



AUTHOR(S):

TITLE:

YEAR:

Publisher citation:

OpenAIR citation:

Publisher copyright statement:

This is the _____ version of a work originally published by _____
(ISBN _____; eISBN _____; ISSN _____).

OpenAIR takedown statement:

Section 6 of the "Repository policy for OpenAIR @ RGU" (available from <http://www.rgu.ac.uk/staff-and-current-students/library/library-policies/repository-policies>) provides guidance on the criteria under which RGU will consider withdrawing material from OpenAIR. If you believe that this item is subject to any of these criteria, or for any other reason should not be held on OpenAIR, then please contact openair-help@rgu.ac.uk with the details of the item and the nature of your complaint.

This publication is distributed under a CC _____ license.

The take-up of benefits: lessons from the UK

Paul Spicker

The issue of take-up has had a prominent role in the consideration of benefits in the UK, and there is a considerable amount of information available about the issues and problems. As time has gone on, however, the comfortable certainties about why people do not claim benefits have come to seem less and less secure. At first it was supposed that a reluctance to claim was the legacy of the stigma of the Poor Law; then it was a problem of means-testing; then, as the emphasis fell increasingly on selective benefits and targeting, it became a matter of trying to ensure that benefits operated more efficiently. None of this is clearly consistent with the evidence we have, and while it is tempting to point the finger at the quality of that evidence, we may have to accept simply that we understand the problems less well than we thought we did.

The Welfare State and the legacy of the Poor Law

For decades, the dominant model of social policy in Europe was based on the progressive extension of solidarity, sometimes referred as *généralisation*. The coverage of welfare systems was never expected, or intended, to be comprehensive; the object of successive provisions was to make them more inclusive than they were before. In the United Kingdom, by contrast, the ‘welfare state’ was defined by contrast with the Poor Law which came before it. The Poor Law had been - intentionally - brutally selective, punitive and minimal. The Welfare State was intended to be the opposite. The reforms of the 1940s conveyed an expectation of universality, covering people ‘from the cradle to the grave’. Where there was general public provision, it was supposed to be comprehensive: the Beveridge scheme had ‘classes of insurance’ covering people who could not hope to contribute, including children, older people and women who were not in the labour market.¹ Where there were safety nets, there must not be ‘holes in the net’. The primary test of a scheme - often the first question to be considered - was what happened to those who might be left out.

The ‘rediscovery of poverty’ in the 1960s showed that there were people who, despite the social arrangements introduced with the ‘welfare state’, did not have an adequate basic income. In principle, the Beveridge scheme was supposed to cover the needs of almost everyone. There might be a limited number of people who might not have been able to make contributions; they were covered by the residual, safety net of National Assistance, which supplemented very low incomes to bring them up to a minimum income. As time went on, however, there was an increasing focus on circumstances which were not dealt with adequately by the Beveridge scheme.

¹ W Beveridge, 1942, *Social insurance and Allied Services*, London: HMSO, para 23.

Much of the initial discussion centred on pensioners.² There were three key problems. The first was that the general level of pensions was not really sufficient to lift people clear of the situation where they might have to rely on National Assistance; that meant that they were expected to claim it as a second, supplementary benefit, and many failed to do so. (The main strategy to deal with this was an attempt to raise incomes beyond the point where pensioners would need to claim. In the 1950s, the Labour Party had considered introducing some element of earnings-relation into pensions, hoping to imitate the relative generosity of pensions in France; but the scheme introduced 1959-1961, the 'graduated pension', allowed only for a very limited entitlements.) The second problem was that benefits were not high enough to cover housing costs, and many pensioners claiming National Assistance did so to cover rent. The third problem was that some pensioners seemed not to be claiming the benefits they were entitled to. This was often attributed to 'stigma', a sense of shame and reluctance to claim that had been deliberately fostered by the Poor Law in the days before the welfare state.³ It was only to be expected, the story went, that this would be felt particularly by older people, but as time went on, it was supposed it would be less of a problem.

A government report, *Financial and Other Circumstances of Retirement Pensioners*,⁴ confirmed the argument that pensioners were not receiving the benefits they were entitled to. The government's response was to reform the system of National Assistance, which became 'Supplementary Benefit' in 1966. Pensioners were given a legal right to the new benefit. There was an extensive campaign encouraging people to claim; and there was an increase in benefit levels. At the time, an extra 500,000 pensioners did claim SB when then had not claimed National Assistance; it was considered a great success. Tony Atkinson has argued that in fact the increase in claims was almost wholly due to the increased level of benefit, and so of minimum income, which led to more people being entitled.⁵

The critique of means-testing

The discourse of universality and selectivity, which was prominent in debates about welfare in the 1960s, was as much a question of method as of principle. The advocates of universal benefits argued that benefits could be comprehensive only if they were simple, unconditional and inclusive. Selective benefits, benefits which determined whether people were eligible on the basis of an assessment of means or need, inevitably left people out. The advocates of selectivity believed that the way to be comprehensive was to target people in need more

² P Townsend, D Wedderburn, 1965, *The aged and the welfare state*, London: Bell; B Abel-Smith, P Townsend, 1965, *The poor and the poorest*, London: Bell.

³ See P Spicker, 1984, *Stigma and social welfare*, Beckenham: Croom Helm, online at <http://www2.rgu.ac.uk/publicpolicy/introduction/books/Paul%20Spicker%20-%20Stigma%20and%20Social%20Welfare%20-%20ebook.pdf>.

⁴ Ministry of Pensions and National Insurance, 1965, *Financial and other circumstances of retirement pensioners*, HMSO.

⁵ A B Atkinson, 1969, *Poverty in Britain and the reform of social security*, Oxford: Oxford University Press.

precisely. Universality, in their view, was inefficient and wasteful: in the memorable phrase of Jan Pen, a Dutch economist, it was ‘like filling the sky with shot to hit a single duck’.⁶ Selectivity could be done effectively by using new computer technology to offer a personalised service. (It seems odd, in retrospect, to imagine that this argument was prominent in debates fifty years ago; but Richard Titmuss, in his famous 1968 essay on universality and selectivity, condemns ‘computermania’ and the idea that we could ever expect computers to produce mechanical answers to complex human problems.⁷ This is not a matter of technology, and the same problems are there now.)

Most of these early arguments focused particularly on means-tested benefits. Means-testing in the UK had mainly grown in the inter-war period in an attempt to offer benefits for unemployed people that would not subject them to the indignities of the Poor Law. However, during the depression of the 1930s, the means test became as much a symbol of the repressive management of the Poor Law as the workhouse had been, and there was a general supposition that means testing was the root of the problems that had been carried forward into the welfare state. In the 1970s a clutch of new benefits were introduced for people with disabilities - Attendance Allowance, Mobility Allowance, and Non-Contributory Invalidity Pension. They were based on a test of need but not of means, in the belief that this would avoid the stigma of means-testing. When researchers and campaign groups considered the problems of the benefit system, these benefits were hardly considered - it was only much later that it became clear that they had many of the same problems of takeup as means-tested benefits.⁸ By contrast, other new means-tested benefits - the Family Income Supplement introduced in 1971, the Rent Rebate and Allowance introduced 1972/73 - seemed to be bedevilled by the same problems associated with other means-tested benefits.

The perception that the problems were mainly centred on means-tested benefits has had a major effect on the way that statistics are maintained. Most of the figures we have relate to different types of means-tests, monitored over the course of the last twenty years. Table 1 shows some of the headline figures (the most recent figures, published in 2012, are still for 2009-10.⁹ The Department for Work and Pensions (DWP) consulted on discontinuing the series; although they have backed down on that proposal, there have been no new figures since.). I have added details of three non-means-tested benefits: Child Benefit, as reported by

⁶ J Pen, 1974, *Income distribution*, Harmondsworth: Penguin, p 377.

⁷ R Titmuss, 1968, *Universal and selective social services*, in *Commitment to welfare*, London: Allen and Unwin.

⁸ Craig and Greenslade, cited D Kasparova, A Marsh, D Wilkinson, 2007, *The takeup rate of Disability Living Allowance and Attendance Allowance: feasibility study*, London: Department for Work and Pensions.

⁹ DWP, 2012, *Income related benefits: estimates of takeup 2009-10*, <https://www.gov.uk/government/statistics/income-related-benefits-estimates-of-take-up>.

HM Revenue and Customs (HMRC),¹⁰ and estimates for Attendance Allowance and Disability Living Allowance given in a research report for the DWP.¹¹

¹⁰ HMRC, 2013, Child Benefit, Child Tax Credit and Working Tax Credit: Take-up rates, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/265488/cwtcchb-take-up2011-12_fin.pdf

¹¹ Craig and Greenslade, cited D Kasparova, A Marsh, D Wilkinson, 2007, The takeup rate of Disability Living Allowance and Attendance Allowance: feasibility study, London: Department for Work and Pensions.

Table 1: The takeup of various benefits			
	<i>Type of benefit</i>	<i>Estimates of takeup by eligible recipients</i>	<i>Estimates of the amount of money due that is being claimed</i>
Child Benefit	Universal	95-96%	-
Child Tax Credit	Tapered	83-87%	92-95%
Housing Benefit	Tapered	78-84%	84-90%
Income Support (and income-related ESA)	Minimum income	77-89%	82-92%
Working Tax Credit	Tapered	63-68%	82-87%
Pension Credit	Minimum income	62-68%	73-80%
Council Tax Benefit	Tapered	62-69%	64-71%
Jobseekers Allowance	Insurance/minimum income	60-67%	61-70%
Disability Living Allowance mobility component	Non-contributory †	50-70%	-
Attendance Allowance	Non-contributory	40-60%	-
Disability Living Allowance care component	Non-contributory	30-50%	-
<p>* Tapered benefits: income tested with gradual withdrawal as income increases † Non-contributory: no test of contribution or income, but selected on the basis of a test of need</p>			

The problem of takeup

The explanations for low takeup have been examined in a range of published papers and reports. The main reasons are usually given as

- *Ignorance.* If people do not know that a benefit exists, they cannot claim it. Even if they do know that it exists, they may not realise that they are in the class of people who might be entitled to it. Most studies in the field identify the awareness of benefits as the most important factor in determining takeup.¹²
- *Complexity.* People who might wish to claim benefits have to negotiate a byzantine series of processes. There is probably a difference in the reported views of people who claim benefits, who do not see this as so much of a barrier, and people who do not claim, who do.

One useful indicator of complexity is the extent to which the assessment of benefit goes wrong. Table 2 shows estimates for fraud and error.¹³ The benefits which claimants get wrong most often are Council Tax Benefit, Housing Benefit and Pension Credit. Overall, the main reasons for underpayments in these benefits are:

- anticipating higher earnings;
- understating household composition;
- incorrect calculation relative to Tax Credits;
- failing to claim premiums for special needs; and
- undeclared housing costs.¹⁴

The benefit where least mistakes were made by claimants is JSA, and that tends to imply that its relative familiarity (there has been an unemployment benefit in place for more than a hundred years) and lack of complexity is not translated into better take-up. However, if we take underpayments as the surest indicator of mistakes (because fraud in those cases is negligible), the Disability Living Allowance or DLA - a benefit that is not means-tested - stands out.

¹² P-M Daigneault, S Jacob, M Tereraho, 2012, Understanding and improving the take-up of public programs, *International Journal of Business and Social Science* 3(1) 39-50

¹³ DWP, 2014, Fraud and error in the benefits system: 2012 to 2013 estimates, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/271654/fraud-and-error-in-the-benefit-system-2012-13_estimates-160114.pdf; HMRC, 2014, Child and Working Tax Credits: Error and Fraud Statistics 2012-2013, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/316032/Random_Enquiry_2012-13_final.pdf

¹⁴ DWP 2014, table 6.12

Table 2: Estimates of errors in the benefit system (percentages of value)				
	Fraud	Claimant error	Official error	Total
Income Support				
<i>Overpaid</i>	2.3	1.3	0.6	4.3
<i>Underpaid</i>	0.1	0.7	0.5	1.3
Jobseekers Allowance				
<i>Overpaid</i>	2.9	0.5	0.8	4.1
<i>Underpaid</i>	0	0.1	0.3	0.4
Pensions Credit				
<i>Overpaid</i>	2.2	2.2	2.0	6.4
<i>Underpaid</i>	0	1.2	1.1	2.3
Housing Benefit				
<i>Overpaid</i>	1.3	3.3	0.5	5.1
<i>Underpaid</i>	0	1.2	0.4	1.6
DLA				
<i>Overpaid</i>	0.5	0.6	0.8	1.9
<i>Underpaid</i>	0	2.4	0.1	2.5
Council Tax Benefit				
<i>Overpaid</i>	1.2	2.9	0.6	4.6
<i>Underpaid</i>	0	1.1	0.3	1.4
Tax Credits				
<i>Overpaid</i>	3.9	3.1	0	7.0
<i>Underpaid</i>	no data	no data	no data	0.7

- *Marginal benefit.* Burton Weisbrod suggested an application of a conventional economic model: people who were deciding whether or not to claim had to balance an assessment of costs against benefits.¹⁵ If the perceived benefit was small - in many cases, basic income benefits offer a marginal amount of money as a top up of income - it was less likely that they would claim. That would explain why pensioners, who in the main had some other sources of pension income, might claim less than other groups such as lone parents, who may not have much alternative income at all.
- *Stigma.* Stigma is a general term which has been used to refer on one hand to a sense of shame, humiliation or exclusion, and on the other to reluctance to claim for those reasons. Some of the literature has been sceptical of the impact

¹⁵ B.A. Weisbrod, 1970, On the stigma effect and the demand for welfare programmes Madison, Wisconsin: University of Wisconsin Institute for Research on Poverty

of stigma on takeup. Work by Davies and Reddin¹⁶ pointed to the attribution of stigma to ‘other people’:

“The major reasons for non-uptake in the English free school meals systems were more evidently related to information than stigma. Stigmatising factors were identified extensively by survey respondents (mothers) as accounting for the lack of uptake of benefit by ‘other people’. It was, however, only referred to by a small minority as affecting their own decisions. Thus stigma may be a piece of folklore: part of that popular mythology which avows work ethics that are not manifest, moralities that are not observed, hostilities that are not felt - and explanations of Their behaviour but never Ours.”¹⁷

Rudolph Klein suggested that in time, explanations based on stigma would ultimately be supplanted by other explanations, as we learned to understand people’s claiming behaviour better. Stigma, he suggested, was

“the phlogiston of social theory: a label attached to an imperfectly understood phenomenon - when low take-up of means-tested benefits can be explained just as well, perhaps better, by the information costs involved, by the fact that expense in time, trouble and travel may outweigh the value of small benefits, and by the ability of some people to manage on a given amount of money better than others.”¹⁸

That seems unlikely. If benefits are the source of shame, humiliation, it may impose barriers - or at least, impose a cost which claimants have to bear in order to claim.

Barriers to access

In the 1980s, Kerr argued for a ‘threshold’ model of take-up. To claim, people had to pass through seven barriers.

1. Perceived need
2. Basic knowledge
3. Perceived eligibility
4. Perceived utility
5. Beliefs and feelings
6. Perceived stability of circumstances
7. Making a claim.¹⁹

¹⁶ B Davies, with M. Reddin, 1978. *University, selectivity, and effectiveness in social policy*. London: Heinemann Educational Books.

¹⁷ M. Reddin, 1977. *Universality and selectivity* Dublin: National Economic and Social Council (Eire), p 67.

¹⁸ R. Klein (ed.), 1975. *Social policy and public expenditure 1975* Bath: Centre for Studies in Social Policy, p.5.

¹⁹ S Kerr, 1983, *Making ends meet*, London: Bedford Square Press.

There is a flaw in the model: these are not necessarily distinct stages or progressive thresholds in practice. For example, people's expression of ignorance is linked to their unwillingness to claim for other reasons.²⁰ People may be put off by difficulty of claiming when the perceived marginal benefit is low; if Weisbrod is right, balancing one factor against another is just what we should expect people to do. That approach has been at the root of later work; van Oorschot suggests that after the 'threshold stage' there is a 'trade-off' stage.²¹ The main value of Kerr's model, and the reason I am using it here, is that it identifies a number of contributory factors, presented in a more or less plausible sequence, which cumulatively might be expected to lead to low take-up.

Perceived need. People should feel they have a need. It is not certain that perceived need is a prerequisite - people claim Child Benefit or tax allowances regardless of 'need' - but they do at least have to identify themselves as being in the category of people who might receive a benefit. For example, it is hard to suppose that anyone is going to claim disability benefits if they do not think they might be thought to have a disability. Here, however, is a snippet from the ONS Opinions and Lifestyle survey, pulled out for ad hoc analysis by the DWP.²² 62% of people identified as disabled said that they did not think of themselves as being disabled. Among the people with disabilities who said they were not disabled, more than half (55%) said it was because they could carry out their normal day-to-day activities, and 27% described themselves as fit and able to live a full life. Others put down their limitations to ill health or old age. Among those who did say they were 'disabled', 26% said they did think of themselves as being disabled, and 11% said 'sometimes'. If nearly three quarters of people with disabilities do not really think they are disabled, the take-up of disability benefits starts to look rather better than we might expect.

Basic knowledge. The second stage of Kerr's model is that people know that something is there. Even if they do not know exactly what they have to do, they have to start - to know, for example, where to go to start the process. The take-up of DLA is rather better for people registered as blind than it is for other people with disabilities. That may be true partly because that registration is evidence of recognition, partly because of the support of organisations to help blind people.²³ In the same way, the figures for Housing Benefit also show a marked difference between the position of private tenants (64-73% take-up) and the tenants of social landlords (85-90%); that is probably attributable to the efforts of landlords in informing tenants of their entitlement.

²⁰ Spicker, 1984, ch 2.

²¹ Van Oorschot, 1998, pp 116-9.

²² DWP, 2013,
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/210030/q1-2013-data.xls

²³ G Douglas, 2008, Network 1000 DLA Take-up Study, London: RNIB
http://www.rnib.org.uk/aboutus/Research/statistics/prevalence/Documents/2008_2_Network_1000_DLA.doc

Perceived eligibility. Once people know that a benefit exists, they have to think they might be eligible. In a study of Tax Credits, the researchers found that awareness of the benefit was not the main problem; it was that people who knew about the benefit did not think that they were eligible.²⁴ The low take-up of Attendance Allowance, the disability benefit for older people, and the ‘care component’ of DLA, are probably influenced by the misunderstanding that there needs to be a carer before the benefit is payable. The take-up of DLA is notably higher among people who receive incapacity benefits for other reasons – one benefit acts as a gateway to another (and many claimants have the misconception that qualifying for one benefit will qualify them for the other).²⁵

Perceived utility. People have to think that claiming is worthwhile. This is much the same idea as ‘marginal benefit’, considered before; to determine whether a claim is worthwhile, people have to balance the benefits against the cost of claiming. Probably the most consistent characteristic of the take-up figures recorded in Table 1 is that the amounts of money are not claimed tend to be smaller than those which are claimed: that is true for Income Support, Pension Credit and Tax Credits, all of which adjust the amount paid to income.

Utility is, of course, a very broad term: in the case of free school meals, a research report suggests that

“A lack of choice, long queues, and wanting to sit with friends are the main reasons given by pupils for not taking Free School Meals ... the quality and choice of food on offer discouraged take up.”²⁶

This stage of the process can overwhelm the others. In the case of health care (which in the UK is not part of the benefit system) an understanding of the costs of claiming is particularly important: subjecting oneself to invasive physical care carries a substantial cost. In the case of residential care, the cost may be a permanent loss of independence and personal autonomy. In those contexts, the decisions may not be made by the person concerned at all, but by others acting in their behalf.²⁷

Beliefs and feelings: The decision to claim is influenced by attitudes, beliefs and stigma. Claiming has to be acceptable. The influence here is far from straightforward; pensioners are widely thought to have a legitimate claim, and lone parents are often condemned for ‘dependency’ and having children they can’t afford, but the take-up figures work in the opposite direction.

²⁴ H Breese, N Maplethorpe, M Toomse, 2011, Take-up of Tax Credits, HMRC.

²⁵ A Thomas, 2008, Disability Living Allowance: disallowed claims, London: DWP.

²⁶ C Harper, L Wood, 2009, Please Sir? Can we have some more?, Schools Food Trust, http://www.childrensfoodtrust.org.uk/assets/research-reports/fsm_please_sir_jan09.pdf, pp 4, 13

²⁷ S Davies, M Nolan, 2003, “Making the best of things”: Relatives’ experience of decisions about care-home entry, *Ageing and Society*, 23, pp. 429–50; H Arksey, C Glendinning, 2007, Choice in the context of informal care-giving, *Health and Social Care in the Community*, 15(2), pp. 165–75.

Perceived stability of circumstances. Potential claimants have to think their condition would last long enough to make it worthwhile. This is the most likely reason for the relatively low take-up of Jobseekers' Allowance. The largest single reason for disability in one's 50s is stroke (cardio-vascular accident), but many people who have had strokes hope and expect to get better.

Making a claim. The last stage is crucial: once all the decisions are made, people have actually to go through the process of applying, or nothing will happen. Applying for benefit is often difficult, time-consuming and intrusive. Attendance Allowance asks people, for example, if they can use the toilet without help. A report from Help the Aged comments that Attendance Allowance recipients 'found claiming it to be a tiring, repetitive and confusing process.'²⁸ Another study found that claimants lost money because of problems with the process, and some were dead before the benefit came through.²⁹

Benefits are generally designed on the principle that the recipients have to claim them - they are, in technical terms, a 'subjective right', which people can choose to use or not. This could be done with a greater degree of automaticity. An experiment of this sort was recently made for Pension Credit. Enrolling people automatically, and looking for pensioners to claim at the end of a period, did lead to an improvement in take-up, but a more effective method was to use human contact - a visit to the home and assistance with the claiming process. Even then, more than a quarter of claimants prompted to claim fell at the final hurdle - starting the process but failing subsequently to see it through.³⁰ The benefits which seem to have the best take-up - Child Benefit and Retirement Pension - are not means tested, but there is more to it than that. They are also benefits where the bar for entitlement is clear, where the benefit is paid for a long duration, is not affected by subsequent changes in circumstances and continues in payment until there is good reason for it to stop. Pension Credit, by contrast, is intrinsically complex. The report on the experiment comments that "it is not possible to simply pay Pension Credit without a claim with sufficient accuracy, due to the level of financial information required for each individual at the point of claim."³¹

Further influences on take-up

There are, of course, many other potential influences on take-up. Daigneault et al offer a count of the factors considered to affect take-up, given in 82 studies from around the world.

²⁸ Help the Aged, 2006, Benefits and take-up: Help the Aged Policy Statement, London: help the Aged.

²⁹ G Nososkwa, 2004, A delay they can ill afford, Health and Social Care in the Community, 12(4) 283-287.

³⁰ L Radford, 2012, Quantitative evaluation of the Pension Credit payment study, DWP, p 14.

³¹ L Radford, 2012, Quantitative evaluation of the Pension Credit payment study, DWP, p 2.

Their summary of their data is reproduced in table 3.³²

Basic knowledge about the program (including awareness)	65%
Claiming process characteristics (including length and complexity of the process and relationships to claiming process of other programs)	56%
Socioeconomic characteristics of potential claimants	44%
Costs and benefits anticipated by potential claimants	26%
Unstable situation of potential claimants	23%
Negative social pressure and stigmatization	22%
Potential claimant's attitudes (including attitudes towards the state and public services)	21%
Perceived eligibility	16%
Potential claimant's needs for the program	12%
Claim rejected by the state	12%
Peer support and guidance relative to a program	5%
Withdrawal from the process after claiming	4%
Other factors	11%

This is not a complete list. Other issues include, for example, concerns about overpayments and the need to pay back money if the benefit is recalculated (a major problem with Tax Credits, slowly being rolled out to other benefits); fear of the reaction of landlords or employers; concern that claiming one benefit can jeopardise entitlement to another (for example, claiming Jobseekers Allowance entails a declaration of availability for work, and that can stop a claim for ESA, which depends on incapacity); limitations of language and literacy³³; and caution relating to the restrictions that central government puts on immigrants, requiring them not to be 'dependent on public funds' on pain of expulsion.

From the figures, there may be some other factors that are associated with different levels of take-up.

Pensioners and non-pensioners

³² P-M Daigneault, S Jacob, M Tereraho, 2012, p 45.

³³ S Moffat, J Macintosh, 2006, It makes a huge difference, Newcastle-upon-Tyne: Newcastle University

The difference in claiming between Pension Credit and Income Support is sometimes explained in terms of the different position of pensioners and non-pensioners. The New Policy Institute's website, for example, suggests that

“Older people's attitudes to claiming benefits are different from those of younger people and, for example, most of those not claiming the Council Tax Benefit to which they are entitled are pensioners.”³⁴

There is a recurrent myth that stigma is a legacy of a previous age and therefore only likely to be experienced by older people. That claim has been made repeatedly in the course of the last two hundred and fifty years,³⁵ and the fact of repetition itself is proof that it cannot have been true consistently if it was ever true at all. It is also noteworthy that the profile of pensioners claiming the means-tested Housing Benefit (79-86%) is not markedly different from the profile of non-pensioners (77-84%).³⁶

Table 4 shows some of the take-up figures that are specific to pensioners. Figures for the contributory Retirement Pension are not kept, because it is assumed to have a full take-up. Indeed, there are more pensioners than there are older people, because Retirement Pension is also paid to 1.2m expatriates, the sort of figure that makes it difficult to know what the reach of the benefit really is. For means-tested benefits, there are further problems in gauging where people are really entitled, because older people may be disqualified by inheritance or capital holdings.

³⁴ <http://www.poverty.org.uk/66/index.shtml>

³⁵ See Spicker, 1984.

³⁶ DWP, 2012.

Table 4: The take-up of various benefits by pensioners		
	<i>Estimates of takeup by eligible recipients</i>	<i>Estimates of the amount of money due that is being claimed</i>
Pension Credit	62-68%	73-80%
Guarantee Credit element (minimum income guarantee)	73-80%	77-85%
Savings Credit (tapered addition)	43-48%	49-56%
Housing Benefit	79-86%	84-90%
Council Tax Benefit	54-61%	56-64%
Attendance Allowance	40-60%	-

It is not at all clear why the take-up of Housing Benefit should be so very much better than the take-up of Council Tax Benefit. Until very recently (CTB has been replaced by local benefits in the last couple of years) the benefits worked under very similar rules, and were administered by the same local authority department office; if the figures are right, the difference has to be a difference between tenants (who receive Housing Benefit) and owner-occupiers, who would receive only CTB. Similarly, it is not clear why Attendance Allowance for pensioners should have better take-up than the very similar ‘care component’ in DLA, when DLA also offers additional support for mobility needs which is denied to AA claimants.

Couples and others

Another key difference lies in the behaviour of couples. It emerged from *Financial and Other Circumstances of Retirement Pensioners* that couples were much less likely to claim than single people. Parents with responsibility for children might reasonably be expected to act differently from adults without children, so the best comparison for couples lies between couples with children and lone parents. The same pattern is present in the current DWP figures: Income Support, where the estimates for couples with children are 74-92% against 84-92% for single parents; Council Tax Benefit, where the differential is 52-59% for couples with children and 83-93% for lone parents; and Housing Benefit, where the estimates for single people are 86-92% compared with a general average of 78-84%. The only exception has been in the experiment with automatic Pension Credit payments, where couples and single people had similar take-up.³⁷ The fact that there is such a persistent differential seems to point towards the continuing importance of attitudes for claiming behaviour - claims from couples call for negotiation and agreement of both partners, and claims from single people don't.

³⁷ Radford, 2012.

Employment

There are limited figures available to identify the difference between claimants who are employed and those who are not. The Housing Benefit figures claim that the take-up for claimants who are not employed is 93-97%, but that take-up for those in work is 40-50%. In This compares to 63-68% for Working Tax Credit, which is for people on low incomes. Child Tax Credit for families with no work hits 97-100%; it is possible from the tables to work out that the estimate for those with work must be 78-85%. The feature they have in common is that in each case, take-up for people in work is rather lower than for people out of work. If people have to see themselves as being eligible, it is plausible to suppose that being in work might be wrongly assumed to be an obstacle. At the same time, these are strikingly divergent results for benefits that share some basic design features - a complex means test, progressive withdrawal of benefit as income increases and little or no prospect of a person independently working out what their entitlement should be, where it starts or when it is likely to stop.

The problems of selective benefits

The received wisdom is that the problem of take-up is a problem of means testing. Finn and Goodship, for example, open a recent review with this: “Low take-up is an enduring problem associated with means-tested benefits”³⁸ (my emphasis). Many years ago, I argued that if the reasons for low take-up were down to issues like ignorance, complexity and stigma, there could be no reason to suppose that the problems were specific to means-tested benefits - all of the same arguments apply to benefits which were not means-tested. When Wim van Oorschot did his review of the arguments, he commented that I seemed to be the only person who thought so; that I was probably right in theory; but that he was going to write about means-tested benefits anyway.³⁹ The figures now are not much better than they were then, but I still hold to the same position. There is little purchase in the figures to support the view that the problem of take-up is down to means-testing. Child Benefit is non means tested, and has very good take-up, but several others do not. Attendance Allowance and Disability Living Allowance are not means tested, and the rates of take-up seem relatively poor. Jobseekers Allowance, which is initially contributory and is only means-tested after six months, also has poor take-up.

Part of the problem is the process of selectivity: the difficulty of determining boundaries, to make a selection because those who are entitled and those who are not. That process - the process of selecting people on the basis of need - is at the root of many of the problems of take-up - among them knowledge, complexity, the difficulty of claiming and uncertainty about entitlement. There are some writers who refer to selectivity, means testing and targeting as if

³⁸ D Finn, J Goodship, 2014, Take-up of benefits and poverty, Centre for Economics and Social Inclusion, <http://www.cesi.org.uk/sites/default/files/publications/Benefit%20Take%20Up%20Final%20Report%20Inclusion%20proofed%20June%202014%20pdf.pdf>

³⁹ W van Oorschot, 1998, Realising rights, Aldershot: Avebury.

they all meant the same thing.⁴⁰ That is a confusion. A benefit is selective if it makes a selection on the basis of need, trying to distinguish between eligible and non-eligible recipients through some kind of test. Many non-means-tested benefits try to do this. Several examples I have given in the preceding discussion are taken from non-means-tested benefits - particularly Attendance Allowance and DLA, because they have a worse record for take-up than most other benefits. The process of claiming benefits for people with disabilities is difficult, burdensome and often embarrassing. As for the idea that non-means-tested benefits are intrinsically more valued and less stigmatising than means-tested benefits, there has never been any reason to suppose that is true. Many people tend to think that pensioners have a legitimate claim, and that unemployed people do not. There is not much evidence to suggest that people understand what the mechanisms are in any case, and if that is true, it is far from clear that this is going to make much of a difference in claiming behaviour.

That is not to say that means-tested benefits work. There are lots of problems inherent in the process of means-testing: the tests are intrinsically complex, entitlement fluctuates, there are several moving parts that need tracking (such as household composition, other income, and capital), there are serious inequities as benefits are adjusted and there have been considerable problems when benefits are misallocated through fraud or error. In that light, it is worth reflecting on the curious and anomalous figures for Tax Credits, which are means-tested and have very strong take-up regardless. Child Tax Credit has the second best take-up figures in Table 1. It is hideously complex; it is exceedingly difficult for claimants to know what their entitlement is or should be. It is based on an annual assessment, but where that assessment is miscalculated (as it often is) claimants are liable to repay. The Ombudsman has questioned “whether a financial support system which included a degree of inbuilt financial insecurity could properly meet the needs of very low income families and earners.”⁴¹ HMRC, the agency responsible for paying the Tax Credits, have said that there are some claimants whose previous bad experience means that they are not prepared to claim benefits at all, even for thousands of pounds.⁴² Despite that, HMRC claim that five out of six of the people entitled get it, that the take-up of CTC among families out of work (97-100%) is even better than the take-up of Child Benefit, and that although nearly 8% of the benefit is mispaid, almost none of it is due to official error. This is pretty hard to believe. If the take-up figures are anywhere near right, it seems to follow that means-testing and complexity are not really what matters; the important thing is to get a mechanism that gets the money out to people. If they are not right - and one has to say that they run counter to everything we thought we knew about take-up in other circumstances - any arguments based on these figures should be handled with tongs.

⁴⁰ e.g. D Mitchell, A Harding, F Gruen, 1994, Targeting welfare, The Economic Record, 70(210) 315-340; B Rothstein, 1998, Just institutions matter, Cambridge: Cambridge University Press.

⁴¹ Parliamentary and Health Service Ombudsman, 2007, Tax Credits - Getting it Wrong? HC 1010, p 5.

⁴² P Gerrard (HMRC Transformation Programme Director), 2008, Tax Credits and Child Benefit, DWP Annual Forum, Glasgow, 20th November; see also Parliamentary and Health Service Ombudsman, 2007, pp 3-4.

Once we admit the worm of doubt, however, the empirical evidence about other benefits starts to look increasingly hard to accept as it stands. If the problem is perceived need, why should Attendance Allowance have a better take-up than the care component of DLA? If it's complexity, why should Housing Benefit be claimed so much more often than the very similar Council Tax Benefit? If it's stigma, shouldn't lone parents be more reluctant to claim than pensioners? It may be that the figures tell only part of the story: for example, the low take-up of Pension Credit may well conceal people who are not entitled because of other resources. Possibly the figures themselves are suspect - there is always a difficulty in benefits authorities identifying the people who don't claim, because (almost by definition) these are people they don't generally come into contact with. It may be that there is an interplay of factors. But it looks as though we understand the problems and influences rather less well than we like to think.

'Takeup' in other social services

The deficiencies in our understanding become still more evident when we turn to other social services. It tends to be treated as self-evident in discussions of social security benefits that if people can get more money, they are going to want that money; that is the basis both of simple-minded models based on incentives and rational choice,⁴³ as well as attempts to apply behavioural economics by "nudging" people into desired patterns of behaviour.⁴⁴ Failing to take up benefits implies that something has gone wrong; it is just a question of overcoming the obstacles or "tipping the balance"⁴⁵. Some of the same problems occur in other social services, but beyond that, it is fairly clear that people have difficult, complex relationships with the services they receive. There is a large and complex literature in health care on "help seeking" behaviour: studies suggest a complex interaction of attitudes to the condition, understanding about what can be done, perceived benefit and attitudes to services.⁴⁶ Older people may be resistant to receiving help in their homes.⁴⁷ Some people do not take the drugs they are prescribed.⁴⁸ Social housing can stand vacant while a long series of people in

⁴³ e.g. C Murray, 1984, *Losing Ground*, New York: Basic Books.

⁴⁴ R Thaler, C Sunstein, 2008, *Nudge*, New Haven: Yale University Press.

⁴⁵ as in C Davies, J Ritchie, 1988, *Tipping the balance: a study of non-takeup of benefits in an inner city area*, London: HMSO.

⁴⁶ See e.g. C Burgess, A Hunter, M Ramirez, 2001, A qualitative study of delay among women reporting symptoms of breast cancer, *British Journal of General Practice* 51 967-971; A Mansfield, M Addis, J Mahalik, 2003, "Why won't he go to the doctor?", *International Journal of Men's Health* 2(2) 93-109

⁴⁷ E Moen, 1978, The reluctance of the elderly to accept help, *Social Problems* 29:3-303

⁴⁸ See e.g. J Urquhart, 1996, Patient non-compliance with drug regimens: measurement, clinical correlates, economic impact, *European Heart Journal* (1996) 17 (Supplement A), pp 8-15

difficult circumstances refuse to accept the accommodation offered, because accepting it may have implications for decades afterwards.⁴⁹ These examples cannot be put down to barriers to access, or complexity, or ignorance, or the mechanics of claiming; they are about other things.

The conventional representation of economic relationships generally assumes that producers are offering commodities - packages of goods or services that are produced, and then offered for sale to the consumer. Consumers decide whether to purchase or not to purchase. But, Stephen Osborne argues, personal services are not like that.⁵⁰ At the most basic level, it is not possible to 'receive' health care, or education, or social housing, or social work, without the user being there. Services are being delivered when they are being used. There is not just one transaction; there is a continuing set of interactions, and necessarily there has to be some kind of relationship with the user.

Service users partly shape this relationship, as well as acting within it. Osborne discusses this relationship as a form of "co-production".⁵¹ The terminology is not very satisfactory, because it seems to more control than many service users will actually have; but it does make the important point that the user has a part to play in the distribution and delivery of services. The role of co-production goes far beyond the question of determining whether or not service users are going to receive a service. Service users negotiate, they discuss, they bargain, they resist, they change the pattern of service delivery; often they do part of the service provision themselves.⁵²

When we think of flexible, responsive, individualised relationships with service users, cash benefits are probably not the first services that spring to mind. It may well look at first sight as if social security is in a class of its own, quite different from the other social services. Benefit rules tend to be strictly regulated and defined. Many benefits are relatively automatic and impersonal - more a commodity than a service. But the most impersonal benefits, like basic pensions or child benefits, are also the benefits which are least likely to suffer major problems of non-takeup. Other benefits often look and feel like personal services in practice, and their claimants - or service users - have a role to play, just as they do in other personal services. Disability benefits may get paid on an impersonal basis, but the process of applying, negotiating entitlement or undergoing re-assessment are anything but impersonal. "Welfare to work" and activation schemes are highly dependent on interactions with individuals. Conversely, something similar is true in relation to many social services, including health and social care, which may offer specialised financial support as well as benefits in kind. Benefits

⁴⁹ H Pawson, Ade Kearns, 1998, Difficult to Let Housing Association Stock in England: Property, Management and Context, *Housing Studies* 13:3 pp 391-414

⁵⁰ S Osborne, Z Radnor, G Nasi, 2013, A new theory for public service management?, *American Review of Public Administration* 43(2) pp 135-58.

⁵¹ Z Radnor, S Osborne, 2013, Lean: a failed theory for public services?, *Public Management Review* 15(2) 265-287, p 278.

⁵² D Prior, M Barnes, 2011, Subverting social policy on the front line, *Social Policy and Administration* 45(3) 264-279.

and social services are not so far apart as they might first appear. The take-up of benefits may well, like the take-up of services, have to be understood in terms of a complex set of personal interactions in the relationships between services and their potential users.

Is low take-up a problem?

In the 1980s Strathclyde Welfare Rights launched an apparently very successful campaign for people to take advantage of a provision that they might not have known existed, the existence of single payments to meet special needs, the campaign was condemned by the government of the day. If people were reluctant to claim, a government spokesman said, that was a good thing, and it should not be discouraged; it showed a proper sense of the importance of being independent. (The Thatcher government had introduced the scheme in 1980, in the misguided belief it would save money; it was abolished by 1988.)

Atkinson has suggested that low take-up is not necessarily a problem. The argument begins with the idea of targeting. Policies have a purpose; if benefits are introduced, it is generally because they are supposed to meet certain conditions. There is no reason to suppose, however, that the terms on which benefits are delivered are just the same as the conditions for which they are delivered. In some cases, the benefits are more restrictive than the problems they address; for example, benefits covering problems with mobility deliberately excluded older people in order to save money. In other cases benefits are distributed on very broad criteria, which runs rather wider than the target group. One of the principal arguments for Child Benefit has been that it helps to support children in poverty, but the benefit is universal in form, going to people who are not poor as well. The real test, Atkinson suggests, should be whether the benefits are serving their purpose, and that is not the same as asking whether they get to everyone who is entitled to them.⁵³ (Unfortunately, in these two cases, the gap between aims and outcomes gets wider in practice: the take-up of mobility support has always been patchy, whereas the very successful take-up of Child Benefit means that large amounts go to better-off families.)

The case against Atkinson's argument is partly based in principle, partly in the lessons of practice. In principle, universalism is about more than finding ways to include people: it is offered as a right of citizenship. Universal health care offers a right of protection to every citizen, generally regardless of conditions or circumstances; ideally, the same should apply to benefits. In practice, the failure to reach people who do not claim tends to impair the ability of services to meet the underlying objectives, because the failures are likely disproportionately to affect those who are disadvantaged, those who have least in reserve and those who are excluded in other ways. In health care, this leads to the problem that has been called the 'inverse care law'; there is greater need in lower social classes, but the same groups of people are less likely to receive services.⁵⁴

⁵³ A B Atkinson, 1989, The take-up of social security benefits, in Poverty and social security, Brighton: Wheatsheaf.

⁵⁴ J Tudor Hart, 1971. The inverse care law, *Lancet*, i:405-121, at <http://www.juliantudorhart.org/papers/Paper11.pdf>

What works?

There is often a certain naivety in the literature on take-up - the assumption, for example, if people don't know about benefits, they need to be better informed, or that if they feel stigmatised, they need to be reassured about their entitlement. The experience of health services again provides us with a salutary lesson. Some of the problems of takeup in health care are very similar to the problems of takeup in social security.⁵⁵ The National Health Service is well known about, socially accepted, and strongly rooted in entitlement. Eligibility is clear and the route to access is evident. None of this has been sufficient to ensure full access and utilisation.

It is difficult, from the evidence that I have reviewed, to argue that any measures are likely to be outstandingly effective. There is some reason to suppose that Retirement Pension and Child Benefit work better than most other benefits; they have in common a long duration, a limited range of conditions and a relatively straightforward application process. It is not certain that the same advantages can be transferred effectively to other benefits, such as those for disability, unemployment or (as in health care) responsiveness to personal needs. When we look at benefits and services in those fields, other considerations need to come into play.

There are two supplementary approaches which seem plausible. One is the use of outreach - linking with communities, social groups and other services in order to extend the reach and operation of services. Finn and Goodship recommend "Taking information into communities through outreach activities, often in partnership with other trusted intermediaries, such as health workers, and community based organisations."⁵⁶ The second is the importance of human contact - having a guide to lead people, like Virgil, through the circles of the damned. That is one of the key elements in the work done by the Citizens Advice Bureaux to support older people,⁵⁷ or of the development of support for older people from minority ethnic groups in Newcastle.⁵⁸ It was shown to have a major influence, too, on patterns of takeup in the experiment to make Pension Credit more automatic. In the normal course of events, 2.9% of eligible non-recipients claimed without prompting. When people were automatically enrolled for an initial period, 8.6% subsequently claimed. When people were visited and the issues were discussed, the proportion of successful claims increased to 13.1%.⁵⁹

⁵⁵ e.g. C Shaw, R Tansey, C Jackson, C Hyde, R Allan, 2001, Barriers to help seeking in people with urinary symptoms, *Family Practice* 18(1) pp 48-52; H Broadaty, C Thomson, C Thompson, M Fine, 2005, Why caregivers of people with dementia and memory loss don't use services, *International Journal of Geriatric Psychiatry*, 20 pp 537-546.

⁵⁶ Finn, Goodship, pp 59-60

⁵⁷ CAB, 2003, Serious benefits: the success of CAB benefit take-up campaigns, http://www.citizensadvice.org.uk/pdf_serious_benefits.pdf

⁵⁸ Moffat, Mackintosh, 2006.

⁵⁹ Radford, 2012.

Neither outreach nor support can claim to be a new idea. This passage comes from the evaluation report of a project of welfare reform in Ypres. It was published more than four hundred and eighty years ago.

“Many people are so naturally ashamed and fearful, that they would rather hide their need than disclose it, and they live at home in serious want. Because of them, it has been decreed that people who are needy secretly and in private should be searched out. Those who are ashamed to be seen shall be visited, and those who are too ashamed to take anything shall be given support. Men will go to the houses of those who do not dare speak to us or to come to our gates. We think it best not to delay unless they are driven, through the loss of this honest humility, to show their deprivation and need. They must be helped, privately and promptly, lest they are lost by our negligence, when they are just those who a caring charity requires us to help.”⁶⁰

⁶⁰ City of Ypres, 1531, *Forma subventionis pauperum*, in P Spicker (ed) *The origins of modern welfare*, Oxford: Peter Lang.