Scottish Campaign on Rights to Social Security: Response to Social Security Committee call for views on benefit take-up

October 2019

About the Scottish Campaign on Rights to Social Security

The Scottish Campaign on Rights to Social Security (SCORSS) is a diverse coalition of organisations working across Scotland with collective expertise across a range of different aspects of the social security system. Whilst coming from different areas of expertise, all members of SCORSS are united in our belief in a social security system that prevents poverty and supports those in need whilst also protecting their dignity.

Together, our members believe – as set out in our *Principles for Change*[i] - in the need to:

- Increase social security payment rates to a level where no one is left in poverty and all have sufficient income to lead a dignified life;
- Make respect for human rights and dignity the cornerstone of UK and Scottish social security;
- Radically simplify social security to ensure it is easy to access and that barriers to entitlement are removed;
- Invest in the support needed to enable everyone to participate fully in society;
- Make social security work for Scotland.

Background to submission

SCORSS welcomes the opportunity to respond to the Social Security Committee's call for views on the take up of social security entitlements. Collectively, we believe that increasing the numbers of people accessing the social security support to which they are entitled must be a key focus at both UK and Scottish levels.

This submission has been developed by members of the SCORSS steering group. The views expressed in this submission are based on the general principles of SCORSS' *Principles for Change*, as agreed by our members. Individual organisations may have their own positions in relation to specific aspects of the issues concerned, which are reflected in their individual organisational submissions.

Response to inquiry questions

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

While it is challenging to identify the precise level of social security support that goes unclaimed - given the Department for Work and Pensions (DWP) produces only limited estimates – we do know, from the estimates that are available as well as from other research, that it is significant.

From the limited estimates the DWP does produce, for example, we know that up to 1.3 million families who were entitled to housing benefit did not claim it, and that up to 1.3 million families entitled to pension credit did not claim it.[ii] Independent research conducted by Entitled To put the figure of unclaimed social security – UK wide – at around £20 billion.[iii]

The reasons for low take-up are varied, but key factors include:

- Low levels of awareness

One of the primary factors preventing people from accessing social security support is their lack of knowledge about what support they are entitled to. At a basic level, people cannot claim for entitlements that they are not aware of.

It is clear – both from our organisations' collective experiences in working with people living on low incomes and from relevant research[iv] - that this is an important factor for many, and equally clear is that the more knowledge an individual has about their entitlements the more likely they are to claim that entitlement. Evidence from the CPAG in Scotland's Early Warning System, for example, shows that a significant number of people are not aware of their eligibility for council tax reduction, with take-up rates consequently being low.

- Stigma

Negative attitudes around social security – primarily driven by inappropriate media and political discourse that stigmatises people accessing the social security system – act to dissuade people from accessing what they are entitled to. Further compounding this has been the introduction of increased conditionality and sanctions, which have had the impact of further entrenching the discomfort and anxiety that many people feel in engaging with the system; which can further reduce take-up.

- Adequacy / inadequacy of support provided

Given the low levels of support provided by some social security entitlements – something that has been exacerbated in recent years by policies such as the freeze on working-age benefits – many individuals make the decision that the cash value of certain benefits is not worth the effort, stress and anxiety that can be associated with making a claim. Were the levels of support to be higher, take-up could be expected to increase.

When the Poverty Alliance engaged with members of their Community Activist Advisory Group on reasons for low-take up, for example, one member of the group said that:

"*There is a perception that you won't receive enough benefits to cover your basic living costs. Because of this perception, I think a lot of people who are 'just getting by' feel there is no point to putting in a claim as they will get very little, if anything at all, after going through a rigorous application process.*"

- Fear of disclosing financial difficulties

CPAG's Early Warning System has indicated that a fear of disclosing financial difficulties can act as a barrier to take-up for many people, particularly parents who might believe that their financial challenges may lead to questions being asked by authorities regarding the wellbeing of their children.

- Complexity of system

For many people, the complex processes – particularly application processes – that are often involved in claiming their entitlements acts as a major barrier. The language used within these processes and the length of application forms, for example, often act to confuse people and make the entitlement appear inaccessible. This can be particularly the case for people who speak English as a second language, people with low literacy levels, people with learning disabilities, and others.

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

As stated in response to question 1, the most significant and obvious gap is that exact levels of take-up are unknown for many social security entitlements. This therefore makes it more challenging when seeking to develop and implement the actions that can help boost take-up. Steps must be taken to ensure accurate monitoring of take-up for each benefit being delivered by Social Security Scotland.

The establishment of Social Security Scotland also provides the opportunity to collect equalities data that will enable actions to increase take-up to be particularly targeted at any groups with protected characteristics who may be identified as finding it particularly challenging to access their entitlements. Currently, for example, equalities data is not routinely collected in the Best Start Grant application process; something that may impinge efforts to identify groups who are missing out and which should be rectified ahead of efforts to further boost take-up.

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

There are a number of actions that could be implemented to improve the administration of the social security system. These include:

- Ensuring that application processes are flexible and provide choice for people making claims. For example, the Best Start Grant can currently be applied for online, by phone and by post. This is welcome, and such flexibility must continue to be embedded within the Scottish social security system as the number of benefits that it delivers grows.

- Ensuring that application processes – and other relevant administrative processes – are designed in consultation with people who have experience of the social security system. This will help in identifying any language or particular processes that may exacerbate stigma or act to dissuade people in continuing with their claim.

- Ensuring that staff receive ongoing, high-quality training. This will help to both minimise administrative errors, and also help to foster a working culture that is non-stigmatising and which reflects the Scottish social security principles of dignity, fairness and respect; something that will help with boosting take-up.

How far is it possible for technology to create a more automated system, that uses information gathered for other reasons to award benefits automatically? What would the advantages/disadvantages be of greater automation?

The advantages of automation could be significant and would effectively overcome one of the most significant barriers to take-up; lack of knowledge of entitlements. Very simply, if an individual could make one claim that would automatically trigger their entitlements for other supports, this could have a hugely positive upward impact on take-up rates which would, most importantly, help to reduce and prevent poverty and support people's wellbeing.

Excellent local examples of automation do exist across Scotland. For example, Glasgow City Council have utilised housing benefit and Council Tax reduction data to automate free school meals and school clothing grants.

Such an approach should be both encouraged at a local level and pursued at a national level, particularly as larger payments such as the Scottish Child Payment – which will be vital in shifting the curve on poverty in Scotland – are rolled out.

Are different approaches required for different benefits and different client groups?

Different approaches may be required for different groups, particularly as the reason why those groups may not be accessing their entitlements may differ. We know, for example, that low levels of awareness can be impacted by a number of factors including whether or not someone speaks English as a second language, literacy levels, availability of support when submitting a claim, whether or not someone has mental or physical health issues, and whether or not take-up rates are high among an individual's cultural-social network.[v]

People who are in-work may be less likely to access their entitlements, given that they are less likely to be accessing the kind of services from which they may be made aware of what support they can access. Older people may also be less likely to claim. All of these factors should be considered, with different actions and approaches being developed as a result.

Before these actions and approaches are developed, though, it will be essential (as stated elsewhere in this response) to ensure that robust data is collected on which groups are currently less likely to be accessing their entitlements.

What kinds of eligibility criteria ensure better take-up?

Evidence points towards the fact that the more straight forward the eligibility criteria the higher the take-up, and the more complex the eligibility criteria the less likely that people who are not aware of their entitlement are to pursue their claim.[vi] Eligibility should therefore – while protecting individual's rights – be as simple as possible wherever possible and appropriate.

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

The commitment to developing a Scottish social security system built on dignity, fairness and respect should – if fully realised – help to reduce the stigma that many people experience in relation to social security. Commitments contained within the Social Security Charter should also – again, if fully realised – act in support of efforts to boost take-up. A number of additional

factors should be considered, though, when considering the interaction of reserved and devolved social security and the impact on take-up.

Firstly, there is clearly the potential for individuals to be confused about the existence of local, Scottish and UK social security systems, and for them to be unclear or confused about which system is delivering what. There is therefore a need to ensure that the staff working within those systems are equipped with and able to provide appropriate and accurate information to individuals on the wider support they may be entitled to.

Secondly, given that eligibility for some entitlements being delivered by Social Security Scotland will be passported, there is the potential for those who are currently not claiming reserved benefits to also miss out on devolved benefits. Conversely, it may be that some people are encouraged to apply for their reserved entitlements – such as Universal Credit – as a means of also accessing support such as the upcoming Scottish Child Payment.

Are there other questions you think the Committee should consider as part of this inquiry?

While the upcoming Scottish Government take-up strategy is welcome, we understand that it will focus purely on devolved social security benefits that are currently being delivered. This may be due to concerns over how promoting take-up of reserved benefits may trigger reimbursements to the UK Government, in line with the fiscal framework.

It is clear, though, that there is some debate as to whether or not this interpretation is accurate. If it is not, then we would encourage the Committee – given the reliance upon passporting benefits - to explore whether future strategies should also look at the role of the Scottish Government and Social Security Scotland in promoting the take-up of reserved benefits, given the expectation that this would in turn increase take-up of devolved benefits.

We would also encourage the Committee to consider how people with experience of the social security system can play a central role in informing and developing the actions proposed within either the upcoming take-up strategy or in future iterations of the strategy.

Finally, it is essential to state the importance of welfare rights advice services in ensuring that people are aware of their rights to social security and are supported in accessing those rights. We would encourage the Committee to consider the role of welfare rights advice in increasing take-up, and to look at ways in which such services can be further supported. We also know that frontline voluntary sector organisations are under continued pressure in their work of supporting families to access social security – particularly given the need to remain up to date with social security systems at local, Scottish and UK level – and that many have had to absorb this increased pressure with no commensurate increase in resources. Given their vital role, it's essential that they continue to be adequately resourced to help facilitate take-up of entitlements.

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[i] Scottish Campaign on Rights to Social Security, *Principles for Change*, October 2019. Accessible here: https://cpag.org.uk/scotland/policy-campaigns/SCoWR
[ii] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/757268/income-related-benefits-estimates-of-take-up-2016-17.pdf

[iii] https://www.entitledto.co.uk/blog/2018/december/over-20-billion-still-unclaimed-in-means-tested-benefits/

[iv] Dan Finn and Jo Goodship, *Take-up of benefits and poverty: an evidence and policy review*, Centre for Economic and Social Inclusion, https://www.learningandwork.org.uk/wp-content/uploads/2017/01/Benefit-Take-Up-Final-Report-Inclusion-proofed-June-2014-pdf.pdf

[v] Dan Finn and Jo Goodship, *Take-up of benefits and poverty: an evidence and policy review*, Centre for Economic and Social Inclusion, https://www.learningandwork.org.uk/wp-content/uploads/2017/01/Benefit-Take-Up-Final-Report-Inclusion-proofed-June-2014-pdf.pdf

[vi] Bunt, K., Adams, L., and Leo, C. (2006) Understanding the relationship between the barriers and triggers to claiming the Pension Credit, DWP Research Report 336