October 2019

**Benefit Take Up**

**Scottish Parliament: Social Security Committee**

**1. What do we know about how much is unclaimed and why?**

Age Scotland helps older people to maximise their incomes by providing free benefits checks through our helpline as well as providing nine easy to understand benefits guides to older people and the services that support them. Benefits are one of the helpline’s most asked about topics, amounting to 32% of calls to the service in 2017/18, and Age Scotland Helpline advisers were successful in soliciting an extra £587,176.68 by providing free benefit checks to those who otherwise wouldn’t have claimed. The helpline’s holistic service, however, means that people who may be calling about a different issue will then find out that they are entitled to a benefit they didn’t know about after speaking to one of our advisers.

We know that pension credit is a massively underclaimed benefit, with the Department for Work and Pensions (DWP) estimating that 40% of those who are eligible do not claim it.[[1]](#footnote-1) Research conducted by Independent Age found that roughly 122,598 households in Scotland were entitled to, but not receiving Pension Credit, meaning there is an annual sum of £331,985,808 unclaimed Pension Credit in Scotland.[[2]](#footnote-2)

New eligibility rules have recently come into force which means mixed aged couples (where one person has reached their State Pension Age and their partner has not yet reached their State Pension Age) can no longer claim Pension Credit and are instead encouraged to apply for Universal Credit which is a decisively less generous benefit, seeing an annual loss of as much as £7,000 per household. This loss of income can be as much as £10,000 if the couple do not claim Universal Credit, due to lack of access to passported benefits. It is expected that this change will have a devastating impact on some of Scotland’s poorest pensioners and will affect as many as 5,600 households in Scotland by 2023-24.[[3]](#footnote-3)

Council Tax Reduction (CTR) is an important benefit available to older people and is one with passported eligibility when in receipt of Pension Credit. However, it is not automatically passported and requires a separate application to the Local Authority. It is also a means tested benefit for people on low income. For example, CTR could be applied if the home is in Council Tax Band E,F,G or H and income is less than £321 per week for a single person or £479 per week for couples.

According to Scottish Government figures there were 103,470 claimants of CTR linked to Pension Credit in March 2019 [[4]](#footnote-4). The previous year, however, there were 110,170 CTR claims linked to Pension Credit [[5]](#footnote-5). The age group with the highest proportion of CRT recipients was 65 or over, at 37% (175,240) in March 2019. The reason for the decrease in recipients compared to 2018 is not clear. Citizens Advice Scotland estimate that the average amount people could be missing out on by not claiming CTR is £700 per year, which is a significant amount of money[[6]](#footnote-6).

With so much information now available online, many older people are finding it difficult to identify what benefits exist in the first place, what their entitlements are and how to access them. We know that 500,000 over 60s in Scotland don’t use the internet, the equivalent of the population of Edinburgh, which means the digital by default option could be a significant barrier. Stigma and pride will also explain why many older people do not claim assistance, as well as a feeling that they’ve always ‘got by’ before so shouldn’t claim if they’re not the most in need. We have also heard anecdotally that some older people are afraid of claiming benefits and becoming on reliant on the additional income only to find it taken away or reduced.

**2. What are the gaps in knowledge/research and how can they be improved?**

We are not aware of any estimates into how much Attendance Allowance, soon to be Disability Assistance for Older People (DAOP), is unclaimed in Scotland and would welcome more research into this. There are an estimated 125,501 older people in Scotland who do receive Attendance Allowance, 20% of whom were aged 80 or over.[[7]](#footnote-7)

Age Scotland believes the DAOP should be more ambitious than Attendance Allowance and mirror working age eligibility to the mobility scheme. It is our view that to not include a mobility component for older people’s disability assistance is age discrimination.

**3. How can the administration of benefits be improved to maximise take-up? Specific examples would be welcomed.**

Maximising incomes is a simple way to lift people out of poverty. 150,000 pensioners in Scotland live in abject poverty after housing costs according to figures by the Scottish Government.[[8]](#footnote-8)

Whilst digital applications can be the preferred method of some older people, digital by default is extremely unhelpful and discriminatory against older people who do not use the internet. In 2016, 67% of those aged 75 and over reported not using the internet, compared to just one per cent of adults aged 16-34.[[9]](#footnote-9) And for people aged over 60, 500,000 do not use the internet. Having the ability to apply for benefits through a range of channels which best suits the claimant such as face to face, by phone, and paper forms, as well as online, is extremely important to ensure that the process is accessible as possible. Home visits are also crucial for older people with disabilities who may have limited mobility and options for public transport, especially those who live in rural areas. They are also beneficial for older carers who may not be able to leave the person they care for.

Welfare rights advice provided by trusted organisations such as Age Scotland, thorough its Helpline and information guides, play an important role in maximising take-up for benefits. Long and arduous forms can hinder and negatively impact older people’s experience of applying for benefits, especially for those who rely on family and unpaid carers who are, understandably, too exhausted to fill out long and complicated forms. Welfare advice, therefore, has an important role to play as well as a more streamlined process which prevents older people and their carers from having to repeat themselves. Making the correct decision first time will also help to foster more trust in the welfare system and reduce the fear associated with applying for and being refused assistance. Medical assessments for benefits is also a process which must be improved as it can deter older people from claiming a benefit due to its ‘tick box’ nature and unrealistic criteria.

Automatically passporting benefits helps to improve take-up, removing the burden from the person claiming from knowing what else they are entitled to and separately applying for other benefits. However, those claiming the new Tier 1 State Pension are no longer able to claim Pension Credit as this rate is marginally above the basic level of means-tested support. Had the link between Pension Credit and State Pension remained, older people on a low income would have automatically been passported to receive Housing Benefit, Health Vouchers, Council Tax Reduction, and Winter Fuel Payment, which would have had a significant positive impact on their financial health. There are opportunities for the newly devolved benefits to take a different approach, such as Disability Assistance for Older People (DAOP) automatically passport access to the Blue Badge scheme.

The automation of passporting Council Tax Reduction needs to be explored. While, for instance, a recipient of Pension Credit is entitled to CTR, the additional application process with a different public body could be a barrier to them claiming it.

**4. What can we learn from previous campaigns to increase take-up? Specific examples of projects or approaches that improved benefit take-up, particularly those that were evaluated, would be welcomed.**

Stigma and pride play a large factor in why many older people who qualify for benefits do not apply. Older people in particular have endured years of stigmatising media narrative such as ‘scroungers’, which certainly doesn’t help people to feel that social security is for them. Previous campaigns have tried to tackle this such as the Scottish Government’s ‘You’ve Earned It’ benefit uptake campaign in October 2017 which was found to be largely successful. It is important to remember that the concept of ‘you’ve earnt it’ has the unintended consequence of stigmatising those who have not been able to participate in the traditional labour market. Careful messaging of any future campaign must therefore be mindful of this whilst trying to tackle the stigma of applying for help.

Targeted projects at specific groups, from trusted organisations, certainly has its benefits. Age Scotland’s ‘Money Matters’ project found that tailored advice to older people helped to increase awareness and knowledge of what support was available. The project included over 1,200 participants around Scotland and found that there was much confusion, stigma, incorrect assumptions and lack of clarity over where to find advice and support on making a benefit claim for people over 50. After attending our Money Matters session, 77% of participants felt more confident about how to access their benefit entitlements. This demonstrates that for many of our older population the right face-to-face support and guidance empowers them to make positive changes to their lifestyle, health and wellbeing. As many older people do not have access to the Internet, there needs to be a clear and easily accessed way for them to receive support during the application process.

**5. Are different approaches required for different benefits and different client groups?**

As outlined in question four Age Scotland’s ‘Money Matters’ project found that many older people found it beneficial to have tailored sessions targeted at them relating to older people’s benefits specifically. This is also an opportunity to do some myth busting around benefits, such as older people who think they are not entitled to support because they own their own house.

As mentioned in question three, older people like to have the option to talk to someone face-to-face and on the phone, as well as have printed material which they can read at their own pace.

There are opportunities to target older people through traditional awareness raising campaigns that use local radio and newspapers, however, to reach the most vulnerable, and isolated, older people we recommend piloting different approaches. This could include capitalising on when older people come into contact with the health and social care system, taking a more integrated approach. For example, this could include opportunities for health care workers to cross refer people for a benefits check such as Link workers in GPs, when people are being discharged from hospitals, pharmacists providing flu vaccines, and social workers providing community care assessments. Using traditional, as well as less traditional methods for an uptake campaign would ensure that a greater number of people would learn about benefits they may be entitled to, such as putting details of where to find information about entitlements on pharmacy prescription bags which would be seen by a large number of people. While digital campaigns may be more cost effective than print advertising, there is a risk that the people most in need of the assistance miss out.

There must be a concerted effort to increase benefit take-up and not limited to running one specific campaign. It should be continually discussed at a national and local level to ensure that everyone is aware of the types of support available and how to access it all year round.

**6. What kinds of eligibility criteria ensure better take-up?**

Easy to understand and broader criteria help to ensure better take-up. Restrictive take-up such as the rules relating to mixed-aged couples prevent some of Scotland’s poorest pensioners from receiving assistance they previously would have been entitled to.

The Scottish Government have made a positive example for their newly devolved benefits such as Funeral Support Payment which widened the eligibility so that 40% more people will now be eligible for support.[[10]](#footnote-10) We have also seen how universal benefits such as Winter Fuel Allowance ensure that the most vulnerable people receive help that they need bypassing any stigma. Universal entitlement can ensure those in the most need don’t miss out as they are applied automatically and remove barriers to claiming.

As outlined in question three, passporting benefits also have an important role to play to ensure better take-up.

**7. How might the development of Scottish social security impact on take-up of both reserved and devolved benefits?**

Age Scotland supports the approach the Scottish Government has taken to social security, basing it on the principles of dignity and respect and defining it as an investment in the people of Scotland. This positive language will help bring about the necessary culture change when it comes to claiming benefits. This could potentially lead to a greater understanding of what support is available in terms of both devolved and reserved benefits leading to increased take-up.

There is an opportunity for Social Security Scotland to ensure through regular communications and campaigns that people in Scotland are also aware of the benefits provided by the UK Government, thereby not missing the opportunity to assist people to claim everything they may be entitled to regardless of whether or not they are devolved benefits.

**Want to find out more?**

As Scotland’s national charity supporting people over the age of 50, Age Scotland works to improve older people’s lives and promote their rights and interests. We aim to help people love later life, whatever their circumstances. We want Scotland to be the best place in the world to grow older.

Our Policy, Communications and Campaigns team research, analyse and comment on a wide range of public policy issues affecting older people in Scotland.

Our work is guided by the views and needs of older people themselves.

**Further information**

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1. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/757268/income-related-benefits-estimates-of-take-up-2016-17.pdf [↑](#footnote-ref-1)
2. Independent Age (2019), <https://www.independentage.org/credit-where-its-due-pension-credit> [↑](#footnote-ref-2)
3. http://www.parliament.scot/parliamentarybusiness/report.aspx?r=12277&i=110975#ScotParlOR [↑](#footnote-ref-3)
4. <https://www.gov.scot/publications/council-tax-reduction-scotland-annual-report-2018-19/pages/6/> [↑](#footnote-ref-4)
5. <https://www.gov.scot/publications/council-tax-reduction-scotland-2017-18/pages/5/> [↑](#footnote-ref-5)
6. <https://www.cas.org.uk/news/council-tax-reduction-claims-fall-again> [↑](#footnote-ref-6)
7. Scottish Government (2019), <https://www.gov.scot/publications/social-security-consultation-disability-assistance-scotland/>) [↑](#footnote-ref-7)
8. <https://www.gov.scot/publications/poverty-income-inequality-scotland-2015-18/pages/6/> [↑](#footnote-ref-8)
9. <https://beta.gov.scot/publications/scotlands-people-annual-report-results-2016-scottish-household-survey/pages/7/> [↑](#footnote-ref-9)
10. <https://www.gov.scot/publications/funeral-expense-assistance-business-regulatory-impact-assessment/> [↑](#footnote-ref-10)