



Pension Credit - the First 60 Days

A report by adviceⁿⁱ on advice workers initial
experiences of Pension Credit
February 2004



Contents

Foreword	3
1. <u>Introduction</u>	4
2 <u>General</u>	5
3 <u>Staffing Issues</u>	5
3.1 Incorrect Information	5
3.2 Client Details	6
4 <u>Administration</u>	7
4.1 Client Expectations	7
4.2 Delays in Decision Making	7
4.3 Quality of Decision Making	8
4.4 Return Calls	8
4.5 Pension Credit and Other Social Security Benefits	9
4.6 Change-Over Cases	10
5 <u>Access to the Pension Service</u>	11
5.1 Telephone Applications	11
5.2 Home Visits	12
5.3 Application Packs	12
6 <u>Advisers Experience of the Pension Service</u>	13
6.1 Relationship with pension advisers	13
6.2 Positive experiences	13
6.3 Information Sharing	14
6.4 Impact on Advice ⁿⁱ members workload	15
7 <u>Conclusion</u>	16
8 <u>Comment from Adviceⁿⁱ</u>	16
Information Resources	17
List of Participants	17
Contact Details	17

Foreword

This Report marks the conclusion of adviceⁿⁱ, first online e-consultation exercise and heralds the launch of 'advicenet', an online resource for advice workers to enable discussion on social policy issues online.

adviceⁿⁱ members work with and assist some of the most socially excluded people and groups in Northern Ireland including older people, lone parents, minority ethnic communities, the unemployed and people with disabilities. Members also work in some of the most deprived geographical areas – as evidenced by the Noble deprivation indicators.

The 'advicenet' project aims to give a voice to these people by enabling advisers within these local communities or 'communities of interest' to (1) highlight issues of concern; (2) participate in social policy debate and (3) build their capacity and skills as regards using new information communication technologies.

I would like to take this opportunity to thank all those who participated in this e-consultation exercise which was a first for adviceⁿⁱ and our members. We look forward to running further e-consultations throughout the year.

Bob Stronge
(Director)

1. Introduction

adviceⁿⁱ first e-consultation was launched at the Annual General Meeting on Friday 5th December 2003. The subject of the consultation was 'Pension Credit – Your experiences of the first 60 days' and it aimed to gain advisers' views and experiences of the initial impact of Pension Credit on their own workload and on their clients.

By way of context for the consultation, Pension Credit is administered by The Pension Service which is a section within the Social Security Agency dedicated to delivering pension – related services.

Pension Credit is a means tested benefit introduced on 6 October 2003. It replaced Income Support (Minimum Income Guarantee) for people aged 60 or over and it aims to ensure that people over 60 have a guaranteed weekly income, and also rewards those who have made some additional provision for retirement above the basic state pension.

Pension Credit consists of two elements: guarantee credit and savings credit. The guarantee credit can top up weekly income to a minimum level set by the Government. The savings credit rewards people age 65 or over (and couples where one member is 65 or over) who have modest income or savings.

It is estimated that just over half of families with an individual aged 65 and over are eligible – therefore Pension Credit has scope for considerable impact both on advisers and their clients. This e-consultation aimed to examine this impact.

2. General

The general consensus was that the introduction of Pension Credit was a positive development as many over 60's are qualifying for the first time – '1.2 million households are now receiving more money as a result of Pension Credit'. (Entitled but not claiming)

However, the launch of Pension Credit in October 2003 has had it's problems with participants on the e-consultation raising concerns in relation to staffing, administration, access, communication of information and the relationship between Pension Credit and other benefits. There was an acknowledgement that all new developments/services may experience teething problems, and The Pension Service has been no different. The publicity surrounding the launch of Pension Credit has raised expectations and The Pension Service has struggled to meet these expectations.

Below is a summary of the main points and recommendations raised by adviceⁿⁱ members through the online e-consultation.

3. Staffing Issues

There was concern in relation to the perception, attitude and experience of The Pension Service staff. Questions were raised about the level of training of staff and their knowledge of the rules of entitlement to Pension Credit and other social security benefits.

3.1 Incorrect Information

One participant commented that, *"clients are continuously being advised of awards over the telephone wrongly"*. The participant goes on to say *"In many cases staff are refusing to send out a form or complete the form on the telephone. These instances are most common where there is an entitlement to a carer addition or severe disability - one staff member said 'it is a waste of time filling in the claim form when you're over £155.80'"*.

E-consultation participants voiced concerns that some people who contact The Pension Service Helpline are being incorrectly told that they do not qualify for Pension Credit because inexperienced staff do not seem to be asking the right questions. There was specific reference to a particular problem with regard to Carers Premium and the Severe Disability Premium.

Recommendation:

- ‘advicenet’ recommends that The Pension Service ensures frontline staff have a sound knowledge and understanding of Pension Credit entitlement and a sound knowledge and understanding of other social security benefits.
- ‘advicenet’ recommends that The Pension Service ensures that frontline staff receive adequate training as regards disability awareness issues and are sensitive to the specific needs of older people.

3.2 Client Details

The e-consultation highlighted a further difficulty with accessing client details *“when clients are contacting the pension service after a claim has been made, the front-line staff are at times unable to trace the file or explain what is causing the delay. I have one client waiting since October”*.

Recommendation:

- ‘advicenet’ recommends that The Pension Service investigate the extent of the problem and put in place procedures and systems which ensure that client files are easily accessible and stored in an appropriate manner.

4. Administration

The literature and information surrounding Pension Credit states that ‘After receiving the direct mailing, all you need to do is telephone The Pension Service on the Freephone Helpline. Trained staff will complete the application form for you. The form will be sent to you and all you have to do is check the information, sign and return it in the envelope provided.’

4.1 Client Expectations

Participants on the e-consultation expressed concern about the high expectations that had been created through media coverage of the Pension Credit. Advisers indicated that claimants were being disappointed with how their claims were being dealt with. As one adviser explained *“one difficulty we have experienced to date is explaining to clients why, following the change from Minimum Income Guarantee to Pension Credit, some clients received an increase and some did not”*. From the evidence produced during the e-consultation, the experience of advisers is that clients seem to be confused between the relationship between Minimum Income Guarantee / Income Support and Pension Credit.

Recommendation:

- ‘advicenet’ recommends that The Pension Service examine the information sent to Pension Credit claimants about their award, with a view to clarifying the linkages between Pension Credit and other social security benefits and payments, including access to the social fund and other one-off payments..

4.2 Delays in Decision Making

E-consultation participants highlighted their experiences of claimants waiting anything from 8 to 12 weeks for a decision. In one participant's words *“This is simply too long”*. When a claimant submits their application they do not receive an acknowledgment of the application. Therefore, in theory, claimants could wait up to 12 weeks and find that The Pension Service has no record of

their application. This would necessitate a new application and further delay the process.

Recommendation:

- ‘advicenet’ recommends that The Pension Service examine their administrative processes, establish the reason(s) for the delays in decision making and take steps to eliminate these delays.
- ‘advicenet’ recommends that The Pension Service should have well publicised target timescales for processing Pension Credit applications.
- ‘advicenet’ recommends that The Pension Service should send claimants notification that their applications have been received and indicate when a decision will be made.

4.3 Quality of Decision Making

Whilst participants on the e-consultation appreciated that it takes time to develop a sound understanding of new legislation many were of the view that the quality of some decisions was unsatisfactory. One adviser commented that they *“had reason to query a number of decisions which have then been changed in favour of the claimant.”*

Recommendation:

- ‘advicenet’ recommends that The Pension Service set clear targets and commitments for quality service delivery and decision making.

4.4 Return Calls

Advisers stated that a significant number of queries are passed to other sections to be dealt with and that queries are not followed up with a promised return call. It was highlighted that although this situation was improving it still was not satisfactory.

Recommendation:

- 'advicenet' recommends that The Pension Service have a clear and effective policy as regards returning calls. This is an essential element of any quality service provision, particularly a service which aims to conduct much of it's business via the telephone.

4.5 Pension Credit and Other Social Security Benefits

E-consultation participants highlighted issues regarding the relationship between Pension Credit and other benefits and the complexities that exist. It was accepted that in relation to Income Support/Minimum Income Guarantee and now Pension Credit, there have always been problems with Severe Disability Premium and Carers Premium and that these have been further exacerbated with the extension of Carers Allowance to those aged over 65.

Of particular concern was the issue of underlying entitlement to other benefits (for example Carers Allowance) which may enable a claimant to establish an entitlement to Pension Credit. Also discussed was the relationship between Pension Credit and Social Fund Funeral Payments.

The e-consultation participants highlighted a need for The Pension Service staff to be more aware of linkages with other social security benefits, more aware of the issue of underlying entitlement, time limits for claiming and the advantages of making simultaneous claims to ensure no loss of entitlement.

Recommendation:

- 'advicenet' recommends that The Pension Service staff are knowledgeable and cognisant of possible wider social security benefit entitlement when speaking to Pension Credit claimants.

4.6 Change-over Cases

Change-over cases are those cases which transfer from Minimum Income Guarantee / Income Support to Pension Credit, and those cases which transfer when a claimant reached age 60.

The e-consultation highlighted that there would appear to be problems with “change-over” cases – applications being lost and administrative delays in the transfer of claims from local offices to The Pension Service. One participant stated that *“the age 60 transition is causing confusion and people are not given adequate signposting. People are being denied their payments for unreasonable periods of time; furthermore staff do not seem to know the correct procedure and timescales as we have been quoted backlogs from 4 weeks to 18 weeks.”* This issue requires clarification by The Pension Service. Another participant supported this experience *“the system for the return of order books leaves a lot to be desired. It appears that returned order books do not initially show up in the system as having been returned and so customers wait and wait and then wait some more”*.

Recommendation:

- ‘advicenet’ recommends that The Pension Service reviews the issue of ‘change-over’ cases with a view to ensuring that seamless processes are in place for transferring claimants on to Pension Credit.
- ‘advicenet’ recommends that The Pension Service establish closer working relationships with local Social Security Offices and central benefits to ensure the best possible service for claimants.
- ‘advicenet’ recommends that The Pension Service explore the potential for maximising the use of ICT and electronic communication in change over-cases.

5. Access to the Pension Service

The e-consultation highlighted three methods of contacting The Pension Service, each with varying degrees of satisfaction. Issues were raised about the ability and capacity of The Pension Services to deliver an adequate regional service.

5.1 Telephone Applications

Participants welcomed the fact that the application line is open from 8.00am to 8.00pm six days per week.

However, participants on the e-consultation expressed reservations about staff trying to calculate entitlement over the phone without perhaps being in possession of the full facts. Participants were of the view that most customers do not wish to have their application form completed over the phone as it is faceless, lacks the personal touch and often claimants do not have the right information to hand.

Reference was made to the government report *Entitled but not Claiming?* which states that “71 per cent identified as eligible for Pension Credit said their preferred method of application would be a visit from a specialist advisor”. There was concern expressed that *“The Pension Service is excluding more pensioners than it is including simply by not allocating enough resources, and by choosing to centralise a service who's target client group prefer face to face contact than telephone”*. It was the experience of participants that *“at present visits to the office are discouraged and when someone does call in they are seen but this is all done in a very haphazard manner without a formal system.”*

Recommendation:

- ‘advicenet’ recommends that The Pension Service review the role taken by local Social Security Offices with a view to establishing a more

active local role in providing advice and information for those claimants enquiring about Pension Credit instead of telling them to make direct contact with The Pension Service.

- 'advicenet' recommends that there should be a type of public office within The Pension Service buildings to enable claimants to drop into the office with their respective queries, whilst acknowledging that this would mostly only benefit those people in the local area.

5.2 Home Visits

Participants expressed much support for the home visitation work being carried out by Personal Advisers with one adviser commenting that the *"Pension Credit Advisers who undertake home visits appear to be doing an excellent job"*. There was however some concern that *"35 of them are going to be hard-pressed to cover the province!"*.

Recommendation:

- 'advicenet' recommends that The Pension Service should review the number of Pension Credit Advisers with a view to increasing the number so as to cater adequately for those people who would prefer a home visit.

5.3 Application Packs

E-consultation participants expressed the view that there should be an option for application packs to be made available to claimants to complete themselves.

It was highlighted that much Pension Credit information is available online and that an online application form would be beneficial.

Recommendation:

- ‘advicenet’ recommends that The Pension Service make application packs available in hard copy at appropriate locations i.e. local social security offices and advice giving agencies.
- ‘advicenet’ recommends that The Pension Service review the delivery of Pension Credit via the Pension Advisers, including statistical data on the performance of outcomes in the first quarter.
- ‘advicenet’ recommends that The Pension Service conduct client satisfaction surveys on service delivery and methods of delivery.
- ‘advicenet’ recommends that The Pension Service set out SMART (specific, measurable, achievable, relevant and time-bound) objectives in relation to the take up of Pension Credit in Northern Ireland.
- ‘advicenet’ recommends that The Pension Service provide a commitment to providing a local service at local social security office level where required.

6. Advisers Experience of the Pension Service

6.1 Relationship with Pension Advisers

Participants expressed concerns about having to use what one adviser described as *“what feels like a back door system”* to have queries dealt with, with the view expressed that no such facility is open to claimants. Another adviser stated that *“it is unfortunate that you have to go through a supervisor for a sometimes straightforward query.”*

6.2 Positive Experiences

While there was concern about inexperienced staff, there was also an appreciation of the genuine effort and commitment of the Pension Advisers. Marlene Russell and Giovanna McKinney were specifically mentioned as being extremely helpful in troubleshooting for the advice sector. Participants

stated that they *“are getting to know the advisers more personally now and while a lot of them are not as experienced and there are problems, the level of commitment to customer care seems to be good.”*

Participants were of the view that The Pension Service is serious about providing an excellent service to claimants but, as is often the case with a new service, there are always going to be teething problems.

Participants expressed a commitment to maintaining positive relationships with The Pension Service and to working with The Pension Service for the benefit of the mutual client base.

Recommendation:

- ‘advicenet’ recommends that The Pension Service make experienced staff available to advisers, who are able to provide answers, instead of talking to Helpline staff who lack the knowledge required to deal with advice enquiries.
- ‘advicenet’ recommends that The Pension Service enable the Helpline to forward Pension Credit application packs to claimants on request.
- ‘advicenet’ recommends that The Pension Service make the customer service team more accessible to Pension Credit claimants who have problems with their applications.

6.3 Information Sharing

It became apparent throughout the consultation that some advisers were more aware than others of the information available relating to The Pension Service and Pension Credit. Reference was made to downloadable application forms from <http://www.pension.gov.uk/pensioncredit> (although this facility appears to have been removed from the site) and additional Pension Credit literature and information.

Not everyone was familiar with the availability of e-mail news about Pension Credit from <http://www.pensioncreditinfo.gov.uk>. The draft Customer Charter which can be found at <http://www.pensionservice.gov.uk/charter> was also referred to during the consultation.

Most participants had details of Pension Advisers which included the location of the local Social Security Office, telephone number of that office and mobile number of the individual Adviser.

Recommendation:

- ‘advicenet’ recommends that The Pension Service continues to share information resources with frontline voluntary sector advisers – e.g. calculators, information briefings. There should also be thought given to reviewing the Partnership for Pensioners Working Group with a view to formalising timetables, programmes of activities and feedback mechanisms.

6.4 Impact on adviceⁿⁱ Member’s Workload

The e-consultation reflects the fact that introduction of Pension Credit has increased the workload of advisers.

Recommendation:

- ‘advicenet’ recommends that Social Security Agency builds upon the model put in place regarding the Welfare Reform funding package, with a view to allocating resources to assist advice agencies cope with the additional demands placed upon them by Pension Credit.
- ‘advicenet’ recommends that The Pension Service make available figures showing the uptake of Pension Credit in Northern Ireland and the number of people entitled to but not receiving Pension Credit.

7. Conclusion

While in the course of this e-consultation participants have commented that there are problems in relation to the Pension Credit, these are still early days and there have been encouraging signs according to some participants that The Pension Service are serious about providing an excellent service to claimants.

We trust that this e-consultation report will help address some of the problems and accelerate moves towards improved service for Pension Credit claimants.

8. Comment from adviceⁿⁱ

Adviceⁿⁱ experience of this e-consultation has been very positive. It has enabled us to facilitate an open discussion amongst members on a very significant issue that clearly impacts on their work.

We have captured the views and comments of those within the membership who have the skills and technology to participate but realise that some of our members have been unable to get involved. The issue of the 'digital divide' and differential access to the web in relation to geographical location, resources and skills are issues which limit the potential of the e-consultation process and which we will be seeking to raise and address in the context of our future e-consultation activities.

We are keen to continue to carry out similar e-consultations on issues relevant to the sector. With this in mind, the next e-consultation will be on Tax Credits. This is of particular importance at the moment considering the feedback from members on the issue of tax credit overpayments.

If you are interested in adviceⁿⁱ facilitating or participating in an on-line consultation please contact Patricia Donald, e-mail patricia@adviceni.net

Information Resources Referred To:

www.pensioncreditinfo.gov.uk/calculator.asp

www.pension.gov.uk/pensioncredit

www.pensioncreditinfo.gov.uk

www.pensionrservice.gov.uk/charter

<http://www.dsdni.gov.uk/statistics-research/introduction.asp> .

Reports:

Entitled but not claiming? Pensioners, the Minimum Income Guarantee and Pension Credit

DWP Press Release – Pension Credit – 1.2 million households gaining more

List of Participants

Advice Workers from the following advice centres took an active role in the e-consultation:

Age Concern NI

Help the Aged

East Belfast Independent Advice Centre

adviceⁿⁱ

LIAISE

Churches Advice Centre

Housing Rights Service

Contact information on this briefing:

Bob Stronge (Director)

Fiona Magee (Greater Belfast Membership Support Worker)

Kevin Higgins (Membership Support Worker)

Patricia Donald (ICT Co-ordinator)

adviceⁿⁱ

303 Ormeau Road

Belfast

BT7 3GG

Tel: 028 9064 5919

Fax: 028 9049 2313

Email: bob@adviceni.net

fiona@adviceni.net

kevin@adviceni.net

patricia@adviceni.net

Website: www.adviceni.net