



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

WRITTEN STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT

Title: Update on Council Tax Benefit and Housing Benefit Take-up campaign and the publication of Barriers to Benefit Take-up Report.

Date: 3 October 2008

By: Brian Gibbons, Minister for Social Justice and Local Government

Promoting financial inclusion and tackling poverty, particularly child poverty, are fundamental to the future prosperity of Wales and to the health and well being of everyone. Increasing the take-up of benefits and maximising incomes, is an important strand in our efforts to meet our One Wales commitment to eradicate child poverty by 2020. It also complements our One Wales plans to improve access to comprehensive benefits advice and our financial inclusion strategy.

In 2006-07 the Assembly Government allocated £1.5m to local authorities to support them in their efforts to increase take-up of Council Tax Benefit (CTB), particularly among pensioners, and, while there were other factors at play and we could not claim all the credit, the number of over-60s claimants increased significantly over the year.

Across Wales as a whole, approximately 7,000 more over-60s claimed CTB between May 2005 and February 2007. At an average of £12 per week being claimed, that amounts to an extra £4.3m per annum being paid out in benefit.

One 60 year old lady had previously applied for Council Tax Benefit two years before but had been told that she didn't qualify as her income was too high. When she rang the Take-up Team she discovered that now that she was 60 she qualified for nearly half off her Council Tax Bill.

But the picture was uneven, with some local authorities experiencing a significant increase in take-up and others less so. Indeed, a few authorities saw a decrease in the number of claimants.

There may be any number of reasons for this but when research from the DWP tells us that approximately £100 million of council tax benefit goes unclaimed every year in Wales, we cannot afford to sit back and say we've done all we can – there is much more to do.

Following the success of the previous scheme, it is important that we keep up the momentum. We therefore allocated £1m per annum for the 3 years 2008-11 to further support Local Authorities in their efforts to increase take-up of both CTB and Housing Benefit (HB), and to widen the focus of attention to families with children as well as pensioners. Around one in three households are eligible and many are simply unaware that they can get help with their bills.

The Benefits Team also took a telephone call from a 28 year old man who was on a low wage and was struggling to pay his Council Tax Bill and support his partner and 3 children. The man was not aware that people who were working could claim help towards their Council Tax bill until he spoke to the Take-up team. He qualified for full Council Tax Benefit and also Housing Benefit to help towards his rent.

Another gentleman who had recently been made redundant after 20 years in employment, was apprehensive about claiming Council Tax Benefit, as he didn't want to be seen as a scrounger. After speaking to the Council Tax Section and to the Benefit Team he was helped to understand that it was his right to claim the benefits that he was entitled to which he had paid towards for the last 20 years. At the end of his call he was very appreciative of the help and understanding he had received and said that he now felt more positive about claiming the help that he needed. He did qualify for CTB.

In addition to this funding the Welsh Assembly Government set up a working group to research the barriers to CTB take-up in Wales and to highlight and promote best practice, based on the experience of the local authorities that have successfully increased CTB take-up in recent years. While this has been done at a UK level, we need to look at it from a Wales perspective and identify what we can do.

Membership of the group was made up of representatives from local government benefits offices (City and County of Swansea Council and the Vale of Glamorgan County Borough Council), the Pensions Service (DWP), Citizens' Advice Cymru, Tenovus your Cancer Charity, Age Concern Cymru and the Department for Social Justice and Local Government at the Welsh

Assembly Government – Communities First and Local Government Finance Divisions.

The remit of the working group was to identify:

- the barriers to Council Tax Benefit and Housing Benefit take-up in Wales;
- what the scale and nature of non take-up is;
- how significant this is in monetary terms for different sorts of households; and
- what might be done at a local or national level to work around the barriers.

The working group has produced a report, which identifies the barriers and makes practical suggestions as to how local authorities can overcome these barriers and reach more of the people who are not claiming the benefit to which they are entitled.

Some of the key recommendations presented within the report include:

- simplifying benefit application forms;
- improving the navigability of information available on local authority websites;
- to achieve political buy-in, tying the plans to increase take-up into the general business plan of the local authority; and
- to engage in active working with the voluntary sector.

This report, which can be accessed at

<http://new.wales.gov.uk/topics/localgovernment/publications/?lang=en>

and is intended to highlight the issues surrounding take-up of CTB and Housing Benefit (HB) and to help authorities make best use of the funds that have been made available. We realize that not all of the recommendations will be appropriate to all authorities but this report is intended to help authorities and their partner organizations maximize take-up of CTB and HB.

This could not only provide a significant increase in household income to improve the quality of life for individuals, but could also have wider effects on the local economy. The availability of more disposable income will probably result in at least some of it being spent in local areas, thus supporting local shops and businesses.

The group also identified some barriers which are not within the gift of local authorities to address. These include earnings and savings thresholds; the terminology used in the benefits system; information sharing; and the proposed 3-month time limit on backdating CTB and HB. I have recently written to UK Ministers to raise my concerns about these matters.