

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

**OVERVIEW AND SCRUTINY COMMITTEE ON CABINET AND
CORPORATE SERVICES – 21 FEBRUARY 2006**

**OVERVIEW AND SCRUTINY COMMITTEE ON ADULT CARE, HEALTH
AND ENVIRONMENTAL HEALTH – 20 MARCH 2006**

REPORT BY JOINT SUB-GROUP ON BENEFIT TAKE UP

REPORT OF THE ROYAL BOROUGH REVIEW OF BENEFIT TAKE-UP

This report summarises the deliberations of the Subgroup that has been conducting an in-depth review into the take-up of benefit in the Royal Borough

FOR DECISION

1 Chairman's introduction

- 1.1 The review was initiated against a background of an increasing number of welfare benefits becoming available - some fourteen principal ones are identified in Appendix 1. At the same time, evidence suggests the position for many of our residents is in line with the national picture, i.e. that many are not benefiting from their due entitlement, especially in respect of the many means tested benefits. Some of the factors causing this situation are well commented on in the supporting sections of the report.
- 1.2 While the benefits are set by central government, there is considerable evidence that initiatives taken at the local level, whether by local authorities themselves or by local public and voluntary agencies, are among the most effective ways of increasing the extent of benefit take up.

- 1.3 For the above reasons therefore, it was timely for the review group to examine the position in the Borough, and put forward recommendations as to how benefit take-up can be improved in a cost effective way.

2. Membership and terms of reference of the Review

2.1. The membership of the Subgroup comprised:

- Cllr Stephen Hoier (Chairman)
- Cllr Christopher Buckmaster
- Cllr Barbara Campbell
- Cllr Robert Atkinson
- Cllr James Husband
- Cllr Jeremy Edge

2.2. The terms of reference of the review were:

a) To review the level of benefits take-up by residents in the Royal Borough and to examine the delivery and impact of measures aimed at providing direct or indirect financial assistance to residents on low incomes. Specifically, to:

- identify the means-tested entitlements for which residents are eligible or to which they are entitled, including both benefits determined nationally such as child tax credit, `Working Tax Credit and those determined locally such as council tax and housing benefit as well as "benefits in kind" such as free schools meals and home adaptations
- seek to determine the level of take-up of the above benefits and the reasons why some benefits may have low take-up

- b) To assess the effectiveness and efficiency with which these benefits (and information about them) are delivered by the relevant agencies, including
- an examination of the extent and effectiveness of joint working between these agencies
 - the efficacy of specific initiatives designed to improve take up
 - the relevance and effectiveness of links with other initiatives that seek to support or improve opportunities for disadvantaged residents (e.g. on neighbourhood renewal, and specialist employment and training schemes);
- c) To identify the way in which these benefits contribute to the achievement of the Council's priorities (e.g. in relation to building stronger communities and protecting the vulnerable) and their links and to examine the relevance of these benefits to the Borough's residents by understanding:
- the characteristics of the eligible population and those on the threshold of eligibility
 - their knowledge of and preparedness to take advantage of the benefits available, and
 - any issues concerning access that they experience when trying to find out about or draw down the benefits in question
- d) In the light of the findings above, to identify and make recommendations on the scope for improving the delivery of these benefits.

3 Methodology

3.1 Over the course of the Review, the subgroup:

- a) commissioned desk research to find out information on the number of people claiming benefits in the Royal Borough, rates of benefit take-up, barriers to take-up of benefits by various groups, and examples of good practice in promoting benefit take-up by other authorities,
- b) undertook a survey of local advice agencies, community groups and registered social landlords to find out the problems faced by local people in claiming benefits in the Royal Borough,
- c) received evidence from Royal Borough officers on action being taken to encourage take-up of benefits and to maximise the incomes of residents in the Royal Borough,
- d) heard evidence from three other authorities: Camden, Newham and Blackpool on the work they are doing to promote benefit take-up among their residents,
- e) compared the work being undertaken by the Royal Borough to promote benefit with that of other organisations cited in the LGA's Best Practice Guide to Benefit take-up,
- f) sponsored and hosted a Conference to identify additional ways of significantly improving benefit take-up in the borough which was attended by 20 local advice, community and housing organisations and Council departments,
- g) commissioned the design and development of a benefit/income maximisation project in an area of multiple deprivation for inclusion in the Royal Borough's proposals for a Local Area Agreement.

4 The rationale for promoting benefit take-up

- 4.1 Maximising the take-up of benefit is widely recognised to be advantageous for individual claimants, their communities, and the local Council. For example, it increases the material well being of individual claimants through enabling them to spend more on food, heating, housing, transport and leisure. It brings additional payments from central government which are for the most part deployed in the local economy.
- 4.2 There is evidence that it also has a positive and beneficial impact on
- a) The physical and mental health of individuals,
 - b) Rates of participation by individuals in the life of their communities,
 - c) Rates of collection of taxes, rents and charges,
 - d) Rates of employment in the borough (take-up of tax credits makes it worthwhile for more people to work),
 - e) Reducing pressure on health and social services, for example, there is evidence that it reduces visits to GPs.
- 4.3 In addition, benefit take-up contributes to the local economy and creates jobs through increasing the spending power of local people. It supports the Council's strategies in relation to SureStart, protecting vulnerable people, building strong and inclusive communities, improving health and economic opportunities of local people.

5 Benefit take up levels in the Royal Borough and barriers to take-up

- 5.1 The benefits system is extremely complex, and is composed of:
- a) Universal benefits (child benefit)
 - b) Contributory benefits (state pension, non-income based Jobseeker's Allowance, disability-related)
 - c) Income-based (means-tested) benefits (Income Support, Pension Credit, Housing Benefit, Council Tax Benefit, income-based Jobseekers Allowance)
 - d) 'Passported' benefits (free school meals, prescriptions, eye tests etc)
- 5.2 In 2001/02 nationally, 69% of all households were in receipt of at least one state benefit.
- 5.3 The Council administers Housing Benefit and Council Tax Benefit, along with some passported benefits. A wide range of agencies administers other benefits. Tax credits are administered by the Inland Revenue and are not considered benefits per se, though take up of some, such as Child Tax Credit, formerly Working Family Tax Credit, is of interest in the context of income maximisation.
- 5.4 The Subgroup considered information on a range of benefits (see Appendix 1) and looked at available data on how many people claim benefits in the Royal Borough as set out in Table 1 below.

Table 1: Number of claimant numbers by Wards - Aug 2004 (unless otherwise stated)

Source: DWP Information Directorate

Ward Name	Incapacity Benefit	Severe Disablement Allowance	Income Support	Attendance Allowance	Disability Living Allowance	Job-Seekers Allowance	Pension Credit	Pension	Child Benefit (Aug 2002)
Abingdon	240	20	230	65	150	90	190	890	835
Brompton	140	10 or Less	125	60	95	55	150	925	750
Campden	120	10 or Less	110	65	90	60	125	870	665
Colville	530	35	615	95	345	255	430	755	1,380
Courtfield	175	10 or Less	170	50	100	135	170	675	615
Cremorne	515	60	600	130	360	140	480	1,090	1,225
Earl's Court	535	45	540	70	315	235	350	740	790
Golborne	870	55	1105	120	540	335	570	865	1,935
Hans Town	210	25	240	95	145	60	235	1,160	705
Holland	240	10 or Less	290	45	170	110	160	855	1,170
Norland	365	40	430	150	285	145	420	1,075	1,505
Notting Barns	640	70	935	130	510	275	540	995	2,245
Pembridge	190	15	190	70	110	115	200	815	760
Queen's Gate	85	10 or Less	80	50	50	60	110	785	690
Redcliffe	285	20	285	70	140	180	240	825	800
Royal Hospital	110	10 or Less	115	120	95	45	265	1,335	670
St Charles	680	60	935	180	540	210	525	1,005	2,005
Stanley	150	25	175	90	125	40	225	930	745
Total RBKC	6080	470	7170	1655	4165	2545	5385	16590	19490

5.5 The number of people eligible but not claiming certain benefits in the Royal Borough is set out in Table 2. The calculations are based on applying the estimates of national take-up rates provided by the DWP to the local take-up figure in Table 1.

Table 2: Estimates of benefit take-up in the Royal Borough

	Income Support	Attendance Allowance	Disability Living Allowance	Job-seekers Allowance	Pension Credit	Housing Benefit	Council Tax Benefit
Number of claimants in RBKC (Aug 2004) *	7,170	1,655	4,165	2,545	5,385	15,699	13,650
National take-up rates (2002/03) **	85%-95%	50%***	50%***	55%-70%	63%-74%	84%-90%	65%-71%
Estimated number eligible in RBKC	8,435-7,547	3,310	8,330	4,627-3,636	8,547-7,277	18,689-17,443	21,000-19,225
Estimated number not claiming in RBKC **** (Average figure)	1,265-377 (821)	1,655	4,165	2,082-1,091 (1,586)	3,162-1,892 (2,527)	2,990-1,744 (2,367)	7,350-5575 (6,462)

* DWP – benefit take-up by wards, August 2004

** DWP - Income related benefits estimates of take-up in 2002/03

*** Benefits take-up initiative: A good practice guide for local authorities – LGA

**** Estimated using national take-up rates

- 5.6 It has been suggested that non working benefit claimants might have a higher rate of take-up locally than on average, due to the Royal Borough's high living costs, while it might be lower in the case of Job Seekers allowance than average because many seem able to finance their own unemployment, especially in affluent areas, living with parents or partners¹.
- 5.7 However, Table 2 suggest that many thousands of Royal Borough residents who are entitled to benefits miss out on claiming benefits (ranging from an average of 821 residents not claiming income support to 6,463 residents missing out on Council tax benefits). Even on a conservative estimate, this may equate to as much as £34m of benefits annually being "lost" to the residents of the borough and to the local economy (see Appendix 2 for details).

Barriers to claiming – the national picture

- 5.8 Over the last three years a number of national studies have been carried out on barriers to take-up of welfare benefits – notable among these has been
- a) The National Audit Office's report "Tackling Pensioner Poverty- Encouraging take-up of entitlements", November 2002
 - b) The Department of Works and Pensions' research on barriers to take-up of benefits among black and minority ethnic older people, December 2003
 - c) The House of Commons Works and Pensions Committee inquiry into the operation of Pensions Credit, November 2004
 - d) The House of Commons Works and Pensions Committee inquiry into Child Poverty in the UK, 2003-04
- 5.9 These studies have identified particular problems facing certain claimant groups- for instance; pensioners find the system hard to understand – particularly the complex rules on entitlement and difficult forms. They usually have a very limited knowledge of benefits (even of benefits they are currently receiving), lack access to help and advice, and depend on friends and family for information. Significant numbers are reluctant to claim, partly because of a perceived social stigma and partly because of perceived loss of independence.

¹ Source: 1991 Census report R7 Economic Activity: *What people are doing* Research & Information, RBKC

- 5.10 These problems are exacerbated for black and minority ethnic elders by language barriers, literacy issues, apprehension about contact with statutory agencies, worry about the impact of claiming on residency status. Frequent changes to the benefits system, lack of National Insurance numbers and reluctance to use the telephone to make claims adds to the barriers.
- 5.11 These barriers apply to many other claimant groups- for example people with mental health problems or those with learning difficulties have particular problems using the phone or following through on claims. Some people in private rented housing may not know that they can claim Income Support to pay for future housing repair costs. Many people are put off by mistrust of the system, the length and complexity of forms, and the perception that claiming is not worth the effort.

Barriers to claiming – the local picture

- 5.12 The Subgroup carried out a survey of local advice agencies, community groups, registered social landlords, and Council departments to find out what benefits are poorly taken up locally, and to identify barriers to take-up in the Royal Borough. Agencies identified the following benefits as having poor rates of take-up locally:
- a) Disability Living Allowance and Attendance Allowance,
 - b) Housing Benefit (particularly extensions to housing benefit for an initial period when a person has started in work),
 - c) Working Tax Credit and Child Tax Credit (because of its complexity. It involves a provisional Tax Credit award based on a claimant's income for an earlier year, followed by a final award which is assessed on actual income for the year. Incomes tend to increase from year to year, so the final award is often lower than the provisional award. This has caused havoc when claimants' circumstances change with them ending up owing considerable sums to the DWP because of overpayments),
 - d) Council tax benefit by older homeowners.

5.13 The local survey confirms the national picture with regard to barriers to claiming- for example:

- a) Ignorance of entitlements by many claimants,
- b) Long and complex forms requiring a high degree of literacy, (particularly claim forms for Disability Living Allowance, Attendance Allowance and Invalidity Benefit),
- c) Limited availability of help to fill out complex forms,
- d) Benefit offices often not being very welcoming to vulnerable people,
- e) Reluctance by claimants to reveal their own financial situation because of fears of unwarranted invasion of privacy,
- f) Claimants lacking appropriate means of identification and facing delays in getting a National Insurance number,
- g) Ignorance of alternative claims processes among some DWP staff,
- h) People whose circumstances change frequently find that the system often cannot keep up,
- i) The only way of making claims for Job Seekers Allowance, Income Support and Crisis Loan is via the telephone and this does not suit everyone – particularly those with disabilities and mental health problems,
- j) The Housing and Council Tax benefit cannot be paid to anyone with savings in excess of £16,000. The limit was set in 1988. It now acts as a real barrier to claiming.

6 Existing strategies to improve take up in the Royal Borough

Grants to voluntary advice agencies

- 6.1 The Royal Borough has a network of advice services, delivered through a range of voluntary organisation, many of which are grant funded by the Council. This includes specialist provision for minority ethnic communities, people with disabilities etc. Some of these organisations have expert knowledge of the benefit system and are often able to help their clients negotiate their way through the whole claims process. Advice agencies funded by the Royal Borough through corporate grants are:

Advice Agency	Funding (2005-06)	Funding (2006-07)
Citizens Advice Bureaux	£695,380	£705,800
Arabic Speaking Information and Advice Centre (ASIAC)	£ 73,210	£104,000
Nucleus	£136,200	£138,300
Worlds End Neighbourhood Advice	£130,700	£132,690
North Kensington Law Centre	£ 16,320	£ 30,000

Note: These grants cover a range of services including benefit advice. The increase in grant to ASIAC covers core costs as well as increased support for advice activity.

The table above shows that there has been no significant increase in grant aid to advice agencies across the borough, apart from the small grant to the North Kensington Law Centre.

In addition to the above advice agencies there are a number of other voluntary organisations dealing with specific sections of the community i.e.: the elderly, ethnic minority groups etc do assist potential claimants.

Work of the Housing and Council Tax Benefits Section

- 6.2 The Council's benefits section sends out a simple leaflet with all council tax bills and reminders explaining how to go about claiming Council Tax Benefits. In addition, it offers instant telephone language

line. Last year visits were made to 3,600 claimants. Before each visit other potential benefits are identified so that appropriate information leaflets can be distributed.

- 6.3 Towards the end of 2004 the Benefits Section set up a 6 months project to improve benefit take-up in the Borough. This involved
- a) Publicity on benefits which included providing prominent information on the Council's website, bookmarks in libraries, adverts in hospital magazines, information leaflets in community languages, advertisements in the Energy Efficiency Guide calendar,
 - b) A Benefits Awareness Day at the Town Hall in December 2004, in conjunction with 18 other agencies,
 - c) Using its existing benefit caseload to write to people who could claim Pensions Credit. As a result 115 new pensions credit claims and 52 new Tax Credit claims were made with the Pensions Service reciprocating on Housing and Council Tax benefits in January 2005.
- 6.4 The combined caseload for housing and council tax benefit increased from 15,668 in October 2004 to 16,374 in August 2005, an increase of 4.5%.

Social Services Income Maximisation Projects

- 6.5 In general social workers and other staff are often a first point of contact for people with financial or benefit problems. The Children with Disabilities Team carries out benefit related work and the family centres encourage the take up of tax credits.
- 6.6 Social Services fund a number of projects for providing information and advice, improving access to benefits, and maximising the incomes of particular target groups.

- 6.7 The Citizens Advice Bureaux, apart from their general benefit advice services, are specifically and additionally grant funded to provide income maximisation and welfare advice to people from four priority client groups referred to them by Social Services. The client groups are: people over 50, black and minority ethnic communities, people with mental health problems and people who are HIV positive. CAB action resulted in total benefit awards for all their enquirers of nearly £3.5m being claimed by clients in 2004-05, which is nearly 5 times the total grant from the Borough.
- 6.8 Social services also grant funded the RNIB to the value of £41,000 in 2004-05 to provide an information, advice, benefit-check and community outreach service for visually impaired people, and contracted ADKC (annual contract value of £46,000) to provide information and advice to people with physical disabilities and sensory impairment and their carers.
- 6.9 Detailed information on funding and outcomes of all the projects is set out in Appendix 3.

The Neighbourhood Renewal Fund - Childcare Employment Project

- 6.10 Based in Freston Road, this project aims to promote community regeneration by supporting residents of the disadvantaged wards (particularly those with disabilities or from BME communities) through all stages involved in getting back to work- with an emphasis on outreach and face-to-face meeting.
- 6.11. As part of the project, Community Employment Advisers have been seconded from Jobcentre Plus to support local residents in accessing Working Tax Credit, Job Seekers Allowance, Income Support and Sure Start Maternity Grant (N W Kensington and Golborne only). The advisers run drop-in events at childcare and community settings and will arrange one to one sessions where residents can receive advice in completing application forms.

7 Learning from best practice

7.1 The Subgroup received information on benefit take-up initiatives in a number of boroughs – a summary is attached as Appendix 4. In addition, Members received presentations from the London Boroughs of Camden and Newham and from Blackpool Council on the work they have been undertaking to promote the take-up of benefits (Appendices 5,6 and 7).

7.2 Overall successful take-up strategies appeared to share a number of characteristics:

a) Using trigger points e.g.: age, receipt of other benefits to trigger other benefits (Newham)

b) Partnership working:

- Sharing information across agencies; data matching (Newham)
- Simplifying the claims process across agencies: reducing duplication in claiming/providing information/verification
- Planned and co-ordinated take-up campaigns with the participation of a wide range of agencies: the local authority. Primary Care Trusts, Mental Health Trust, Inland Revenue, Single Regeneration Budget, Department of Work and Pensions, Citizens Advice Bureaux (Blackpool, Brighton and Hove MIND)
- Using Council Tax Benefit records to organise targeted take-up campaigns specific to communities/localities etc (Newham)
- Setting local level take-up targets

- Benefit awareness sessions targeted at friends, families, relatives (Leeds, Derby)
 - Optimising contacts with existing trusted agencies (Newham)
- c) Using other contacts more effectively: GPs, (Camden, Wakefield), Education dept (Barnet), Schools (Barnet, Kent, Camden, Greenwich), Employers (Bristol), Health (Southwark, Plymouth), Social landlords, Day centres/sheltered housing (Leeds, Hertfordshire), Social workers (Suffolk, Plymouth), Emergency alarm suppliers (Braintree)
- d) "Piggybacking" on other transactions, e.g.:
- Benefit check with each new tenancy agreement (Greenwich)
 - Disability Living Allowance LA check with each statement child (Barnet)
 - Benefit checks when supplied with emergency alarm (Braintree)
 - Benefit check with the "Over-75 health check" at GPs
- e) Using a range of methods to reach people and stimulate demand:
- Word of mouth publicity
 - Outreach work (Camden)
 - "Roving" advice sessions (mobile libraries, benefit buses etc)
 - Face to face advice
 - Video linked advice sessions
 - Home Visits (Newham, Wakefield)

- Telephone help lines
 - Information kiosks
 - Distribution of leaflets (Derbyshire WRU)
- 7.3 The subgroup commissioned a survey to see how well the Royal Borough “measured up” to the LGA’s definition of good practice on benefit take-up. Full details of the survey are attached as Appendix 8.

8 Royal Borough Conference on benefit-take up

- 8.1 In July 2005, Members of the Subgroup hosted a Conference involving local advice agencies and community organisations to explore new and innovative ways of significantly increasing the take-up of benefits among eligible residents of the Royal Borough, focusing particularly on those claimant groups who either miss out on important benefits or who are not reached by existing strategies. The Conference was attended by 38 people from over 20 local organisations and Council departments. It resulted in a number of ideas which it was felt could be combined to define a particularly innovative and ambitious project within an area of multiple deprivation in the Royal Borough. These ideas were:
- a) Focus on a geographical area, probably an estate within an area of high deprivation,
 - b) Focus on the needs of the whole range of claimant groups in that locality who might be missing out (the elderly, people with children, people with disabilities, people with mental health problems etc),
 - c) Provide information and advice through existing independent advice agencies that have credibility in the community (possibly through a locally based one-stop shop with extensive outreach facilities),
 - d) Make publicity, information and outreach advice available to people in places that they routinely frequent (GP surgeries,

family centres, schools, supermarkets etc),

- e) Maintain involvement with claimants through the claims process, not just one-off benefit take-up campaign,
- f) Engage with professionals in the health, education, housing environmental and legal sectors in that locality to make them aware of the benefit of timely advice and information,
- g) Develop the capacity of these professionals to provide good initial information and make appropriate referrals,
- h) Train front line staff on benefit awareness and diversity to make them aware of the problems of specific groups: elderly, mental health, rent arrears, debt etc.

8.2 Other ideas emerging from the Conference included:

- i) Provision of a specialist support worker, located and attached to an existing agency, providing rapid access to resources for people affected by domestic violence
- j) Proactive intervention into cases (e.g. rent arrears)- recognition that arrears can be a symptom of other problems. Designated officer in benefits section could act as a floating support officer
- k) Clarification around data protection issues which can inhibit exchange of information – different bodies will then know how they can work together better
- l) Restructuring of service delivery around the customer and their lifestyles e.g.: around particular life experiences like having a baby or returning to work
- m) Raise awareness of small employers about their responsibilities to their staff through outreach work

(full report of the Conference is attached as Appendix 9)

- 8.3 Following the successful Conference, the Subgroup agreed that a project proposal should be drafted for an innovative incomes/benefit maximisation project, along the lines set out in the previous page, and in consultation with key stakeholders, for inclusion in the Council's Local Area Agreement.

9 Project for inclusion in the Local Area Agreement

- 9.1 The Subgroup commissioned an external consultant from ADP Consultancy to develop a project proposal based on the ideas emerging from the Conference, in consultation with key stakeholders and reflecting good practice developed by other local authorities. The consultant carried out this work in November 2005.
- 9.2 The project proposal that emerged after this piece of work proposed targeting the following groups – families with children, black and minority ethnic groups, older people, people with disabilities, people with mental health problems, unemployed people and those returning to work.
- 9.3 The proposal identified three key strands for the development of an income maximisation project in the borough:
- a) Benefit take-up
 - b) Increased employment support
 - c) Financial literacy and security
- 9.4 The benefit take-up strand would aim to increase awareness of and accessibility to benefit entitlement in the priority groups. This would be through the development of a network of 'early notifiers' to identify benefit issues, increase publicity on entitlement to benefits, and the longer-term development of outreach services and a benefits reception. Ongoing advice and assistance would be provided by established advice providers.

- 9.5 The employment support strand would focus on those people seeking employment and returning to work. Publicity and information would be used to increase awareness of benefit and tax credit availability for those seeking work. Further consideration would need to be given to the development of support services such as 'better off' assessments and form filling support services in partnership with agencies working in employment.
- 9.6 The final strand would focus on improving financial literacy and security through developing services such as debt advice and financial literacy services to support the longer term strategy of reducing indebtedness and poverty.
- 9.7 An initial estimate has been made of the pump priming funding that would be required. This estimate ranges from between £160-190,000 for the first two years of the project.
- 9.8 The three strands of the project have been developed to provide a comprehensive income maximisation programme. However, it is recognised that because of the current low level of benefit take-up activity, limited availability of resources and poor awareness of entitlement, priority will need to be given to benefit take-up strand.
- 9.9 The highest levels of deprivation are clearly in the most northerly part of the Borough with pockets of deprivation in Earl's Court and Cremorne wards, specifically the World's End estate.
- 9.10 Consideration needs to be given to dealing with pockets of deprivation outside the north of the borough. During consultation with advice agencies in the borough some concerns were raised that too much focus on a particular area would lead to other deprived parts of the borough being excluded from the benefits emanating from this project.
- 9.11 The Consultant has recommended that the project should be piloted in at least one of the most deprived wards in the north of the Borough. The programme should then be extended outside of the north, for example to Earl's Court or the World's End estate.

9.12 The Subgroup endorsed the Consultant's recommendations which were subsequently accepted by the Kensington and Chelsea Partnership for inclusion in the 2006 Local Area Agreement. This has set in Outcome 15 a target for an additional 995 persons over the next three years to obtain a statutory benefit over the current figures. This is a challenging increase in uptake of 37% and will require considerable and possibly additional effort if it is to be attained. Negotiations on the actual composition of the stretch targets for this project were underway at the time of writing this report. It is possible that there will be pressure from the Government Office for London for the project to focus on delivering national priorities (such as focusing on getting the working age population off benefit and into work) at the expense of income maximisation element of the project. The Subgroup is of the view that this must be resisted to the extent that it would give a wholly different focus to what local data tells us are the key benefits that we should focus on.

10 Conclusions of the Review

10.1 It needs to be recognised that the sub-group was set terms of reference which were wide ranging and challenging, all to be reported on before the end of 2005.

10.2 The sub-group has amassed a substantial amount of statistical information on the local benefit take-up situation and has received a great deal of evidence from council officers, the local voluntary sector, community groups and public agencies. It has not, however, operated in a vacuum and has had to have regard to developments beyond the local area in assessing where it could best focus to fulfil its remit.

10.3 For example, the re-designed tax credits for those in work introduced in April 2003, the Child Tax Credit and Working Tax Credits, are clearly of enormous importance to residents of Kensington and Chelsea. However, as the House of Commons Public Accounts Committee pointed out in September 2005, their introduction nationally has been attended by severe problems. Initially, many claimants were not paid their tax credits on time. The administration of the scheme proved both complex and was attended by errors in

computer software of Inland Revenue, the responsible government department. The design of the system has led to claimants being routinely overpaid. Overpayments from both error and fraud have been estimated at between 10% and 14% by value. The attempts to recover overpayments for the most part began in 2005 and have been attended by increasing representations from highly regarded agencies such as the Citizens Advice Bureaux that the recovery of such sums risks driving many individuals, households and families back into poverty.

- 10.4 With this background of instability and uncertainty in the administration of Tax Credits, together with the impossibility of having any dialogue at the local level with an increasingly beleaguered Inland Revenue, it seemed inappropriate for the review group to spend too much time on the workings of the tax credits system. This was unfortunate because the low number of residents benefiting from in-work tax credits is shown in Appendix 1 at only 3000 in total. There are almost certainly many additional residents who could have valid claims to these tax credits.
- 10.5 The sub-group has concluded that an assessment should be made in perhaps eighteen months as to whether the system is sufficiently stabilised for the Council to form a review group specifically charged with examining the take -up of in-work tax credits in the Borough.
- 10.6 At the other end of the scale, the time frame for the review has also not allowed for an in depth examination of the take up of a range of more specific, less recurring benefits which also add a great deal to health and happiness. These were: free eye tests, glasses/contact lenses and dental treatment; wigs and fabric support; travel to and from hospital; home improvements.
- 10.7 Data on the take-up of free school meals on the 2005 enumeration day (20 January) suggests that 79.8% of all primary school pupils and 61.1% of secondary school pupils entitled to free school meals and present on enumeration day, ate a free school meal. On the basis of these figures between a fifth and a third of pupils entitled to free school meals do not take them up. This suggests that there is still some considerable scope for improving take-up, for instance through the use of a swipe card system such as that used by Holland Park School, who claim a take-up rate of 71-88% (see Appendix 10). However it should be recognised that some parents/children may not

wish to take-up free school meals for a number of reasons and therefore a 100% take-up rate would be unrealistic.

- 10.8 The Subgroup gave only brief consideration to Incapacity Benefit. Table 1 in paragraph 5.4 of the report shows that some 6,080 residents of the Borough are in receipt of Incapacity Benefit. The four North Kensington wards account for 2,720 (45%) of the Borough total, as well as a high proportion of the total for wards across North Kensington and North Westminster, which in the Regents Park and Kensington North parliamentary constituency at 8,800 are joint 9th highest level of Incapacity Benefit claims in the country- and by far the highest in London. For instance, the second highest number of claimants in London are in the Hackney South and Shoreditch constituency, which at 7,500 is joint 31st highest in the country.
- 10.9 The Government has signalled its intention to mount a major drive to reduce the levels of Incapacity Benefit across the country. Clearly therefore this does not feature as a benefit which the Review Group addressed, since national policy is to reduce take-up. However, the Government has suggested channels that may be used to advise people on other life choices in order to reduce their dependency on Incapacity Benefit. It is the view of the Subgroup that some of these channels should be used more (such as GP surgeries) to help spread awareness of higher benefit entitlements where those benefits are the ones where greater take-up is sought.
- 10.10 Appendix 2 set out estimates of the amounts of money unclaimed by RBKC residents, in relation to seven key benefits, where action to improve take-up could lead to an extra £34 million per annum, at a conservative estimate, coming to the Royal Borough residents.
- 10.11 A number of local authorities whose views we listened to took the view that increasing claimant numbers increased their Formula Spending Share (FSS) and thus had a positive impact on their annual grant settlement. This made it a "win - win" situation for both local residents and local councils if they strove to help local people to achieve greater benefit entitlement. In their evidence to the review officers from the London borough of Newham stated that 19% of the total FSS they were awarded was contributed by benefit related indicators.
- 10.12. However, the advice of our own Executive Director of Finance is that the criteria triggering increased FSS and grant revenue are now so

opaque that there is no automatic connection between increased benefit claimant numbers and increased grant. The Review Group naturally took this view to be how we should see the situation.

10.13 The Benefits Section set up a temporary income maximisation team for six months up to April 2005. From the existing benefit caseload they identified 115 new pension credit claims and 52 new tax credit claims. Despite this success, because of constraints on the further availability of the highly experienced staff involved in the project, the income maximisation team was disbanded after the six months trial. While the sub-group accepts that the voluntary sector, often with major grant funding from the Council, spearheads the drive to increase benefit take up among residents, and that we need to have more effective involvement locally from public agencies such as the Pensions Service and Job Centre Plus, the Council will need to respond to the requirement on it to do more in partnership working in this sphere and seek to identify how it can resource this.

Assessment of the situation in the Borough

10.14. Seven of RBKC's eighteen wards consistently feature among those where residents currently have the highest take up of key benefits, as percentage of the total ward population in the eligible age groups².

Ward	Incapacity Benefit	Jobseekers Allowance	Income Support	Pension Credit
Colville	4	3	4	3
Cremorne	5	8*	5	5
Earls Court	6	5	7	6
Golborne	1	1	1	1
Norland	7	7	6	7
Notting Barns	3	2	3	2
St Charles	2	4	2	4

* On this indicator only, Redcliffe ward ranks 6th. It does not feature as a high ranking ward with respect to the take up of the other three benefits.

10.15. Local knowledge suggests that there are unlikely to be large numbers of residents missing out in their means tested benefit

² Eligible age groups for benefits are: 16-60yrs for Incapacity Benefit and Job Seekers Allowance, 16-59yrs for Income Support and 60+yrs for Pensions Credit.

entitlement in some wards. For example, while Royal Hospital Ward shows the largest number of state pension recipients in the Borough by ward, this reflects the location of the Royal Hospital there with the considerable number of pensioners in residence. Indeed, 30% of the pensioners in that ward are men aged over 75 years – Golborne by comparison has just 11.6% of its pensioners in this category. The ward with the second highest number of state pension recipients is Hans Town. However, social housing is virtually non-existent in this ward and the average household incomes are likely to be much higher than the national or London average- again it is unlikely that eligibility to means tested benefits is going to be significant among residents there.

10.16 However, it must not be overlooked that relying on data solely at the ward level risks missing out an individual estate or a small neighbourhood where incomes are low and benefit entitlement often foregone. Such small areas often miss out on special initiatives to increase benefit awareness and take up. As data disaggregates, it will be important to monitor the data to identify such small patches for a special take up campaign.

10.17 With this caveat, it is likely that the wards in the table above, where the main concentrations of social housing are located, are those where additional work to increase benefit take up will yield the greatest results.

10.18 It is possible to cross refer to other available data to assess whether the group of wards shown has a pattern of benefit take up in line with a priori expectations. Pension credit is shown as a major unclaimed benefit in the appendices. Cremorne ward (1090 receiving a state pension) and St Charles ward (1005 pensioners) are wards with the 3rd and 5th largest number of pension credit claimants. In addition, the numbers of pensioners over 75 in these wards is very high - 460 for Cremorne and 435 for St Charles (by comparison, Earls Court has 305 pensioners over 75, Golborne 260, Notting Barns 360 and Colville 240). Pension credit claimants in Golborne are 28.5% and in Cremorne 36.6% of the total ward population in the eligible age group. St Charles ranks 4th in respect of the percentage of ward residents in the eligible age groups receiving pension credit of the four North Kensington wards. All the signs point to under claiming of this benefit in this ward.

10.19. For much of the recent past, St Charles ward has followed Golborne ward closely with the unwanted tag of having the second highest proportion of unemployed residents in RBKC. The recasting of wards prior to 2002 has had the effect of moving St Charles and Notting Barns to a similar level in the percentage of claimants unemployed. However, the Job Seekers Allowance statistics show St Charles in the 4th position with regard to take up of this benefit and, again, would suggest under claiming by its residents of that benefit.

10.20 In the course of the work of the sub-group, we have been encouraged to hear of the efficiency of our RBKC benefits section compared with other comparable local authority departments. The evidence they gave to our review and their obvious commitment to the residents of this Borough in helping them access their benefit entitlements is encouraging. One of our members also investigated the service rather like a mystery shopper and declared himself satisfied with the service offered. As we highlight above, any additional resources deployed to the benefit team bring a more than proportionate gain to our residents.

Take up by ethnic minority communities

10.21 There is very little data on the ethnic background of current benefit claimants in RBKC in the local subsets of nationally collected statistics.

10.22 There is an income maximisation service for black and ethnic minority communities, run by the CAB and funded by the Council. It collects statistics on the ethnic profile of users of its service and the type of benefit to which they have succeeded in gaining entitlement.

10.23 The statistics for the year October 2003-September 2004 show a wide range of ethnic minority users with the largest group North Africans (21%) followed by Black Africans (19%), those from the Middle East (Iran, Iraq, Syria- 16%) and Afro Caribbeans (15%). By contrast, use by Asians (9%), Eastern Europeans (5%) and Latin Americans (4%) was much less.

10.24 In respect of the type of benefits awarded after the help of the project, they were in order: income support/incapacity credits (15%); disability living allowance, housing benefit/council tax benefit and pension credit (all at 13% each); attendance allowance (12%) and then 11% for working tax credit and child credit (an indication of the potential for greater take up of these if the administrative situation becomes more benign). Job seekers allowance accounted for 10%, the Social Fund for 7% and carers allowance for 6%.

10.25 Contact available to the sub-group with representatives of the BME communities was very limited. Nonetheless, from that and the questionnaire responses, which frequently highlighted language problems (lack of English) as a barrier to take up, as well as cultural factors which need taking into account, it is likely that take up of benefit entitlement by BME communities is even less than that of indigenous communities.

Overcoming barriers to take up – pathways, agencies and partnership

10.26 The barriers to take up of benefit entitlement are set out quite fully in Section 5 of this report.

10.27 The sub-group also received information on how other local authorities have taken action on their own account or in partnership with other organisations to successfully achieve a significant increase in the take up of benefit entitlement by their residents.

10.28 This information was made available from desk research and reference to the work of the Local Government Association on benefit take-up, especially their “ Quids for kids” campaign and their check list of successful take up initiatives using a good practice example in each case (against which RBKC was able to compare its own position- see Appendix 8).

10.29 We also had the benefit of a visit by officers of Camden and Newham Welfare rights unit and of the Blackpool Benefits Partnership. Much

more information was also gathered at the Benefit Take Up Workshop in July 2005.

10.30 It is clear that there are different pathways, alignments of agencies and forms of partnership working which could be productive and followed with the objective of boosting take up of benefit entitlement- the key being that they are shaped by the particular local circumstances of an area (and also by the funding available).

Welfare rights units

10.31 By and large, London boroughs with welfare rights units (WRU) have a less developed voluntary sector and have been less reliant on it than is the case in Kensington and Chelsea. It is useful, nonetheless, just to highlight how one such borough – Newham has focused the work of its WRU because the initiatives may be replicable without Newham’s organisational model:

- a) The WRU has been restructured to be part of a social inclusion service, and carry out a great deal of training for advisers from all sectors and advice sessions in a variety of settings and are now supporting a work stream of the Local Strategic Partnership (the equivalent of our Kensington and Chelsea Partnership) for improving income maximisation. They emphasised that government estimates for the highest areas of benefit under claiming are in respect of disability benefits and benefits for owner-occupiers. They have targeted housing benefit claimants to encourage claims for other benefits and tax credits- they have achieved £3m additional benefit entitlement between 1997 and 2003, a 33% response rate;
- b) They are working in partnership with the Pensions Service and making a big effort to increase take up of Pension Credit, the only government benefit where there is a national target. This has included a great deal of outreach work as well as mail shots;
- c) A newer area of targeted work has been disability benefits. They commissioned an advice service to help people fill in the

forms and do appeals for them. They work in this area with the families of disabled children and under 60s. Targeting disabled people known to Social Services- there are 12,000 on their list- achieved a 23% response rate and £1.3m additional benefits in 2004/5. 1,000 children with Special Educational Needs were also targeted;

- d) They work closely with their Primary Care Trust which wrote to 500 families with disabled children about disability benefits;
- e) There is also a take up officer specifically for free school meals, national estimates suggesting under claiming on these of around 20% of the total;
- f) They have written to larger employers to persuade them to put leaflets about in work tax credits into their pay advice – this was one action helping raise them from 7th in national ranking of working tax credit to first.

Joint Visiting Teams

10.32 A joint DWP and LGA publication "Link-Age: Develop networks of services for older people" has argued that there are "trigger points" in the lives of older people, e.g. retirement; bereavement; deteriorating health when they need help from several statutory, voluntary and private organisations. They believe quality of service to users could be radically altered if they become an integrated network of services for older people - from a customer point of view this would mean the network acting as a single organisation. A single assessment is an example of an initiative promoting greater integration between health and social care. To foster this the concept of joint visiting teams and alternative offices is being promoted. Staff involved in visiting older people on income/benefit matters could co-locate to form a single team trained so that they can carry out each other's work and access to user information on each other's IT systems.

10.33 In another approach, instead of becoming part of a joint team, some organisations such as advice centres may be recognised as

“alternative office” authorised to receive benefit claims, verify documents and be given access to DWP client information systems.

10.34 In London the London boroughs of Harrow, Havering, Kingston, Richmond and Waltham Forest already have a joint team and 11 more are shortly planned to be underway. Each team is set up differently because of local differences, but teams typically contain staff from two or more of:

- Pension service visiting team
- Social Services charging team
- Housing benefits
- Voluntary sector income maximisation staff.

We were informed that a proposal that such a team should be created in the Royal Borough is currently being evaluated by the Council.

Benefits partnership

10.35 The example put forward to our group was the Blackpool Benefits Partnership which has more recently been re-named Blackpool Advice Link (BAL).

10.36 Blackpool is the second most densely populated district outside London with thousands of houses in multiple occupation, a high number of elderly, people on low incomes, socially deprived and temporarily resident people. Blackpool Challenge Partnership, Health Improvement Programme and Blackpool Borough Council formed and jointly funded the BBP in 1999. In its present guise of Advice Link, its objectives are:

- Reducing Hardship
- Helping to improve health and well being
- Placing more money in the local economy, promoting the movement from welfare to work
- Maturing and expanding the Partnership
- Increasing the Council’s FSS

10.37 BAL now includes 23 organisations. While 9 of these are statutory or government funded bodies: Pension Service, Primary Care Trust; Job Centre Plus; Inland Revenue; P.A.L.S, Trading Standards, Connexions and Supporting People, the remaining 14 are a wide array of voluntary organisations.

10.38 What they did to make a difference included:

- Targeted road shows throughout Blackpool in venues as different as church halls, community and day centres, supermarkets, areas with a high number of elderly residents
- Advice weeks in shopping centres
- Advice sessions in GP surgeries
- Work with employers. They have received a straightforward guide to benefits and services, including " Who does what" and how to contact them and are offered talks or training for management, personnel and an ongoing consultancy service if required
- Activity in the "Quids for Kids " campaign (which set out to promote take up of benefits for families, lone parents and families of children with health problems) with Childcare Information Service, Children with Disabilities Team, three area SuresStarts.

10.39 This is a much more comprehensive approach to benefit take up. Because it also includes organisations such as Care and Repair it also delivers non financial benefits such as adaptations in the home, home safety and security, befriending and caring services.

Our local situation

10.40 RBKC starts with strengths in a well run Council benefits service and a large number of benefit advice programmes, many with specifically targeted groups, funded by the Council and delivered by experienced and well regarded voluntary organisations.

- 10.41 It makes sense to build on this voluntary sector led approach, although the six month additional income maximisation project in the benefit service shows what can be achieved by additional staff within that Council section.
- 10.42 Pertinent to this, the response of Social Services Dept to key questions on the LGA benefit initiative checklist suggests they feel they need to share more of the work with Corporate Services than is currently the case. They are clearly not resourced to do a host of special initiatives with the older elderly (see Appendix 8).
- 10.43 The Education department might consider the example of Kent County Council contacting all eligible 16-17 year old students with special needs about benefits and giving a link to the Council hotline. Such students could be eligible for up to £50 per week.
- 10.44 As part of the temporary project, a successful Benefits Awareness Day was held in the Autumn of 2004. A wide range of statutory and voluntary groups were involved and their commitment to their work was very evident and encouraging. (There was no funding to enable a similar event to be staged in 2005, but the Sub-group hopes a another such event can be held again as soon as possible).
- 10.45 At the first Benefits Awareness Day, there were significant gaps in the line-up of organisations involved. There was no representation from the Kensington and Chelsea Primary Care Trust, the local Registered Social Landlords or from ethnic minority organisations.
- 10.46 There is clearly much scope for benefit take up work through these channels. By and large GP surgeries in RBKC are not a major pathway for benefit take up work but they have proved a vital conduit elsewhere in the country. Doing more with the PCT here is clearly necessary but the Trust's current financial difficulties make it an inauspicious starting time.
- 10.47 Our RSLs are mainly medium sized and without welfare rights workers but they and the RBKC TMO managing the Council's housing stock could do more to foster benefit take up. For example, the TMO manage the Community Alarm Service – in some parts of the country

that has been a position from which to do work to help benefit take up. Yet it has to be admitted the majority of the RSLs and the TMO currently face tight finances or cutbacks.

10.48 With the exception of the CAB income maximisation for BME communities, there is a limited amount of work with ethnic minorities. If the funding were available this work can probably be extended. Going beyond that may require commissioning ethnic community groups to undertake specific projects.

10.49 Clearly, RBKC is not as far down the line in benefit take- up work as some other authorities. While this kind of activity is discretionary, increasing resident benefit claimant numbers should be seen as beneficial to the local authority area.

10.50 A further threat to the existing position is that some of the benefit take- up work there already is could be at risk as time limited funding streams, such as the Neighbourhood Renewal Fund and the Single Regeneration Budget, cease.

10.51 On the other hand, there is the possibility of a project in the benefit take up field funded within the Council's bid for a Local Area Agreement.

11 Our recommendations

Leadership

11.1 The Council should accept that it has a leadership role in this field.

11.2 Corporate and strategic services should spearhead this leadership role. The inclusion of the Incomes and Benefits Maximisation Project

within our Local Area Agreement is a good demonstration of this commitment.

Partnership work

- 11.3 Local voluntary and statutory agencies, in partnership with the Council, should develop a stronger benefits network, then possibly a benefits partnership (see Para 10.35- 10.39 of this report). In addition to local advice agencies, this should involve agencies such as: EPICs, Age Concern, Open Age, Sixty Plus, Connexions, Staying Put etc. Resources to support the work of such a partnership could come from the predicted efficiency savings from the Benefits Administration budget.

- 11.4 Local voluntary and statutory agencies should be actively tackling any data protection problems (see Section 8.2 of this report) that are getting in the way of increasing benefit take-up by developing protocols on joint working that enable data to be matched or shared across agencies to promote take-up while staying within the law.

Enhancing existing provision

- 11.5 Consideration should be given to designating an officer in the benefits section to act as a floating support officer to intervene proactively where rent arrears or similar situations arise which may be a symptom of other problems where benefit entitlement could exist.

- 11.6 More front line staff should be trained in benefit awareness and diversity.

- 11.7 The new Improving Customer Experience facility to be established in the Town Hall main entrance should consider enhancing its provision to borough residents through providing, with a staffed and clearly designated desk, a signposting service for benefits advice and information.

- 11.8 A suitably localised Joint Assessment Team should be set up by the Council in partnership with the Pensions service, in an appropriate configuration, to enable a more seamless assessment, verification and visiting service to be delivered to claimants in the borough.
- 11.9 The TMO and RSLs should provide more benefits advice to tenants at an early stage to prevent people getting into difficulties in the rent payments.
- 11.10 The new Family & Children's Services business group should consider what more it could do to assist the benefit take-up objectives, such as checking eligibility for Disability Living Allowance for each stated child or providing benefits information and a signposting service to parents of children with disabilities.

Additional provision

- 11.11 The Incomes and Benefits take-up project outlined in Section 9 of the Report, which is now part of the Council's LAA bid, should:
- a) focus on a geographic area where the needs of claimant groups who are missing out on benefits could be addressed (elderly, people with children, people with disabilities, people with mental health problems). Any advice provision should maintain involvement with claimants through the claims process.
 - b) focus initially on Pension Credit, Council Tax and Housing Benefit
 - c) Consider wards like St Charles and Cremorne as meriting more project work on benefit take-up
 - d) Provide information and advice through existing independent advice agencies that have credibility in the community
 - e) make publicity, information and outreach advice available to people in places they routinely frequent (GP surgeries, family centres, schools, supermarkets and the new Children's Centres), possibly through a single point of contact at the Improving the Customer Experience facility at the Town Hall.

- f) Engage with professionals in health, education, housing, environmental and legal sectors to make them aware of timely advice and information. The project should work towards developing their capacity to provide good initial information and referrals
- g) Work with the staff of the new Job Centre Plus opening in the Summer of 2006 in North Kensington to increase the take-up of Job Seekers Allowance.

There is a danger that in the ongoing negotiations with the Government Office for London there will be pressure to subordinate local priorities (on income maximisation targeted at particular disadvantaged groups) to national targets (such as taking working age people off benefit and into employment). This pressure must be resisted so far as is possible while still enabling the project to proceed.

- 11.12 Consideration should be given as to whether there is a business case for investing in a discrete number of additional officer posts to support benefit take-up work (see recommendations 11.5, 11.7 and 11.14) and whether such investment could be justified by the value of additional benefits claims that it may generate.
- 11.13 Provision of a specialist support worker, located and attached to an existing agency, and providing rapid access to resources for people affected by domestic violence, should be considered.
- 11.14 Ethnic minority groups could be commissioned to undertake a project to increase benefit take up among the more difficult to engage groups.

Review of Tax Credits

- 11.15 The Cabinet and Corporate Services OSC should consider undertaking a specific review of the administration of working tax credits in 18 months, hopefully allowing sufficient time for the current problems to be overcome and the performance of Inland Revenue improved in this area.

Overall Conclusion

12. The OSCs are asked to comment on this report and make recommendations to Cabinet on 30th March.

FOR DECISION

Councillor Stephen Hoier

Chairman

Public background papers used in preparing this report: the papers referred to in the report.

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