners receiving Disability Living Allowance (DLA) and Housing Benefit but not receiving State Pension Credit. SSA supplemented

this activity by issuing leaflets, commissioning localised marketing and undertaking benefit assessments. The Independent Advisory Sector delivery agents²⁷ in 2005-06 were Advice NI and Age Concern/Help the Aged²⁸.

2006-07 Benefit Uptake Programme

The 2006-07 Programme consisted of four separate exercises and targeted a total of almost 21,000 customers. It carried on the work of the previous programme by continuing to target pensioners living in disadvantaged areas and single female pensioners who were not receiving State Pension Credit. In addition, it targeted pensioners aged over 75 who were in receipt of Housing Benefit and State Pension Credit but who were not receiving Attendance Allowance, and people with a disability and their carers.

The Independent Advisory Sector delivery agents in 2006-07 were Advice NI (who had been involved in the previous programme) and the Citizens Advice Bureau.

2007-08 Benefit Uptake Programme

The 2007-08 Programme consisted of seven separate exercises and extended beyond targeting pensioners. The Programme reached a total of 22,500 people, including 10,021 pensioners. Individual exercises included a 'mop-up' of the Attendance Allowance and Carers cases, and a continuation of the State Pension Credit exercise targeting those

26 KPMG Strategic Review of SSA Benefit Uptake Activities, April 2009 (see paragraph 3.18) lists the three main customer groups of SSA as those of working age, pensioners, and disabled people and their carers.

27 A number of Independent Advisory Sector bodies were contracted in by SSA to carry out benefit uptake work.

28 Age Concern/Help the Aged amalgamated on 1 April 2009 to become Age NI.

likely to own their own home, living in disadvantaged areas. These exercises were supplemented by 'mailshot' exercises on specific benefits e.g. State Pension Credit and Carers Allowance, which directed over 125,000 customers to SSA benefit offices.

Advice NI and the Citizens Advice Bureau were contracted to undertake the 2007-08 Programme.

2008-09 Benefit Uptake Programme

The 2008-09 Programme consisted of four separate exercises and targeted almost 25,000 people, over 18,000 of whom were pensioners.

Individual exercises included a continuation of the Attendance Allowance exercise, and of the State Pension Credit exercise which this time targeted those living in rural areas where over 80 per cent of houses were owner occupied. In addition, the programme targeted single pensioners on low rates of State Pension in order to encourage applications for State Pension Credit (guaranteed element).

These exercises were supplemented by a State Pension Credit awareness campaign which targeted an estimated 84,500 clients who were not in receipt of State Pension Credit and who were not targeted before. This was a "one-off" exercise carried out to encourage customers to claim State Pension Credit before the back-dating period was

reduced from 12 months to 3 months in October 2008.

The Citizens Advice Bureau acted as the Independent Advisory Sector delivery agent during 2008-09.

2009-10 Benefit Uptake Programme

The 2009-10 Programme consisted of four separate exercises. These targeted just over 25,000 people, including around 20,500 pensioners. Individual exercises focused on those living in areas of low uptake of Attendance Allowance or DLA aged over 74; clients aged 72-74 not getting State Pension Credit and those not getting an Occupational Pension; and clients who may be entitled to Carer's Allowance.

This was supplemented by a new outreach approach in four council areas²⁹ which had been identified as having low uptake of pensioner benefits when compared with the pensioner population.

The Citizens Advice Bureau acted as the Independent Advisory Sector delivery agent during 2009-10.

- 3.12 By 31 March 2010, the five Benefit Uptake Programmes had reached over 97,000 people; almost three quarters (72,000) of those targeted were pensioners (see Figure 7).

Part Three: Improving benefit awareness and increasing uptake of benefits

Figure 7: Pensioner Groups targeted in SSA Benefit Uptake Programmes

	Numbers targeted	Over 60s targeted	Basis on which over 60s were targeted											
			Family	Incapacity Benefit	State Pension Credit	State Pension Credit - Home Owners	Geographical-Disadvantaged Areas	State Pension Credit for Single Pensioners	Disability Living Allowance over 60	Disability Living Allowance (Other)	Carers Allowance	Attendance Allowance		
2005-06	3,746	3,746	-	-	-	-	1,500	746	1,500	-	-	-	-	-
2006-07	20,822	19,942	-	-	-	-	3,283	12,041	-	-	1,057	795	2,766	
2007-08	22,454	9,586	-	750	-	-	4,978	-	-	-	-	1,486	2,372	
2008-09	24,829	18,275	11	-	-	7,247	-	7,472	-	-	-	-	3,545	
2009-10	25,274	20,431	12	-	8,144	-	-	-	-	-	-	1,782	10,493	
TOTAL	97,125	71,980	23	750	8,144	7,247	9,761	20,259	1,500	1,057	4,063	19,176		

Source: SSA

3.13 Figure 8 summarises the relative success (in terms of additional uptake) and costs of each of the five benefit uptake programmes.

Figure 8: Outcomes of SSA Benefit Uptake Programmes

	2005-06	2006-07	2007-08	2008-09	2009-10	TOTAL
Number targeted						
Pensioners	3,746	19,942	9,586	18,275	20,431	71,980
Others	0	880	12,868	6,554	4,843	25,145
Number who responded #	3,746	20,822	22,454	24,829	25,274	97,125
% who responded	1,402	9,196	11,633	12,393	10,435	45,059
Number of claims made #	37%	44%	52%	50%	41%	46%
Number of successful claims	617	4,236	2,936	2,416	2,806	13,011
Pensioners	385	1,965	1,101	1,314	1,797	6,562
Others	n/k	19	1,049	558	349	1,975
Successful claimant conversion rate (pensioners and others)	385	1,984	2,150	1,872	2,146	8,537
	10%	8%	8%	6%	6%	7%
Pensioner Benefit generated	£977,520	£5,323,685	£2,913,211	£3,449,752	£4,684,209	£17,348,377
Benefits generated from other activities aimed at pensioners	n/a	n/a	£1,513,319	£6,179,079	£78,558	£7,770,956
Benefits generated – Others	n/a	£96,217	£3,340,233	£2,262,725	£1,362,620	£7,061,795
Total Benefit Generated	£977,520	£5,419,902	£7,766,763 ³⁰	£11,891,556 ³¹	£6,125,387	£32,181,128
Programme Costs	£221,803	£319,114	£565,473	£521,937	£731,510 ³²	£2,359,837
Ratio of costs to additional benefit uptake	1:4.41	1:16.98	1:13.73	1:22.78	1:8.37	1:13.64

Figures show the total number of respondents and include those who claimed through delivery agents and those who claimed directly from SSA.
Source: SSA

30 2007-08 and 2008-09 Programmes included large scale mailshot exercises which contributed significantly to the total benefit generated (see paragraph 3.11 for more information)

31 As above

32 Notional processing costs of approximately £95,000 were included in 2009-10 which inflated the Programme costs; if excluded, the ratio of costs to additional benefit uptake would be 1: 9.62

Part Three: Improving benefit awareness and increasing uptake of benefits

3.14 The five targeted Benefit Uptake Programmes undertaken since 2005 have cost approximately £2.4 million and have resulted in additional annual benefit payments of just over £32 million across the three main customer groups - pensioners, those of working age with families and people with disabilities and their carers.

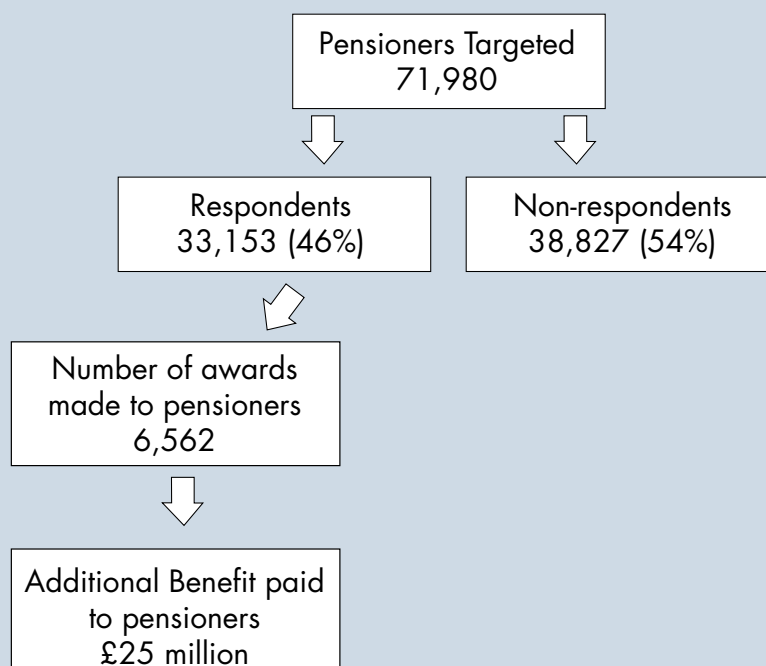
programmes targeted almost 72,000 individuals. Ultimately, just over £17.3 million was paid to pensioners through 6,562 additional awards made as a result of the programmes. Other activities brought the total additional benefit payments for pensioners up to over £25 million (see Figure 9).

3.15 Of the 97,000 customers identified, just under half (46 per cent) made an initial inquiry in relation to their benefits³³. These inquiries led to just over 8,500 successful claims. This equates to an average successful claimant conversion rate of 7 per cent. In relation to pensioners, the

The additional entitlements identified through uptake activities can make a real difference to the lives of pensioners

3.16 The Independent Advisory Sector provided a number of specific examples which illustrate the difference additional

Figure 9: SSA Benefit Uptake Programme – summary of outcomes for pensioners over the five years to 31 March 2010



Source: SSA

33 SSA has pointed out that these figures exclude the benefit paid out to customers who approached the Agency after having received correspondence about the Uptake Programme.

benefits can make to the lives of pensioners. For simplicity we have categorised the case studies. In the first three cases, pensioners were targeted through the Uptake Programmes. In the remaining three cases, the individuals requested help with identifying their entitlement to benefit and claiming. In all cases, the pensioners secured additional income by accessing the benefits to which they were entitled. In Case Study 4, it is interesting to note that it took five hours for the Independent Advisory Sector adviser to complete the relevant forms. The case demonstrates the complexity of application procedures and it is clear that without assistance from the Independent Advisory Sector, the elderly couple, both in their eighties, would have struggled to secure those benefits to which they were

entitled. SSA told us that it recognises that the process can be difficult for some vulnerable customers, and has a Pension Adviser service specifically to carry out benefit assessments and assist applicants.

- 3.17 It is important to note that we have accepted that the information provided by the Independent Advisory Sector in these cases is correct and have not undertaken any independent validation of the information. For context, it is also important to note that the amounts in these cases are not reflective of the majority of awards secured. In general, the average additional benefit secured by individuals is £55 per week, with corresponding average arrears amounting to £535³⁴.

Cases where pensioners received additional benefits as a result of the Benefit Uptake Programmes

Case Study 1

An elderly couple received a payment of £6,676 and additional weekly income of £152.41.

The couple obtained a benefit uptake leaflet from their local post office. When they called the advice centre it was discovered that they hadn't claimed a number of benefits to which they were entitled. They received a large lump sum payment representing unclaimed State Pension Credit and were assessed as eligible for two Severe Disability Premiums and Housing Benefit.

Source: Advice NI

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Case Study 2

A pensioner who was contacted as part of the Benefit Uptake Programmes discovered she was entitled to State Pension Credit.

The pensioner, aged 78, lived in a rural area with her husband and son. She and her husband were in receipt of Attendance Allowance but were not aware that they could claim State Pension Credit amounting to £64.40 per week. Arrears of £1,110 were due to the couple.

The couple were also made aware of their other entitlements including Home Insulation measures through the Warm Homes Scheme, Security Measures through the HandyVan Scheme, Home Repair Assistance Grants through NIHE and Community Care Assessments through their local Health and Social Care Trust for any care needs or aids and adaptations they may require due to their health problems.

Source: Age NI

Case Study 3

An 84 year old lone pensioner was contacted as part of the Benefit Uptake Programmes. He was already in receipt of Attendance Allowance and State Retirement Pension.

A benefit assessment check identified that he was also entitled to receive State Pension Credit. He received an additional £71.69 per week, with a backdated payment of £3,727. He also received a full rate rebate of £1,000 and qualified for the Warm Homes Scheme grant work.

Source: Citizens Advice Bureau

Cases where pensioners received additional benefits as a result of seeking advice from the Independent Advisory Sector

Case Study 4

An elderly couple in their eighties, with severe health problems, had a combined weekly income of £238 (State Pension £191 and Attendance Allowance £47). They approached Age Concern for help when they received an annual rates bill of £960.

The Age Concern adviser applied for various benefits on behalf of the couple. The adviser spent five hours completing seven application forms.

The couple's weekly income increased from £238 to £498 and they were entitled to full assistance with their rates. Additional benefits secured related to State Pension Credit, Housing Benefit Rates Relief, Attendance Allowance and Carer's Allowance.

Source: Age NI

Case Study 5

A pensioner, who had secured a successful outcome after using A2B's³⁵ Benefit Calculator, related his story to his neighbour who was in her mid-eighties, widowed and had a range of disabilities.

He encouraged her to have her entitlement to benefits assessed. She was already in receipt of low rate Disability Living Allowance but the assessment identified that she was eligible for an additional £123 per week under the State Pension Credit Guarantee scheme and £18 per week Housing Benefit towards her rates. She also secured access to the services of an Occupational Therapist.

Source: Citizens Advice Bureau

Case Study 6

A couple in their late seventies rang the Independent Advisory Sector for advice on the capital savings limits. The couple were in receipt of retirement pension, and had two small private pensions which paid them £17 per week. They had savings of £9,500 and both got Attendance Allowance. They assumed that their financial circumstances meant that they would not qualify for any means-tested benefits.

A benefit check identified they were entitled to Carer's Allowance and State Pension Credit

The couple received an additional £108 per week and a retrospective payment of £2,274.

Source: Age NI

³⁵ A2B Access to Benefits is a not-for-profit organisation funded by The Atlantic Philanthropies and a grant from the Department of Finance and Personnel. It was formed in May 2007 and works to help older people across Northern Ireland maximise their take-up of benefit entitlements.

Part Three: Improving benefit awareness and increasing uptake of benefits

The independent review of the uptake strategy confirmed that its approach was sound but made several recommendations for improvement

- 3.18 In 2008, SSA commissioned external consultants to review its benefit uptake activities and to complete uptake estimation work on benefits (see paragraph 2.9). The Review³⁶ reported that *‘the benefit uptake activities to date have proved to be reasonably successful in terms of generating additional benefit uptake, are perceived to be positive in overcoming barriers to benefit uptake and are able to proactively target harder to reach customers’*.
- 3.19 The Review recommended that future campaigns focus on those benefits with low uptake rates and large numbers of eligible recipients (i.e. Attendance Allowance, Housing Benefit, State Pension Credit and Income Support) and target the more vulnerable client groups i.e. pensioners and families. It found that, although the annual exercises have continued to attract respondents and additional benefit claims, the percentage of successful claimants has not improved substantially. While it is recognised that some people (for whatever reason) are not interested in exploring their eligibility, these results suggest that there is scope to improve targeting and follow-up approaches to encourage people to explore their entitlement to benefits. Since all pensioners are entitled to some benefit (for example Winter Fuel Payment), targeting of pensioner-related benefits is considered to be easier than for other benefits such as Income Support (where potential claimants are difficult to identify).
- 3.20 The Review also suggested that SSA should develop a three-year programme which would target 30,000 clients a year, focusing on vulnerable client groups and on those benefits with low uptake rates.
- 3.21 The Review identified that GB efforts had proved more successful in increasing benefit payments. The Pension Service (GB) had managed to achieve a successful claims conversion rate of 15 per cent while the rate for Northern Ireland was 8 per cent³⁷. The consultants acknowledged that this was, at least in part, attributable to the absence of comprehensive data sharing legislation in Northern Ireland. A key recommendation from the Review was the need to fully investigate data sharing options across government agencies.
- 3.22 SSA told us that the response rates and conversion rates in more recent campaigns in GB have fallen and that the higher GB rates were achieved when the uptake campaign was accompanied by extensive media activity. SSA also told us it was working with colleagues in DWP to access a model (Customer Insight) which uses existing information, such as benefit data and Her Majesty’s Revenue and Customs (HMRC) data, to identify people in Northern Ireland with potential unclaimed entitlement to State Pension Credit. It is hoped this information will be available as part of the 2010-11 Benefit Uptake Programme.

36 Strategic Review of SSA Benefit Uptake Activities, KPMG, April 2009

37 Figure 8 shows the conversion rate for the first three-years of the uptake programme as 9 per cent. It is not clear how the consultant’s rate of 8 per cent was calculated.

3.23 The Review made a number of recommendations for improving programme delivery and design including:

- improved working with DSD statisticians to maximise use of all information sources (such as using appropriate low income filters, for example identifying those in receipt of Housing Benefit);
- ensuring staff involved with the initial liaison/follow up have the appropriate training in benefit advice (to provide sufficient guidance and encouragement to customers to investigate their benefit entitlement); and
- continued monitoring and review of benefit uptake programmes. In particular, the consultants recommended evaluation of the impact of the new Pensions Transformation Programme (see paragraph 3.31).

3.24 The Review's recommendations were approved by the SSA Board. All thirteen recommendations have been actioned by SSA. Appendix 2 shows SSA's assessment of its response to the Review.

3.25 The benefit uptake activities to date have proved to be reasonably successful in terms of generating additional uptake of benefit and are perceived to be a positive step towards overcoming barriers to benefit uptake. In terms of the specific exercises undertaken under each of the

Programmes, success rates varied. High response rates to particular exercises did not necessarily correspond to high successful claim rates.

3.26 A number of key learning points were consistently evident across the three Benefit Uptake Programmes examined by the Review (2005-06, 2006-07 and 2007-08):

- follow-up telephone calls were effective and increased contact and claim rates;
- identification of an appropriate customer group and use of additional low income filters was more successful than more general targeting;
- the involvement of the Independent Advisory Sector provided customers with a holistic service, including benefit and non-benefit advice; and
- targeted marketing activity offered little value for money.

3.27 Feedback from the Independent Advisory Sector suggests that there may be scope to improve the Uptake Programmes. Some Independent Advisory Sector organisations considered that the current approach was not sufficiently mainstream but simply a range of pilot exercises producing short bursts of uptake activity. These organisations felt that this approach placed considerable pressure on the Independent Advisory Sector. Among the views expressed by the Sector was the need to:

Part Three: Improving benefit awareness and increasing uptake of benefits

- adopt a more collaborative and long-term approach, with better planned and extended campaigns, which would be mainstreamed;
 - use more exhaustive cross-matching of personal data. The Independent Advisory Sector has experience of cases where the individual targeted had passed away, was already on benefits or was clearly not entitled;
 - speed up the current process, as it can be lengthy and cumbersome from the time initial letters are posted until the referral is considered; and
 - move beyond a conventional mailshot approach and consider the scope for complementary outreach activities to improve awareness of benefit entitlements amongst the hardest to reach individuals.
- **review and simplification of application forms** – for example, a revised Attendance Allowance claim form was produced in November 2008 following consultation with relevant forums. Detailed notes accompany claim packs, which also assist customers with their claim;
 - **provision of benefit information and advice from Social Security and Benefit Offices.** Assistance with form filling is provided to customers, especially those claiming DLA. Also, the Benefit Shop in Belfast City Centre provides information and advice to the public on the full range of benefits, and assists with form completion;
 - **provision of information and advice on the full range of social security benefits and services through the NI Direct website.** The website can be searched by topic or customer group and provides a Calculation and Comparison service the 'Better off Calculator', which estimates potential entitlement to 11 benefits and provides signposts to other help and services;
 - **the launch of an online Benefit Calculator (The Benefits Adviser Service)** in November 2009, which provides potential eligibility information for up to 27 benefits and tax credits. For 11 of these benefits (including State Pension Credit and Housing Benefit), customers are provided with calculation and comparison;

B: On-going improvements within the Department and SSA

3.28 A range of measures have been developed by SSA as part of its day-to-day business, to ensure that people are advised of their potential entitlement to benefits. Although it has not undertaken any specific evaluations to assess the impact of each development, the SSA considers that the measures it has introduced should help to address some of the barriers to benefit uptake particularly the lack of awareness and difficulty understanding benefits, forms and explanatory notes. Current measures include:

- **establishment of a Contact Centre and a Disability and Carers Service** which deals with DLA, Attendance Allowance and Carers Allowance claims and enables telephone notification of a change in circumstance;
 - **provision since 2007 of the Pension Service Outreach Services**, providing 20 Pension Advisers at locations throughout Northern Ireland. The advisers offer home visits and/or advice to make services accessible to older people;
 - **a programme of targeted risk based checks to ensure that the correct benefit is paid to existing customers.** In 2009, these checks identified underpayment adjustments of around £17.6 million in pensioner benefits, 99 per cent of which related to official error;
 - **increasing the capital threshold for State Pension Credit and Housing Benefit for pensioners** in October 2009. Existing customers' awards were adjusted automatically. Customers who were previously deemed ineligible were informed that they may now be eligible. The Department ran a media campaign to raise awareness of the change; and
 - **information and advice sessions** for various customer groups on the range of benefits available.
- 3.29 We note, however, the views of the Independent Advisory Sector, which suggest that many of the historical barriers to pensioners' uptake of benefits remain in place. The Independent Advisory Sector told us that pensioners still lacked a basic knowledge of the benefits system, did not know what they were entitled to or how different benefits interact. Forms were still considered to be too lengthy, repetitive and complex and were not user friendly. The concept of a telephone service was not suitable for all clients and older people using telephones do not like automated responses or being left on hold, and often preferred face-to-face contact in helping them to deal with form-filling. There was a perception among the Independent Advisory Sector that forms and personal documents often get lost and that pensioners were reluctant to apply for benefits because they had a bad experience with a previous application.
- 3.30 SSA considers that it has addressed many of the Independent Advisory Sector's concerns by offering a range of application methods. Applicants now have the option of completing forms on-line, nominating a representative to assist with their claim, conducting telephone interviews or requesting face-to-face interviews. In addition, applicants also have access to free advice through the Benefit Enquiry Line.
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Part Three: Improving benefit awareness and increasing uptake of benefits

The Pensions Transformation Programme has contributed to increasing the uptake of benefits by pensioners

- 3.31 SSA's Pensions Transformation Programme (PTP) aims to simplify access to the full range of pensioner benefits. The new technology, telephony and enhanced operational processes introduced by PTP have enabled more joined-up working between the State Pension and State Pension Credit systems and increased awareness of benefit entitlement. At the end of all State Pension telephone claims, customers are encouraged to make a claim for State Pension Credit. State Pension staff complete a "warm hand-off" to State Pension Credit, i.e. they contact a priority State Pension Credit claim line, provide relevant customer details and then transfer the customer.
- 3.32 Further, State Pension Credit staff use an automatic script to identify potential Housing Benefit entitlement. Should the caller wish to claim, State Pension Credit staff take the information over the phone, complete the Housing Benefit form and forward it to NIHE and/or LPS without the need for a customer signature.
- 3.33 In 2008, the SSA implemented the new PTP operating model for "fresh claims" for State Pension and State Pension Credit. The new PTP "change of circumstances" operating model was implemented for State Pension customers from February 2009. Implementation of the State Pension Credit "change of circumstances" operating model is scheduled for early 2011.

- 3.34 SSA told us that the relative costs and success of the PTP will be assessed as part of the Post Project Review planned for later this year.

NIHE has undertaken a number of initiatives to improve uptake of benefits

- 3.35 Estimates for the uptake of Housing Benefit are high in comparison with other benefits. The category of pensioner most at risk of missing out on entitlement to Housing Benefit is within the "owner occupier sector" which is dealt with by LPS.
- 3.36 NIHE launched its formal strategy for improving the uptake of Housing Benefit in the social rented sector in September 2009. However, even in the absence of a formal strategy, steps had been taken to improve uptake:
- inclusion, as part of the new tenancy "sign-up procedures", of information for all new NIHE tenants on the Housing Benefit scheme;
 - in recognition of the complexities of the scheme, NIHE and social landlords provide information and offer assistance to tenants making claims for benefits;
 - all tenants are reminded of the availability of Housing Benefit on their quarterly rent statements and on all correspondence relating to rent arrears;

- a publication entitled "Housing News" is circulated to all tenants, which includes information on Housing Benefit and other benefits;
- leaflets on pensioner entitlement to Housing Benefit have been printed and circulated;
- benefit information is available from the NIHE website;
- joined-up working across Pension Centres has resulted in a one-stop application process;
- Councils provide information to pensioners on benefits; and
- consideration of the introduction of a wireless application process. This would allow applications to be made in customers' homes and would be aimed at vulnerable customers such as older people.

3.37 NIHE took part in an uptake campaign with the SSA and the then Rates Collection Agency³⁸. The campaign ran for six months to March 2006 and targeted State Pension Credit customers who had a housing cost commitment but were not receiving Housing Benefit or Rate Relief. SSA identified almost 24,000 State Pension Credit recipients who were not in receipt of Housing Benefit or Rate Relief. Of the 20,000 pensioners contacted, almost 4,000 made successful claims (20 per cent), resulting in awards of nearly £1 million and on-going payments of £1.2 million each year.

3.38 We note the launch of the NIHE formal uptake strategy in 2009 and recommend that, in time, the success of the strategy in increasing uptake is measured.

3.39 We welcome the joint approach between the NIHE and SSA which yielded benefits. Given the results of the exercise, we recommend that other agencies consider other possibilities for joint working.

DFP has taken steps to improve pensioner uptake of its benefits

3.40 The Northern Ireland domestic rating system was revised in April 2007. The new arrangements use the Rateable Capital Value of properties, rather than the Net Annual Value, to calculate the level of rates due.

3.41 A Review³⁹ of the new system identified that pensioner poverty could be reduced by encouraging eligible pensioners to secure Rate Relief. The Review identified that almost half (49 per cent) of pensioners were paying 10 per cent or more of their income on rates. However, the report concluded that if all available relief was claimed, no pensioners would have to pay rates at that level.

3.42 As a result of the Review, from April 2008 the following Rate Relief measures were introduced to assist pensioners:

- enhancement of personal allowances under the scheme;

38 On 1 April 2007, the Rates Collection Agency merged with the Valuation and Lands Agency to form a new Land & Property Services. Later, on 1 April 2008, Land Registers of Northern Ireland and Ordnance Survey of Northern Ireland also became part of LPS.

39 Outcome of the NI Executive's 2007 Review of Domestic Rating System, Department of Finance and Personnel, December 2007

Part Three: Improving benefit awareness and increasing uptake of benefits

- an increase in the savings limit from £16,000 to £50,000, for purposes of assessing eligibility under the means-tested scheme; and
- the introduction of a single pensioners allowance discount of 20 per cent for those aged 70 and over who live alone (Lone Pensioner Allowance). At 31 March 2010, this had benefited over 25,000 pensioners to the value of £6.9 million.

A review of Housing Benefit, Rate Relief and Disabled Persons Allowance made a number of important recommendations to improve the uptake of benefits

3.43 Following the Review, DFP commissioned a study on Housing Benefit, Rate Relief and Disabled Persons Allowance to develop a strategy to improve uptake of benefits by vulnerable groups. The study was published in March 2008⁴⁰ and contained 35 recommendations, all of which were accepted by the Department. In November 2008 an Inter-departmental Group on Benefit Uptake (IDGBU) was established to oversee the implementation of cross-cutting recommendations arising from the report, including the uptake of Housing Benefit/Rate Relief by pensioners, particularly within the owner occupied sector.

3.44 IDGBU includes representatives from each of the bodies responsible for administering benefits in Northern Ireland and provides a useful forum for the sharing of best practice in encouraging the uptake of

benefits. IDGBU is helping to bring about better, joined-up working practices across all bodies involved in administering benefits.

3.45 The recommendations specific to LPS have been actioned and important improvements have been made, including:

- the revision and simplification of applications forms and leaflets for all LPS schemes;
- the availability of a "visits service" to pensioners who request assistance completing application forms; and
- the introduction of the PTP which has simplified the claims process for Housing Benefit (see paragraph 3.32).

3.46 LPS also commissioned Advice NI to prepare proposals for an uptake pilot project, to identify potential recipients of LPS administered benefits and entitlements in rural areas and areas of low uptake.

3.47 Following Advice NI proposals, LPS ran two pilots during April – July 2009:

Pilot 1 - targeted 100 vulnerable people living in rural areas; and

Pilot 2- targeted 100 older people who may be entitled to Lone Pensioner Allowance.

40 Access to Benefits (A2B): *Take-Up Study: Rate Relief and Disabled Persons Allowance*, March 2008. This report examined issues which impacted on low uptake of Housing Benefit, Rate Relief and Disabled Persons Allowance.

- 3.48 LPS evaluated the exercise as 'disappointing' but noted that 25 individuals were awarded additional benefits, amounting to a total of £20,000.
- 3.49 The introduction of new data sharing powers through the Rates (Amendment) Act in November 2009 (see paragraph 3.3) enables better targeting for Rate Relief, Disabled Persons Allowance and the Lone Pensioner Allowance. DFP informed us that LPS is currently working with statisticians to ensure that it interprets the data correctly and maximises its use. Recent LPS pilot exercises⁴¹ resulted in the award of an additional 16 Lone Pensioner Allowances.
- 3.50 We welcome the actions taken by DFP to improve uptake on LPS schemes, particularly the introduction of data sharing legislation and the development of a formal uptake strategy.

41 LPS undertook three pilot exercises in Moyle, Lisburn and Fermanagh District Councils to test the robustness of shared data.

Part Four:
The role of the Independent Advisory Sector in
improving the uptake of pensioner benefits



Part Four: The role of the Independent Advisory Sector in improving the uptake of pensioner benefits

- 4.1 We asked various Independent Advisory Sector groups⁴² for their views on the pensioner benefit system. More specifically we sought views on how benefit uptake might be improved, the adequacy of cooperation with benefit paying agencies, the main concerns of pensioners about claiming and what might be done to overcome these concerns. It is important to note that the views expressed in this part of our report are those of the Independent Advisory Sector. These views have not been validated by us or agreed with SSA and should not be taken to represent the views of SSA.
- 4.2 The Independent Advisory Sector responses are provided in full at Appendices 3-6 and we have made use of several Independent Advisory Sector observations and comments throughout the course of this report. Given the value of the Independent Advisory Sector in encouraging the uptake of benefits, particularly within vulnerable, hard-to-reach groups, we have used this section of our report to set out more fully the key messages coming from the Sector.
- 4.3 The Independent Advisory Sector acknowledged that efforts had been made to promote the uptake of benefits and agreed that this was to be commended. It was clear from the responses, however, that several Independent Advisory Sector representatives considered that there was room for improvement.
- 4.4 Suggested improvements included the development of a more collaborative approach, with improved communication between the various agencies and with the voluntary sector. In addition it was suggested that a more long-term approach may be more successful, with better planning of individual campaigns. It considered that the expertise of the Independent Advisory Sector was not fully utilised. An extension of outreach activities was suggested as a positive step in improving awareness of benefit entitlement amongst the hardest to reach. Other suggestions included development of a community development approach which would enable older people to actively participate and essentially promote through word of mouth. In response, SSA told us that the 2009-10 Benefit Uptake Programme adopted a community-based approach.
- 4.5 There was a recurring call for the use of more innovative approaches and the Independent Advisory Sector encouraged full assessment and evaluation of the results of individual exercises before selection of an uptake methodology. Techniques recommended included the greater use of data matching and the introduction of more automatic activation of some benefits. The Independent Advisory Sector also cited an uptake campaign managed through Northern

The adequacy of existing uptake approaches and the extent to which these could be improved

Ireland Electricity (NIE) – the ‘For Your Benefit (FYB) Scheme⁴³’ which it considered had used innovative and proactive methods to successfully target vulnerable and harder to reach clients.

4.6 NIE Energy managed the FYB programme on behalf of NIE. NIE Energy explained that during the FYB programme, seven partners completed benefit entitlement checks for clients. Clients were identified either from the partner’s client list, through events or were identified and contacted by NIE Energy. Its records show that, over the course of the programme, more than 5,500 of the 13,457 benefit entitlement checks completed (41 per cent) identified additional, previously unclaimed, potential benefit entitlement of over £14 million. However, NIE Energy did not have all the required information to calculate the actual conversion rate of the exercise.

4.7 In response, SSA told us that, based on its information, it estimates that the claimant conversion rate for the FYB Scheme was around 10 per cent, and therefore broadly in line with its average claimant conversion rate of 7 per cent.

The adequacy of co-operation and partnership between the Independent Advisory Sector and the benefit paying agencies and any areas for improvement

4.8 Responses in this area varied. In some cases, the Independent Advisory Sector reported ‘a strong partnership with SSA’; some bodies reported ‘excellent

cooperation and partnership working’. On the other hand, some bodies identified the need for ‘*more genuine engagement*’.

4.9 All agreed that better cooperation could be developed and a number of groups called for a more client-centred approach and development of a more formal, structured partnership. The Independent Advisory Sector considered that more commitment to working with the sector would be likely to avoid duplication of effort and inefficiency in approach.

4.10 In response, SSA outlined its liaison arrangements with the Independent Advisory Sector. These include:

- meetings with representatives from the Advice Service Alliance (which acts as an umbrella organisation for Independent Advisory Sector services in Northern Ireland); and
- annual meetings with representatives from Advice NI, Citizens Advice Bureau, Age NI, Carers NI and Carers Centre to discuss plans for benefit uptake programmes.

In addition, DFP informed us that LPS holds biannual meetings with the Independent Advisory Sector and has built up a strong working relationship with a number of bodies which represent older people.

43 NIE launched its “For Your Benefit” Scheme in April 2008. The scheme, aimed at combating fuel poverty, encouraged low income households to maximise their incomes by claiming the benefits to which they are entitled. NIE provided an overall total of £1 million to seven partners who undertook benefit entitlement checks for participants.

Part Four: The role of the Independent Advisory Sector in improving the uptake of pensioner benefits

The main concerns being highlighted to the Independent Advisory Sector by pensioners about claiming benefit and what more needs to be done

4.11 The Independent Advisory Sector reported its views on the main obstacles which prevented pensioners from claiming those benefits to which they are entitled. These were broadly in line with the barriers identified and listed at Figure 3 (see paragraph 1.11). In summary, the Independent Advisory Sector mentioned the following specific pensioner concerns:

- misinformation and a poor level of knowledge of what benefits they may be entitled to;
- difficulty in understanding and navigating the benefit system;
- uncomfortable with “means testing”;
- genuine concern about claiming benefits to which they may not be entitled to;
- the memory of a previous, unpleasant claiming experience; and
- stigma - some older people don’t want to be seen as accepting “charity”.

4.12 In terms of improvements, the Independent Advisory Sector considered that it would *“be good to see an equal level of commitment going to persuade those most in need that there is nothing wrong with completing a form”* as goes into minimising benefit fraud. A recurring

theme in improving uptake was the need to remove complexity within benefits and simplify the application process. There was also a call for a commitment to longer-term outcome-based funding for independent advice services and the removal of means-testing which was considered to be invasive on the applicant.

4.13 In response, SSA assured us that the combined cost of services provided to encourage uptake far exceeds the cost of efforts to combat fraud. Individual services to increase uptake include the provision of outreach services, local promotional activity, production of specific publications (some in ethnic minority languages), development and maintenance of the NI Direct website and the provision of a new online Benefits Adviser Service.

Factors which might have an impact on the uptake of benefits arising from the current economic climate and how these should be addressed

4.14 The Independent Advisory Sector considers that, with the current economic climate set to deteriorate further, the need to increase the uptake of benefits is becoming more important. Those who have never claimed benefits are increasingly approaching advice centres for help with their finances. The situation has become worse as a result of the fall in interest rates on savings and a rising debt culture.

- 4.15 In particular the Independent Advisory Sector considers that the need for assistance with rent or rates might increase significantly as pensioners struggle with their finances. Whilst noting the range of activity that has already been put in place to encourage uptake of benefits, it recommends that the available benefits in this area receive greater publicity.
- 4.16 The Independent Advisory Sector, while appreciating that government services are increasingly subject to pressures and efficiencies, considers that uptake activities should not be subject to financial cuts. Rather, it recommends the development of more innovative, cost-effective and longer-term strategies to ensure that the most vulnerable and disadvantaged people are protected. The Independent Advisory Sector called for simplification of the benefit processes, removal of means-testing and the basic pension to be set at a more realistic level.
- 4.17 While the Independent Advisory Sector welcomes the efforts made by the various benefit-paying authorities to encourage the uptake of benefits, it is clear that the Sector considers that more can be done.
- 4.18 We consider that it is important that each of the views expressed to us is fully considered by the relevant departments and agencies and, where appropriate, action is taken to resolve the issues raised.
- 4.19 We note the relatively recent formation of the IDGBU (see paragraph 3.43). This group could usefully act as a forum for engaging with the Independent Advisory Sector on a planned and regular basis.
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Appendices

Appendix 1: Government initiatives to tackle poverty and social exclusion (paragraph 1.6)

- **People and Place – A Strategy for Neighbourhood Renewal (DSD, 2003):** The strategy seeks to tackle those communities throughout Northern Ireland that suffer from the highest levels of deprivation and to bring together the work of all the government departments in partnership with local people to tackle disadvantage and deprivation. Maximising benefit uptake was seen as an important way to tackle deprivation and ensure people have a better quality of life;
 - **Ending Fuel Poverty: A strategy for NI (DSD 2004):** This sets out a vision for homes that are free from cold and damp, and are enjoyable and healthy to live in and enhance the quality of life of their occupants. It aims to eliminate fuel poverty in vulnerable households by 2010 and in non-vulnerable households by 2016. Vulnerable households were regarded as those that include an elderly person, someone living with a disability or long term illness or a family with at least one child under 16. It acknowledged that there was a strong link between household income and fuel poverty and that maximising household income by assessing a range of benefits can make a crucial difference in tackling fuel poverty. Maximising benefit uptake was seen as an important means of tackling exclusion and isolation among older people;
 - **Ageing in an Inclusive Society: Promoting the Social Inclusion of Older People (OFMDFM 2005):** This is the government's strategy for tackling financial, economic and social exclusion among older people in Northern Ireland and contains a strategic objective "to ensure older people have access to financial and economic resources to lift them out of exclusion and isolation". The role of benefits in achieving this objective is clearly stated; in particular the importance of maximising benefit uptake is highlighted and there is an emphasis on moving towards a system where benefits are automatically awarded where possible. Reductions in the size of the Pension Credit claim form and facilities to make claims for Retirement Pension and Pension Credit over the telephone were seen as positive;
 - **Lifetime Opportunities: Governments Anti-Poverty and Social Inclusion Strategy for NI (OFMDFM 2006):** This replaced the "New Targeting Social Need" strategy 1998. The strategy aims to tackle: health inequalities; rural poverty; social exclusion; deprivation; division between different communities and inequality in the labour market; poverty and cycles of deprivation among different vulnerable groups. The vulnerable groups include children, working age adults and older people who are beyond working age. The strategy sets a target that "all older people will enjoy security and financial independence through increased provision of opportunity to remain in work and maximum uptake of their eligibility to pensions and benefits by 2020". The strategy is driven by the Central Anti-Poverty Unit in OFMDFM whose role is to set overall priorities, and drive and co-ordinate action in this area. Currently one of the main priorities for the unit is to work with departments to develop a National Action Plan against poverty and social exclusion, and DSD's benefit uptake work is a key activity under its Action Plan;
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- **Priorities and Budget (OFMDFM, 2006-08):** This recognised the added value that can be provided by the Voluntary and Community Sector and specifically the Independent Advisory Sector, which is seen to be independent of government, can be more acceptable to people, and can deliver service in distinctive ways which improve outcomes for customers;
 - **Opening Doors: The Strategy for the Delivery of Voluntary Advice Services to the Community (DSD 2007):** The strategy proposes a long-term strategic framework for delivering comprehensive advice services across Northern Ireland. The strategy suggests significant alteration to the mechanism for delivering services within the sector, by recommending co-operation and partnership working between participants from the statutory, voluntary and community sectors. It also provides a clear direction for the delivery of accessible and high quality advice which offers value for money, and a clear rationale for engaging with the Independent Advisory Sector;
 - **NI Programme for Government (Priorities and Budgets 2008-2011):** The Programme contains a specific Public Service Agreement (PSA) to “drive a programme across Government to reduce poverty and address inequality and disadvantage”. Actions related to this objective include: ensuring all benefit claimants receive benefit payment in line with accuracy and clearance targets; continuation of the roll-out of the Benefit Uptake Strategy; implementing a new operating model through the PTP by 2010; and increasing benefit uptake and improving customer service.
- A further objective is to take forward co-ordinated strategic action to promote social inclusion for lone parents, people with a disability, older people and minority ethnic communities;
- **Department of Agriculture and Rural Development’s Rural Development Programme** was allocated additional funding in the 2008-2011 Programme for Government to provide mechanisms and support to those living in rural communities to identify and tackle poverty and social exclusion; and
 - **The report on the Committee Inquiry into Child Poverty (OFMDFM, June 2008)** found that there was no significant decrease in child poverty during the preceding three years. The Committee tasked departments with commitments and recommended SSA establish longer term benefit uptake contracts and adopt alternative methods of contacting hard to reach families in poverty.
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Appendix 2: SSA Assessment of Progress in Implementing the Recommendations of the April 2009 Strategic Review of Benefit Uptake (paragraph 3.24)

No.	Recommendation	SSA Action Taken
1	Cross-reference databases and include low income filters.	<p>SSA's databases have been cross-referenced each year since 2005. In addition to using low income filters to identify clients for Benefit Uptake Programmes, other socio-economic filters have also been applied.</p> <p>Benefit Entitlement Unit (BEU) through Analytical Services Unit (ASU) has investigated ways to access other sources of information e.g. DHSSPS information (at spatial level), but has been unsuccessful in obtaining customer specific information for benefit uptake purposes.</p>
2	Target geographical areas where uptake is low, but which may not necessarily be areas of high deprivation.	<p>Previous programmes have focused on areas other than Areas of Deprivation, for example "owner occupancy".</p> <p>In relation to the Outreach approach, areas were selected which showed a low uptake of pensioner benefits compared to the pensioner population. SSA will continue to consider the recommended approach when designing exercises.</p>
3	Consider implementing future programmes on a staggered basis to allow adequate time for subsequent and timely follow up with non-respondents.	The timing of exercises across the 2009-10 Uptake Programme was reconsidered to allow follow up to be carried out after a shorter timeframe than in previous years.
4	Ensure BEU staff who are involved in the initial client liaison/follow up, have appropriate training in benefit advice to provide sufficient guidance and encouragement to customers to investigate their benefit entitlement.	<p>All permanent BEU staff receive General Benefit Training.</p> <p>Staff working specifically on follow-up activity are recruited through an employment agency. This makes it difficult to schedule General Benefit Training due to the uncertainty of start dates. However, they did receive formal telephony training on commencement of their contract. At the start of each exercise they also receive individual customer profiles for each person they contact.</p>

No.	Recommendation	SSA Action Taken
5	Consider a triage approach to initial client contact.	Initial client contact via letter is the responsibility of SSA but the service provider is responsible for handling the contact thereafter. SSA has requested use of this approach (in the Terms of Reference included in the contract) but is not proposing to specify the approach as a requirement, since this may cause difficulties given the current remuneration package.
6	Continue to monitor the quality of service provided by the Independent Advisory Service while ensuring that SSA's targeting is as effective as possible.	SSA will continue to monitor the quality of advice given by the service provider throughout the contract. A customer survey was included in the 2009-10 targeted exercises to measure the quality of service delivered by Citizens Advice Bureau. Over 70 per cent of those surveyed found the service to be excellent or good. Following extensive research and using the information currently available, SSA tries to focus on those most in need. It is exploring the use of HMRC information to identify more accurately those who might be entitled to State Pension Credit.
7	Monitor the direct applications issue in future Programmes to ascertain why some targeted customers chose to approach SSA directly/chose not to approach the Independent Advisory Sector.	SSA monitors the number of direct applications resulting from Programmes. SSA will give consideration to more frequent monitoring of these cases, however, given the time-lag before BEU becomes aware of a successful claim, it can be difficult to ascertain why customers contact SSA directly.
8	Consider a VFM model that extrapolates the value for money across a longer time frame.	SSA implemented a VFM model using the 'average length of benefit award', along with average award amounts, to estimate the benefit generated in the 2009-10 Programme. Actual information will be used as part of the Evaluation for 2009-10. A similar approach will be used in 2010-11.
9	Establish a formal Benefit Uptake Forum to include representatives from all other organisations involved in benefit uptake activities.	The IDGBU was established in November 2008. Since September 2009, A2B, Age Concern/Help the Aged NI, HMRC, Disability Action and Public Health Agency have been invited to present at IDGBU meetings. Presentations have ranged from issues affecting those not claiming their full entitlement to detailed descriptions of benefit uptake activities undertaken.

Appendix 2: SSA Assessment of Progress in Implementing the Recommendations of the April 2009 Strategic Review of Benefit Uptake (paragraph 3.24)

No.	Recommendation	SSA Action Taken
10	Develop formal links with representatives in DWP involved in benefit uptake activities.	SSA has developed formal links with colleagues in DWP. Regular teleconferences are held with the 'Take-Up' and Awareness Teams. A representative from the DWP Benefit Take-Up Strategy Team visited SSA in March 2010. Discussions are underway with the Customer Database and Insight Team to identify further customers with potential entitlement to State Pension Credit.
11	Monitor and review service provision through current contact points.	This extends beyond the scope of benefit uptake activities to how SSA delivers its business and the ease with which clients can access services. SSA is changing the way it provides its services and, following introduction of new delivery methods, their relative success is monitored and evaluated.
12	Monitor and review Benefit Uptake Programmes with particular focus on the impact of the PTP.	SSA carries out extensive monitoring and evaluation of the Benefit Uptake Programmes and this will continue in the future. High-level monitoring of the impact of the PTP was carried out in preparation for the 2010-11 Programme. The analysis showed that State Pension Credit claims had increased by approximately 33 per cent.
13	Consider an 'innovation fund' i.e. a finite pot of money which is used to develop and pilot an innovative approach to benefit uptake.	An outreach approach was incorporated into the 2009-10 Programme. It was introduced on a small scale to allow SSA to measure the success of the approach. Initial indications showed a higher conversion rate for Outreach than the Targeted exercises. To allow the approach to be further refined and developed, a larger scale approach has been proposed for 2010-11.

Appendix 3: Age NI Comments (paragraph 4.2)

Question 1 - Do you consider the approach and actions currently adopted by each of the three benefit paying agencies (SSA, NIHE, LPS) to promote awareness and increase take up is broadly right and to what extent might it be improved?

Age NI commends the drive to promote greater benefit uptake, particularly in the current economic climate but feels that there is further room for improvement. We believe that campaigns should be better planned and be delivered as part of integrated strategies which focus on benefit uptake and health inequalities, targeting specific groups such as the hard to reach. Age NI feel there is scope for more joined up working between the different agencies and also within the voluntary sector.

Rather than the current process where there are short term bursts of benefit uptake activity driven by the Department for Social Development (DSD), Age NI believes that a more collaborative, long term approach is needed. We would support a system comparable to the Welfare Reform Project where there is a long term commitment to the funding of actual posts. In order to effectively promote benefit entitlements, a community development approach should be applied; older people would be able to actively participate and essentially further promote through word of mouth.

At the most basic level, there should be a commitment to automatic sharing of data, where possible. A more exhaustive cross-matching of personal data at the outset would alleviate some of the problems we have had to deal with in the past, including referrals who have passed away, are already on benefits or are clearly not entitled. In addition, the current process can also be lengthy

and cumbersome from the time letters are posted until the referral gets advice.

Question 2 - Is there adequate cooperation and partnership between your organisation and the various benefit paying agencies and are there any areas where things could be improved for the future?

We believe that the initiatives should be advice sector lead and that it should embrace the whole sector. Delivery needs to be client centred and take more account of the way in which older people want services to be designed and delivered, both now and in the future. It needs to be flexible and innovative and look at a variety of delivery mechanisms, for example using existing networks such as the Ageing Well Network, as older people are not a homogenous grouping.

By committing to working with existing networks such as the Ageing Well Network (400 groups throughout Northern Ireland) duplication of effort and inefficiency could be avoided, and at the same time, the sector which delivers practical and social support to this group would be strengthened.

Question 3 - What are the main concerns being highlighted by pensioners to your organisation about claiming benefit and to what extent have these been addressed and what more needs to be done?

The main concerns older people have regarding benefits are:

- **Ignorance about entitlements or misconception of eligibility** – many pensioners still do not know what they are entitled

Appendix 3: Age NI Comments (paragraph 4.2)

to, or how the different benefits interact; misinformation and a poor level of knowledge remain key issues round the under claiming of benefits. Often older people have to be prompted to have a benefit check and then encouraged and supported through the claims process. Many older people still think that they are not entitled to claim, especially if they have an occupational pension, savings or own property. Due to changes in benefit legislation many pensioners are not aware that they could have a benefit entitlement.

This poor level of knowledge can be tackled by long term community education initiatives and a commitment to developing financial literacy amongst older people.

- **The Application Process** – older people find the forms lengthy and complex, especially if they have more than one form to complete. The forms can be repetitive and not user friendly. The amount of information required can be intrusive and many will have to post personal information for verification. Some older people still prefer face to face contact to help complete forms rather than using the phone however this can cause access issues.
- **Fear** - many older people fear that information sent by them through the post could get lost; that if they claim a benefit they may end up losing entitlement to another or something else; and if they do not fill the forms in correctly may end up committing fraud or having an overpayment to repay.
- **Attitudes** - There are still a number of older people who view the benefit system as 'not for them' and 'a bit like charity'. A key outcome is to make older people feel comfortable about

claiming those benefits to which they are entitled. While one of the thrusts of the SSA is to minimise benefit fraud, it would be good to see an equal level of commitment going to persuade those most in need that there is nothing wrong with completing a claim form.

- **Previous experience** – a bad experience with a previous application or perceptions of the benefit system can put people off claiming or asking for a review of benefits when their circumstances change.

Question 4 - Are there any factors, which might have impacts for the take-up of benefits arising from the current economic climate, and what more needs to be done to address your organisation's concerns on these issues?

There has never been a more timely opportunity to address these issues because of the current financial position of older people with fixed incomes and diminishing (or no) savings. At the same time, there are economic constraints on the public sector as a result of the comprehensive spending review and both the specialist and the generalist advice sector are contracting because of difficulties in accessing funding. These drivers for change make the need for innovation in uptake methods, integration of current efforts, and evaluation of outcomes all the more necessary.

Means testing is an uncomfortable and invasive assessment of personal and financial affairs that older people are reluctant to enter into. Government should look at how it can pay benefits more automatically so people do not have to go through the process of form filling and verifying their identity or income any more than they have to.

Age NI considers that the Basic State Pension should be set at a decent level. This should be at least £124.05 per week for a single person and £189.35 for a couple. We would strongly recommend that an increase in the Basic State Pension in line with earnings should be adopted now instead of waiting until 2012.

Reduce the complexity of the benefit system to make it simpler and more accessible. There are over 20 different types of benefits each with different criteria.

Holistic specialist advice for older people and face-to-face advice needs to be more readily available to pensioners when claiming benefits. This should complement the telephony service and be part of community development approach to benefit uptake which ties in with pre-existing older people's activities. Pension Service NI's plans to reduce the number of outreach officers available and to change the functions of those officers is of concern. The needs of the hard to reach should also be considered.

A 'one-stop shop' for all benefits for older people; services should be joined-up to meet people's needs. A vital element of this is joined up IT and claims systems so older people will not have to give over the same information, time and time again to different officials. When an older person calls one department for a benefit this should trigger a full benefit check. All agency staff should have cross benefit training and how to deal with older people. Atlantic Philanthropies are funding Advice NI to establish and deliver a course on issues facing older people; modules include Age Awareness, Benefits, and Housing etc. This could be something the Department could consider for all frontline staff.

Modernise the system of means-testing so that it does not penalise those with savings or who work after age 60/65.

Remove the age limit of 65 in the Disability Living Allowance mobility component to allow older people who develop a mobility illness or disability after their 65th birthday to be entitled to claim this element.

Awareness materials should be revised and made clearer. These should be in plain English and concentrate on the positives rather than the negatives. These should be strategically placed in community groups, GP practices etc. There should be greater promotion through different media mechanisms of benefits and changes. Some older people may have tried for benefits in the past and were not eligible but due to a change of circumstance this could change the outcome. An awareness pack should be sent to people who are retiring or at a defined period in advance of this and should include a wide range of information about all appropriate benefits, health, lifelong learning etc.

New long term strategies to tackle fuel poverty should recognise the complex financial, social and health factors which trap older people in fuel poverty and include the implementation of social tariffs.

Appendix 4: A2B Comments (paragraph 4.2)

Question 1 - Do you consider the approach and actions currently adopted by each of the three benefit paying agencies (SSA, NIHE, LPS) to promote awareness and increase take up is broadly right and to what extent might it be improved?

The approach taken by Land & Property Services (LPS) has been very positive and recent developments including the appointment of a dedicated team are very welcome. We work closely with them on issues including the redesign of forms and leaflets and they are very proactive in their outreach strategy.

With regard to the Social Security Agency (SSA), we consider that there have been a range of pilots which have never been mainstreamed and which we do not feel take an innovative approach. Rather, they continue to be based on conventional mailshot strategies. Previous response rates to the mailshots (42% for the 2006/07 programme) support our view that there is much scope for complementary outreach activities to improve awareness of benefit entitlements amongst the hardest to reach. The loss of pension advisers will serve to make the system more difficult for older people seeking to claim benefits. We therefore welcome SSA's activities regarding the awareness-raising "complementary outreach activities" which closely mirror our own outreach approach (for example by working through NI Libraries).

We consider that the concept of a telephone service is not suitable for all clients, particularly among older age groups, and should not be seen as the solution to all take-up problems. Therefore we welcome SSA's introduction of the Customer First Strategy which offers a multi-channel approach to customers.

Question 2 - Is there adequate cooperation and partnership between your organisation and the various benefit paying agencies and are there any areas where things could be improved for the future?

In 2010, SSA has engaged positively with the "Maximising Access to Services and Benefits in Rural Areas" project, led by the Public Health Agency, financed by the Department of Agriculture and Rural Development and in which A2B is a principal stakeholder and resource provider. Additionally, SSA advisers have also attended outreach events organised by A2B aimed at older people, and this is viewed as a positive development.

Taking into account the SSA's previous representation on A2B's Advisory Panel, A2B was ultimately disappointed that its attempts to engage with the SSA from 2007 to 2009 were not more productive. Quarterly update meetings with the SSA did take place at A2B's prompting, with a view to exchanging information on the organisations' respective benefit uptake initiatives, but tended to result in a one-way flow of information from A2B to SSA. Attempts to engage in meaningful partnership working through the proposal for a joint pilot for example, did not yield any interest from the SSA. While we welcome any initiatives to improve benefit uptake, the launch by the SSA of an online Benefit Calculator seemed to be unnecessary duplication of A2B's own all-age calculator, and a wasted opportunity to partner with the community and advice sectors. Consequently, we believe there is scope for the SSA to improve service provision through more careful consideration of innovative ideas on benefit uptake which emerge from the non-statutory sectors.

There has been some cooperation with NIHE at operational level but this could be built on and improved. One example is when NIHE provided a resource to help test A2B's prototype benefit calculator in 2007. Another is the pilot work to improve access to benefits and housing grants to the rural poor in Fermanagh. District Offices of the NIHE have also provided trainees for using the A2B benefit calculator.

There has been excellent cooperation and partnership working with LPS and the Rating Policy Division in DFP and this should be used as a good practice example. A2B has contributed to the Interdepartmental Group which is taking forward some of the recommendations that we made in our research report on the take-up of Housing Benefit and Rate Relief.

In response, SSA commented:

In relation to A2B's request for funding of the benefit calculator, the Department's view was that funding should not be provided for the following reasons:

- The Social Security Agency (Agency) does not provide funding for initiatives such as this;
- A Benefit Advisor Service would be available to Northern Ireland citizens from 21 September 2009 and a Benefit Enquiry Service available from Autumn 2010;
- The Agency's system will have a wider scope and link into other strategic objectives at a NI level and maintain parity with DWP; and
- The request for investment does not fit with timings in relation to the implementation of the advice strategy 'Opening Doors' and

work necessary to inform the business case for investment in ICT.

The Benefit Advisor Service was introduced in the Agency to maintain parity with DWP and is the first building block for delivery of a number of other online services and provides a strategic fit with potential changes to the benefit system. The Benefit Advisor Service is free to individual citizens and the advice sector via the NI government website nidirect.

Question 3 - What are the main concerns being highlighted by pensioners to your organisation about claiming benefit and to what extent have these been addressed and what more needs to be done?

The concerns can be grouped under three main headings:

Stigma – older people don't like to ask for what they mistakenly see as charity or handouts; they don't like to divulge personal details to government departments; they feel they have always 'made do' or 'have enough to get by'; fear of accusations of fraud due to amount of negative publicity.

Awareness – don't know what is available; criteria are often unclear; there are many myths and misconceptions about the benefits system.

Complexity – the system is hard to understand and navigate; forms are too long and detailed; benefits interact in strange and confusing ways; forms and personal documents often get lost. In addition there are other issues including language barriers, isolation and lack of access to offices or advice centres, mental and physical

Appendix 4: A2B Comments (paragraph 4.2)

disability and lack of essential skills such as literacy and numeracy.

Question 4 - Are there any factors, which might have impacts for the take-up of benefits arising from the current economic climate, and what more needs to be done to address your organisation's concerns on these issues?

The main issues for older people at the moment are a loss of income from savings and a meagre increase in benefits – coupled with fuel and food prices remaining very high, this means we still need to focus on increasing uptake. The focus from the SSA has moved to the recently unemployed but this should not be to the detriment of other client groups. Nevertheless, we have identified men of older working age as being particularly vulnerable at the moment as they are at highest risk of redundancy.

In-work benefits need to be made easier to claim, such as Housing Benefit or Tax Credits and there should be more clarity for claimants who are moving between short term posts or who lose their jobs, then get new jobs and lose them again etc. This of course applies to older people who are working

Appendix 5: Citizens Advice Bureau Comments (paragraph 4.2)

Question 1 - Do you consider the approach and actions currently adopted by each of the three benefit paying agencies (SSA, NIHE, LPS) to promote awareness and increase take up is broadly right and to what extent might it be improved?

The Social Security Agency (SSA) in our view has been proactive in increasing benefit uptake and awareness among its customers. The intelligent use of data matching and partnership working with the advice sector in Northern Ireland has ensured that many vulnerable groups, in particular, older people, have accessed benefits that they were unaware they were entitled to. The SSA has also held meetings and workshops with the advice sector to look at ways of improving the effectiveness of benefit uptake programmes. We think the approach adopted by the SSA is broadly right given the financial constraints in running such a programme.

Citizens Advice has not been involved with Northern Ireland Housing Executive (NIHE) on any Housing Benefit awareness or take-up campaigns. However, in the past we had formal arrangements in place to accept referrals for debt management which would have included maximising benefit entitlement. In our view NIHE could adopt a similar approach to the SSA in relation to benefit uptake for Housing Benefit for rent and rates. With so many people being made redundant and working reduced hours in the current economic climate, one would imagine that a significant number of people would be entitled to help with their rent and/or rates but may not be aware of it.

Citizens Advice has had meetings with Land and Property Services (LPS) to discuss social policy issues experienced by our clients and issues surrounding benefit take-up. It is our understanding

that LPS is working with the DSD on the targeting of Rate Relief and Housing Benefit. The results achieved through the 2009 SSA Benefit Uptake project, in partnership with Citizens Advice, clearly demonstrate good value for money in helping vulnerable people identify and claim £6.1 million in social security benefits, which will eventually amount to £38.8million over the average length of the resulting claims. This model allows the specific targeting of claimants, the tracking of individual cases and a clear indication of the success of the project. We believe that this approach of using departmental databases along with partnership working could be extended to LPS as it is a proven and successful service delivery model.

Question 2 - Is there adequate cooperation and partnership between your organisation and the various benefit paying agencies and are there any areas where things could be improved for the future?

Citizens Advice has a strong partnership with the Social Security Agency on Benefit Uptake and other operational matters. We meet with the SSA staff at a senior and operational level on a quarterly basis.

There is no formal partnership between Citizens Advice and NIHE other than the debt management project which has now ended. It would be beneficial for both organisations to formally meet on a regular basis to discuss issues of concern.

Citizens Advice and LPS have met through an LPS/Advice Sector forum. Meetings usually take place on an ad-hoc basis when required. Citizens Advice would like to see more formal regular meetings taking place with LPS as this is a useful forum to discuss mutual issues of concern.

Appendix 5: Citizens Advice Bureau Comments (paragraph 4.2)

Question 3 - What are the main concerns being highlighted by pensioners to your organisation about claiming benefit and to what extent have these been addressed and what more needs to be done?

Some older people are generally concerned about claiming benefits that they may not be entitled to. The Social Security Agency is actively engaged in an anti-fraud campaign with a 'name and shame' policy and a dedicated website. This can put off those whom are genuinely entitled to benefits. Older people are also put off claiming benefits due to a previous negative experience of claiming benefits such as delays or lost claims. In some cases the amount of entitlement is too low to encourage a claim. Some people also choose not to claim benefits as they feel they have sufficient money to live on, even though they are surviving on a very low income. It is difficult to come up with a 'quick fix' to these issues. The SSA's benefit uptake programme is a good example of how the uptake of benefits can be promoted over a longer period of time. This model should be adopted by NIHE and LPS, with a view towards setting up a long term partnership approach to benefit uptake.

Question 4 - Are there any factors, which might have impacts for the take-up of benefits arising from the current economic climate, and what more needs to be done to address your organisation's concerns on these issues?

In the current economic climate it is likely that more people will need access to benefits that have never done so before and therefore have no experience in making a claim. These people may need more help to navigate through the benefits environment and understand the interactions between different benefits.

More and more people are facing redundancy or cuts in their working hours. This will result in an increase in the number of people entitled to help with their rent if they are tenants or help with their rates if they are owner occupiers. NIHE and LPS need to ensure that people are aware of the help that is available. A targeted benefit uptake campaign, similar to the SSA's programme, should be introduced by both organisations.

Public sector cuts arising out of the current economic and political climate may well have an adverse impact on the uptake of benefits over the coming years if departmental budgets allocated to benefit uptake projects are reduced or removed altogether. This would result in less resources being made available at a time when demand for advice and information is likely to increase significantly. Therefore, it is essential that these projects, along with their budgets, are protected as much as possible as they not only help some of the most vulnerable within society but they inject substantial amounts of money into the local economy.

Appendix 6: Advice NI Comments (paragraph 4.2)

Question 1 - Do you consider the approach and actions currently adopted by each of the three benefit paying agencies (SSA, NIHE, LPS) to promote awareness and increase take up is broadly right and to what extent might it be improved?

The SSA/Advice sector model of increasing take up is very much reliant upon using the SSA's own internal customer data stores. Although this has proved to be significantly successful over the years, in that around 50% of clients targeted respond with 7 per cent uptake rate, we still believe more work could be done in targeting the 50% that do not respond at all.

The methods used by SSA are good for targeting a particular client base in a particular geographical area, however SSA should also be using more pro active and innovative methodologies in order to target the most hard to reach, especially given that their internal customer information/filtering methods are inevitably finite.

The commissioning approach adopted by the SSA is not helpful for two main reasons: a) it is short term where a longer more sustained approach is required and b) it does not fully utilise the expertise and capacity of the broader advice sector (for example specialist groups such as Age NI were excluded from the most recent contract).

We also strongly suggest that many of the difficulties arising for older people in accessing benefits are compounded by systemic failures in the application and adjudication processes of the benefit paying agencies. For example a recent report by Advice UK 'It's the system stupid' found that:

- Advice organisations could make a huge contribution to improving public service delivery (and cutting costs) but the increasing practice of funding them solely for advice transactions means that opportunities for learning, for joint work to tackle waste and for service improvement are being missed. For these opportunities to be grasped, advice organisations need to be freed up financially to feed back on the systemic failures in public services
- Funders' requirements and new contract conditions are actually introducing waste into advice agency systems.
- The project that has led to this report arose out of our concern that current government plans for improving legal and advice services will achieve nothing of the sort. We share the desire for improved services but, in our view, plans for advice to be provided by fewer larger contractors selected through competition, using funds that currently support many smaller outlets, will actually lead to worse services more focused on serving the 'top-down' interests of government than the 'bottom-up' interests of people seeking advice.

Over the last 2 years, through a pilot and rollout of the 'For Your Benefit' project, Advice NI and NIE have been targeting vulnerable and traditionally hard to reach clients through various innovative and pro-active methods, such as using community 'champions', ICT, local media and targeted events. In total the pilot and rollout of the scheme resulted in identification of an additional £14 million of benefits for vulnerable customers (£1.5 million generated from the pilot and £13 million generated through the rollout scheme).

Appendix 6: Advice NI Comments (paragraph 4.2)

Advice NI has also been engaged with HMRC over the last 4 years in specifically promoting the take up of Tax Credits to hard to reach and vulnerable groups like BME and Migrant Worker communities. HMRC has funded the development of a range of Tax Credits information including the intelligent use of ICT and Web 2.0 technologies. See www.adviceni.net

With regard to NIHE and LPS the advice sector has yet to get involved in any meaningful take up campaigns, although some pilot activity with LPS has taken place.

Question 2 - Is there adequate cooperation and partnership between your organisation and the various benefit paying agencies and are there any areas where things could be improved for the future?

Advice NI is involved in various forums with these agencies at an Advice Service Alliance (ASA) level. These would involve set quarterly meetings with the likes of the Pension Service and the Disability and Carers Service. These meetings are very useful to discuss and resolve high level policy and operational issues. Meetings with the NIHE and LPS are arranged on a need be basis, for example if certain benefit forms are being modified or new benefits are coming into payment. On a local advice provider level there are regular liaison meetings arranged with SSA front office representatives on a regular basis. To our knowledge advisers find these forums extremely useful to resolve issues. Advice NI would also have good contact within the major benefit paying agencies to resolve urgent client issues should an adviser feel it necessary.

For the future we would welcome increased engagement with benefit paying agencies to explore new approaches with a view to improving public sector service delivery from a client perspective.

Question 3 - What are the main concerns being highlighted by pensioners to your organisation about claiming benefit and to what extent have these been addressed and what more needs to be done?

Apart from the usual main barriers to take up such as the stigma attached to claiming benefits, lack of understanding of entitlements and fear of doing something wrong, the major concern amongst pensioners is the complexity of the forms.

All these barriers are being tackled somewhat with the various benefit take up campaigns. However, we believe more can be done, specifically in two areas:

- a) Government needs to commit to longer term outcome based funding for independent advice services to increase capacity to undertake benefit take up work and help people through the complex issues of the benefits system; and
- b) Government could bring about changes to address systemic failures and simplify the whole benefits systems to make the journey for clients, from the initial application to benefit payment, easier. To achieve this Government should consider funding an integrated IT system which enables advice sector agencies and benefit paying agencies to interact with each other.

Question 4 - Are there any factors, which might have impacts for the take-up of benefits arising from the current economic climate, and what more needs to be done to address your organisation's concerns on these issues?

With the current economic climate set to further deteriorate, take up of benefit entitlements are more important now than ever before.

Pressure on frontline services is growing and people who have traditionally never claimed benefits are now finding their way into advice centres looking for help; including a huge increase in debt related issues. This additional pressure on frontline advice services means that work in the area of benefit take-up for older people (and others) may be displaced and become less focused as advisors become more engaged in meeting current demand. This is coinciding with likely severe funding cuts and efficiencies (through CSR and other measures) forecast for 2010 onwards. These cuts are likely to be as severe in the benefit paying agencies as anywhere else and this is one reason why we need to urgently devise innovative, cost effective and longer term strategies so that our most vulnerable and disadvantaged people are protected, as much as possible, in these harsh economic times.

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