Simplifying application processes for local authority administered benefits: best practice toolkit

The toolkit supports local authorities to simplify their welfare benefit processes.

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Introduction

On 2 November 2020 the Welsh Government published its **Child Poverty: Income Maximisation Action Plan**. The plan set out a series of practical actions to help maximise the incomes of families living in poverty in Wales, reduce essential living costs and provide support to build their financial resilience.

One of the strategic objectives of the Plan is to ensure families in Wales are supported to claim all the financial support they are entitled to. The development of a 'no wrong door' approach is central to this aim. Having 'single entry points' to the support that is available through relevant tackling poverty programmes and services helps to reduce complexity in the system and the need for people to provide information on their circumstances multiple times, making it easier for them to access and/or claim all the support they need and are entitled to.

Several strands of work have been taken forward over the last six months to help progress the adoption of a 'no wrong door' approach. The following activities were identified as Ministerial priorities within the Action Plan:

- the delivery of an awareness-raising training programme accessible to front-line workers to increase their understanding of the welfare benefit/wider financial support systems and improve their ability to support the people they help (Actions 1.3 and 1.4)
- work with local authorities and other stakeholders to explore what more we can do to simplify and streamline the application processes for devolved welfare benefits to make it easier and quicker for people to apply for support (Action 1.5)
- Adopt a 'no wrong door' approach across tackling poverty programmes and services, including 'warm referrals' between services where possible (Action 1.6).

This Toolkit has been compiled to bring some of the learning from the latter two pieces of work together. It is being promoted as a resource for local authorities to consider what more they might do to work towards having a more simplified application system for devolved benefits to make them more accessible to people in need of this support.

Methodology: summary of activities

In order to inform this work last Autumn Welsh Government officials undertook research with representatives from all 22 local authorities in Wales. This helped us to gain a better understanding of how current systems operate. It included identifying examples of best practice, as well as some of the barriers to streamlining application processes that local authorities face.

Local Authority Cluster Groups were subsequently set up to facilitate the sharing of existing best practice, including advice and tips of how any barriers to change have been overcome and implemented. A Task and Finish Group was also established to help oversee this work. Membership included representatives from the five best practice 'Pioneer' Local Authorities, the Welsh Local Government Association, Citizens Advice Cymru and Children in Wales.

The findings from our research and consultation confirm the way that local authorities deliver the benefits they administer has evolved over time to meet local needs and those of the organisation. This has resulted in a wide variety of both administrative and technical systems being developed with no two local authorities having exactly the same systems in place. Therefore, what works well in one authority area cannot necessarily be easily transferred to another, making it difficult to share best practice for some processes.

Through this work however, we have identified a number of areas which we believe contribute to the adoption of a more streamlined approach. These are:

- promotion: having a consistent approach to what's included on local authority website benefits pages (e.g. having a single landing page) and a proactive approach to raising awareness, including working with schools
- the use of single application forms (where appropriate)
- Having appropriate data sharing systems in place across the authority
- the proactive use of existing local authority data to automatically assess entitlement across different benefits
- the proactive use of Department for Work and Pensions (DWP) Universal Credit data to automatically assess entitlement to local authority administered benefits and entitlements, contacting customers where appropriate
- links with other types of support provided internally or externally (e.g. budgeting; income maximisation; debt; wider benefits advice).

The best practice 'Pioneers' were selected on the basis that they are already implementing the majority, if not all, of these processes. Most local authorities in Wales are doing at least one or two of these activities to some extent.

Best practice

Promotion

There are many reasons why people do not claim the financial support they need or may be entitled to. Personal and system barriers play their part,

however low awareness and a general lack of information on the range of help available is also a significant barrier. The pandemic has heightened the need for information on available benefits and entitlements to be clear and easily accessible.

All local authorities publicise the benefits and grants they administer to some degree. The increased digitalisation of services has meant promotional activities often focus on social media channels and webpages. Some authorities have brought together links to support under "one central 'landing' page for benefits". This helps to both raise awareness and ensure people are better able to navigate their way around the website.

Example: Conwy County Borough Council

The terminology and language used when publicising support is important to prevent confusion and aid clarity for potential claimants. For example, many local authorities refer to a 'School uniform grant' as opposed to, or in addition to, 'Pupil Development Grant – Access'. Some local authorities also publicise help that's available from other sources, including advice providers and the Discretionary Assistance Fund.

Example: Denbighshire County Council (first half of page only)

Other authorities have invested, or are investing, in "self-service portals". Evidence suggests enabling people to apply for benefits this way helps to increase take-up of entitlements as well as providing a more streamlined system for local authorities and other interested parties, such as landlords.

Example: Merthyr Tydfil County Borough Council – self-service portal

Merthyr Tydfil Council have used the Northgate Citizen's Access Module for around two and a half years. They estimate about 99 per cent of applications to their Council Tax Reduction Scheme and Housing Benefit come in via this route. The feedback from local housing associations has also been positive. They use the Module to help their tenants apply for benefits while the Landlord

Portal allows them to check payments and entitlements. The vast majority of free school meal (FSM) claims also come via their in-house online claim system. The Pupil Development Grant – Access is automatically awarded if a child is eligible for FSM (and not transitionally protected) and in the relevant school year, or is a looked-after child with the authority.

The pandemic has accelerated development of digital services however it is important people who are digitally excluded are not left behind. Local Authorities are using a range of non-digital routes to help raise awareness of support. This includes:

- promoting support available on council tax bills
- having a permanent presence in the Job Centre so claimants can be supported with applications for local authority benefits following their claim for Universal Credit (UC)
- making follow up phone calls to UC claimants coming through the DWP Data Share system
- developing referral arrangements with advice providers
- working with schools to promote take-up of education benefits (e.g. using leaflets and posters, raising awareness via 'Parent Pay' and sending take-up letters to all parents of children entering reception classes and/or year 7).

Example: Bridgend County Borough Council

The Benefits team in Bridgend Council run a report each year to identify the pupils who have reached the year 7 age group. They then send this data off to admissions and notify each school which children are eligible for free school meals (FSM) and Pupil Development Grant-Access (PDG-A). The schools then contact the families from the data that the Benefits team have provided.

Example: Cardiff Council

In July 2020 Cardiff Council introduced a system which allows PDG-Access payments to be uploaded onto ASPEN cards (a form of debit card). This has enabled asylum seeker families who don't have a bank account to still benefit

from the grant. Previously payments had to be made by cheque and many people found these difficult to cash.

Application forms

Many families in need are likely to be eligible for several forms of financial support administered by local authorities. The breadth of information needed in order to assess eligibility and process claims can be extensive. Incorporating education benefits into claim forms for other benefits has a number of advantages. For the local authority, there is less of an administrative burden as the total volume of applications is reduced. For the applicant, it reduces the need for them to provide repeat information several times and the process is less stressful as their claim is managed at a single point rather than being passed to a range of different departments. It also helps to speed up the assessment process and ensure people are claiming all the support they are entitled to.

All local authorities use a mix of online and hard copy application forms. Increasing numbers of online applications are now being made. The Covid-19 crisis has further accelerated this. Providing the system functionality is there, online forms can offer improved opportunities for streamlining the application process across multiple benefits.

Almost half of local authorities in Wales use single application forms for council tax reduction (CTR), Housing Benefit (HB), free school meals (FSM) and Pupil Development Grant-Access (PDG-A) claims. In some cases these are only available online, in others downloadable and paper copies are also available. These forms collect school information and bank details. Several authorities report increased take-up as a result of having one form. Standalone forms remain available to allow for different household circumstances.

Example of a single application paper form.

Some authorities automatically assess eligibility for education benefits as part of their standalone CTR application forms. If there are school aged children in the household and the family is eligible, an FSM claim will be processed without the claimant having to complete a separate application form. Claims for the PDG-A

are often processed at the same time if the child is eligible for this support.

Several local authorities have incorporated an FSM 'opt out' option on their single application and/or standalone CTR application forms. This provides people with the opportunity to let the council know they don't want their child(ren) to be assessed for FSM.

Another authority (Flintshire) is currently developing a new application form for FSM which once completed will advise the customer if they are eligible for the PDG-A and also advise when the appropriate time to apply for the grant is. This is to avoid customers submitting applications before the scheme opens.

Example: Swansea Council – FSM 'opt out' option

Please note you will need to navigate the landing page to be able to access the opt out form.

Language problems and poor literacy skills can mean application forms can be overwhelming for some people. In designing any application form it is important to consider the language/terminology used, the range of information required, and areas where relevant data held by the authority might be helpful to reduce the need to collect specific information again.

Authorities that operate a central benefits team are more likely to use single application forms.

Nearly three-quarters of local authorities in Wales have a centralised system for administering benefits. Centralising services in this way and training staff ensures they are able to advise customers on the range of support available from the local authority and elsewhere including Universal Credit and other DWP benefits. A couple of authorities with centralised systems have separate back office functions, or have subject specialists within their central team, to help maintain expert knowledge in specific areas.

Example: Powys Council

Powys Council are currently undergoing a transformation process where they have brought the administration of all their awards together into one central team. The 'Awards Hub' manages the full range of benefits and support including Council Tax Reduction, Housing Benefit, Discretionary Housing Payments, free school meals, school clothing grants, and basic digital, budgeting and income maximisation support. It will also soon include social care financial assessments. Powys wanted to instil a change in approach which puts the customer at the heart of the process. People working in the Hub are no longer referred to as Benefits Officers but Awards and Support Officers or Awards and Income Officers. Their approach has enabled them to secure between £1.5m to £2m in financial gains for customers each year. Looking forward they are aiming to incorporate more automation in the process where possible, with a fully integrated online form process and one claim form for all awards.

Those local authorities that have a central benefits team are much more likely to make links between an application for one benefit and possible eligibility for another. Key to this is that they have fewer concerns about data sharing as applications are managed in one place. Several authorities have seen benefit take-up levels increase as a result of linking their data.

Data sharing

Used appropriately data can be a powerful tool in adopting a more simplified and streamlined benefit application process. The majority of local authorities have systems in place which mean data sharing within their authority or with schools is not a problem. Generally only necessary data is shared. For example, when connecting with colleagues in their education department and/or schools only information on eligibility is passed on, not other personal data relating to why the child is eligible.

As referred to above, bringing the administration of benefits together into one central team helps to facilitate the sharing of data. It is more labour intensive to

cross reference household details when different systems are used internally for CTR/HB and education benefits, however it is still possible. In addition, clearly worded permissions requests and privacy statements which set out how any information gathered from claimants will be used have been incorporated into application forms and systems.

For the few authorities where concerns about data sharing remain, involving in-house legal, audit and/or fraud teams in the development of data sharing initiatives can help to ensure buy-in and that legal and audit requirements are being met.

Use and treatment of data to assess entitlements

The way local authorities treat and use the data they hold or receive to assess entitlements across different benefits varies. Technical constraints can act as a barrier for some (see section on 'Managing education benefits'). In spite of this many recognise the value of improving their data. Several have reported progress in this area since the pandemic.

Use of existing local authority data

A number of local authorities with centralised benefits teams routinely use the existing data they hold for particular benefits to automatically assess entitlement to other benefits, including those who do not use single application forms. This helps to increase take up across a broader range of benefits, ensuring financial support is more accessible and reaches families in need quicker. Approaches include:

- automatically assessing eligibility for FSM and PDG-A if people are already in receipt of a CTR or HB (and vice versa)
- ensuring all forms collect school information for all children in the household
- checking the list of all children going into reception to see if parents are claiming CTR or HB then automatically processing an FSM application if they have a qualifying income
- undertaking data exercises each year when reassessing caseloads, pulling

different datasets together to identify people who may be eligible and are not currently claiming particular benefits, such as FSM. In one authority (Powys) this process typically boosts take up by 40 to 50 claimants a year

- using current awards and new claims for FSM to assess eligibility for PDG-A without the need for families to make a separate application.

Example: Flintshire County Council

Flintshire County Council regularly run data matches between their Council Tax Reduction Scheme, Housing Benefit claimants and free school meal database to identify those who are eligible and invite them to make a claim. All data is shared in the team which makes it easy to identify eligible people. They believe this creates a more efficient service and helps reduce stigma that can be associated with claiming benefits.

Use of DWP Universal Credit data

The number of people claiming Universal Credit (UC) in Wales has increased substantially since the start of the pandemic. Between March 2020 and November 2020 the **number of households claiming UC** (in payment) had increased by 51%. Recent research commissioned by Welsh Government has found across Wales the working age **Council Tax Reduction Scheme** (CTRS) caseload has increased by 5% between November 2019 and September 2020, although the change in caseload differs significantly between Councils and across different types of household.

The difference between increases in the UC and CTRS caseloads is likely to be due to a number of factors. Many UC claimants will not be personally responsible for paying a council tax bill in their household, while others may not be aware of the requirement to make a separate application for a CTR. The number of households struggling financially is likely to increase further as the impact of the pandemic continues to be felt. After housing costs council tax is one of the largest monthly bills many households have to pay, therefore it is important that efforts to increase take-up of council tax support continue.

The vast majority of local authorities are using UC claimant data provided via the DWP's Data Share/Atlas system to automatically assess claimants' entitlement to a council tax reduction. The process followed after that point however differs across Wales. Most authorities will alert the UC claimant that they may be entitled to support. Some will still require them to complete a separate CTR application.

Other local authorities are using UC data in more innovative ways to both process CTR claims and make the links across to education benefits. As mentioned in the previous section this not only helps to simplify and speed up the process for claimants, but also helps to increase take-up.

Approaches include:

- cross-referencing UC data with information they already hold to confirm eligibility and automatically process an application for a CTR without the need for the claimant to make a separate application, re-contacting customers where appropriate
- if there are school aged children in the household some authorities will automatically assess eligibility for education benefits at the same time, only contacting the family if additional information is needed, such as school information or to confirm bank details for direct payments
- cross-referencing UC data with data held by their education department (via an internal database or through the system education module) to automatically process claims for CTR, FSM and PDG-A once eligibility for each has been confirmed.

In terms of the latter, when automatically processing claims in this way it is important for each local authority to satisfy itself, in consultation with their own legal advisors, whether the process they have in place meets legal requirements. For example, in order for an individual to be eligible for free school meals, a request must be made by him or on his behalf to the local authority (as set out in section 512ZB of the Education Act 1996).

Example: Gwynedd Council

Gwynedd Council uses UC data to assess eligibility for and process claims for a CTR. In addition, if the household is eligible, and to help speed up the process, they will process a claim for FSM during the 5 week waiting period before confirmation is received that the UC claim is in payment. The law states that in order to be eligible for FSM the household must be in receipt of a qualifying benefit. It is therefore up to individual local authorities to use their discretion if they wish to process a claim ahead of this. The Council make follow up calls/ contact with the household if needed to confirm or gather specific details. Parents are made aware that they may need to pay FSM awards back if it transpires they aren't eligible.

The complexity of the current benefit system is partly a result of the need to take account of varying individual and household circumstances and needs. In simplifying or automating any system it is important not to unintentionally exclude any potential claimant from accessing the support they need and are entitled to. Therefore there will always need to be some level of manual checks or intervention.

For example:

- people with no recourse to public funds may not always appear on formal systems
- when applying for UC people may not realise they are liable for council tax at the point of claiming. This means that liability won't be flagged when the data goes through to local authorities.

Managing education benefits

One area where there is most variation across Wales relates to the systems local authorities use for managing the administration of education benefits. The operation of the predominant Northgate and Capita systems can vary due to whether authorities have or use education modules and/or have different versions of these systems. Several local authorities use different education systems including one developed in-house.

Promoting best practice in this area is therefore difficult as technical constraints can limit the extent processes can become more automated and simplified, and data can be easily shared.

Some examples of how systems are helping to simplify the administration of education benefits are highlighted below:

Example: Powys County Council

Powys Council use the Northgate Education Benefits module. The system will automatically make changes to a household's FSM entitlement following any changes to CTR/HB entitlement. The management of the FSM claims process is much easier as the system does most of the low level changes, although other more complex cases still need manual intervention. Their previous system used to review FSM entitlement 3 times a year.

Example: Conwy County Borough Council

Conwy Council use the Capita Education Benefits module. This allows schools to see in real time if child(ren) are eligible for FSM. The Council sends reports once a week but schools can look themselves.

Transitionally protected FSM claims

A number of local authorities have noted that their current Northgate or Capita systems struggle to manage FSM claims that are transitionally protected. As a result some have resorted to managing their caseload manually using spreadsheets. This can be labour intensive but it helps to ensure valid claims aren't ended in error.

Those who use different systems or have developed their own are better able to manage such claims.

Example: Newport Council

The education module for Capita's Academy system struggles to manage these claims without significant manual intervention. If the claim is marked as ended on the system (as a change of circumstances means the child(ren) is no longer eligible for FSM) it will cancel the claim even though it should remain transitionally protected. This means meals may no longer be provided by schools or the authority will see increased queries from schools. This can be a particular issue at year end when a mass rollover process takes place to update the system for the new academic year. To overcome this issue Newport Council keep such claims 'open'. They then manually update their records for PLASC returns.

Next steps

During this work we have identified a range of good practice being demonstrated by local authorities across Wales. We do however recognise there is still more work to be done.

Our discussions have also helped us to identify some of the barriers to streamlining application processes that local authorities face. These include:

- issues linked with systems/IT infrastructure
- the need for a common set of data sharing protocols
- limitations or differing interpretations of current legislation.

These are all issues that need to be explored further. We will continue to work with local authorities over the coming months as this work progresses.

Alongside this, other activities in the Income Maximisation Action Plan will provide us with the evidence and data needed to inform the further development of policy and strategy associated with adopting a 'no wrong door' approach, so that the support available through tackling poverty programmes and services is more accessible to families in need.

About this document

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