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SUMMARY

1 Introduction  The transition from receipt of out-of-work benefits to employment can be problematic for some people. Worries about paying rent and council tax are likely to act as a barrier to taking jobs (Bottomley, et al, 1997 and Shaw, et al, 1996b). The Extended Payments and Fast-track Incentive Schemes, whereby claimants' Housing Benefit and Council Tax Benefit are paid for a further four weeks and the subsequent payment of any in-work claim for these benefits is 'seamless', were designed as work incentives to ease the movement into work (Section 1.1).

The operation of the Extended Payments Scheme involves local Benefits Agency offices, Employment Service Jobcentres and local authorities.

The Department of Social Security commissioned the Centre for Research in Social Policy to undertake a qualitative evaluation of the Housing Benefit/Council Tax Benefit Extended Payments and Fast-track Incentive Schemes. The objectives of the research were: to examine the implementation and operation of the schemes; and to explore the impact of the Extended Payments Scheme on claimants (Section 1.2.1).

There were four main strands to the research, which was carried out between mid-February and July 1997 (Section 1.2.2):

- in three case study districts, 37 in-depth face-to-face interviews with staff from the Benefits Agency, Employment Service and local authorities and five telephone interviews with welfare rights officers;
- 83 telephone interviews with Benefits Agency, Employment Service and local authority staff from nine other districts;
- four group discussions held with staff from the Benefits Agency, Employment Service and local authorities; and
- 27 in-depth face-to-face interviews with claimants and 13 interviews with people who were eligible for Extended Payments but who did not make a claim.

2 Implementation Issues  The Extended Payments and Fast-track Incentive Schemes became operational on 1 April 1996. Staff respondents identified five main issues arising from the implementation of the schemes:

- implementation was hindered by other policy and administrative changes, for example, the introduction of Jobseeker's Allowance and local government reorganisation in Scotland, having a relatively higher priority (Section 2.1);
the level of publicity given to the schemes was perceived as insufficient in both absolute and relative terms with publicity for Extended Payments, in particular, seen as being lost amongst the 'noise' of the promotion of other schemes and initiatives (Section 2.2);

the type of training received, especially by staff in the Benefits Agency and Employment Service, did not sufficiently raise staff awareness and knowledge of the scheme. As a consequence, the initial delivery of the Extended Payments Scheme to claimants was not as envisaged. For example, claimants might have been informed of the scheme after the eight-day deadline for submitting the application form, and Benefits Agency and Employment Service staff might not date stamp claim forms before passing them to the relevant local authority (Section 2.3);

service delivery was further undermined in some districts by an initial shortage of application forms and, in a few districts, by problems with processing claims on local authorities’ computer systems (Section 2.4); and

the degree of inter-organisation liaison. In six of the 12 districts there was some form of liaison (typically between the local authority and the local office of the Benefits Agency) about the launch of Extended Payments. There appears to have been no liaison over the Fast-track Incentive Scheme (Section 2.5).

3 Service Delivery Issues

There were a number of common themes and issues which emerged from the ongoing delivery of the two schemes. First, there was the belief that the Extended Payments Scheme was not adequately publicised and promoted (Sections 3.1, 3.2 and 3.3). Secondly, that training in the Agencies had not sufficiently equipped staff to promote the Extended Payments Scheme, or to ensure that procedures for correctly processing applications were followed (Sections 3.2 and 3.3). Thirdly, and related to the two previous points, the Extended Payments was 'one of many' schemes and its take-up was diminished because it was not distinctive enough to be noticed by either staff or claimants (Section 3.1). Fourthly, staff perceived the 'eight-day rule' for the submission of Extended Payments application form (NHB 1EP) to be unfair because there was no appeal allowed on ground of 'good cause' (Section 3.3). Finally, there was relatively little liaison between the three organisations with respect to the administration of Extended Payments (Section 3.5). Indeed, there was effectively no shared ownership or responsibility at local level for the Extended Payments Scheme (Section 3.1).

Generally, local authority staff did not report any difficulties with processing fast-tracked claims. However this might be because of the low volume of cases they had to process (Section 3.4). In a few local authorities respondents reported making interim benefit awards in order to ensure that the claims were processed within the set time limits.
Staff suggested that operation of the Extended Payments scheme would be improved by better publicity and advertising and increased staff awareness of the scheme (Section 3.6).

Staff and welfare rights officers had varying levels of awareness and knowledge of the two schemes.

Benefits Agency and Employment Service staff are not directly involved in processing fast-tracked in-work Housing Benefit/Council Tax Benefit claims and consequently they tended to be unaware of the existence of the scheme. Local authority respondents knew the scheme’s eligibility criteria and could accurately describe the in-work benefit claims process.

Similarly, local authority respondents had the best understanding of the Extended Payments Scheme. Within all three organisations, front-line staff had a better knowledge of the scheme than their managers. Nevertheless, staff could get details of the Extended Payments Scheme wrong (Section 4.1).

Welfare rights officers were similar to the agencies’ and local authorities’ staff respondents in their understanding of the two schemes. They knew some of the features of the Extended Payments Scheme, but had to check details in a guide or manual. Only one of the advisers was aware of the Fast-track Incentive Scheme (Section 4.2).

Generally staff respondents saw Extended Payments as a ‘work incentive’. By this they meant that Extended Payments facilitated or assisted the movement into work (Section 5.1). It helped recipients to budget and plan for the future, and it was a financial ‘buffer’. However, the scheme was not perceived as affecting most potential claimants’ behaviour and decisions about work prior to their decision to return to work. Typically, the scheme was seen as a financial ‘bonus’ for claimants (Section 5.2). This view coincides with claimants’ own perceptions of the value of the scheme (see Section 6.5).

Staff respondents believed that the design of the Extended Payments Scheme could be improved (Section 5.3) by: more flexible eligibility criteria (especially by amending the eight-day time limit), simplifying the claims process (including making the payment automatic); widening the scope of the scheme to other claimant groups; changing the nature of the payment (for instance, making it for a longer period of time); and means-testing the extended payment.

Fifteen of the 40 claimants and eligible non-claimants knew of Extended Payments prior to their decision to start a new job or increase their hours of work. A further 13 were informed about Extended Payments when they notified the Benefits Agency or Employment Service that they were coming
off out-of-work benefit and moving into work. Yet their knowledge of the eligibility rules was poor; for example, whilst some respondents were aware that there was a time limit for submitting claims, few knew that the deadline was eight days.

Whilst most of the claimants and eligible non-claimants in this study knew something about in-work benefits in general, only one knew that in-work Housing Benefit and Council Tax Benefit claims could be fast-tracked (Section 6.1).

People living with partners tended to discuss jointly the decision to return to work. Other respondents took the decision on their own (Section 6.2).

Twenty seven of the 40 respondents carried out some form of financial ‘better-off’ calculation before they or their partners moved into work. Those not doing a better-off calculation were either determined to obtain employment regardless of the financial consequences, or had been offered employment where the wage was considerably more than the amount received from out-of-work benefits.

Three main types of calculation were performed:

- formal – a detailed assessment of income (including in-work benefits) and expenditure;
- informal – a general comparison of out-of-work benefits and anticipated income; and
- better-off calculations done on the respondents behalf by the Benefits Agency or Employment Service.

Claimants who made a successful claim for Extended Payments tended to have either conducted a formal calculation or had an Agency-based calculation done on their behalf.

The claimant and eligible non-claimant respondents gave one, or more, of the following reasons for returning to work (Section 6.3): 

- a perceived influence/pressure from the Benefits Agency or Employment Service;
- financial considerations/desire for a higher standard of living; 
- changes in domestic circumstances; and
- the social benefits to be derived from working.

Overall, the availability of Extended Payments did not trigger any of the respondents to return to employment. Only three respondents who knew about the scheme before they had taken the decision to accept a job or increase their hours of work said that the scheme influenced their decision.
The scheme did, however, assist and facilitate claimants' movement into work (Section 6.5). Claimants praised the scheme; they saw it as a 'bonus' which allowed households to plan and budget, and it helped to reduce any financial stress.

7 The Claimants' Experiences of Claiming

There were 21 respondents in the study whose claim for Extended Payments was successful. In most cases the process of claiming was straightforward and sufficiently quick for people to have had continuity in the payment of their rent and council tax.

There were six unsuccessful claimants for Extended Payments. Four were turned down because they were too late in claiming (that is, longer than eight days), including one whose form was reportedly lost in the post. Two individuals were rejected because they had not been continuously in receipt of Income Support or Jobseeker's Allowance for at least 26 weeks. (One of these was also a homeowner and so not eligible for Housing Benefit.)

Most of the 13 respondents who were eligible non-claimants did not claim because they were unaware that they could (Section 7.1).

It is possible that up to nine respondents were eligible for a fast-tracked in-work Housing Benefit/Council Tax Benefit claim. However, only one of these respondents knew that their claim had been fast-tracked.

A majority of the respondents who claimed in-work Housing Benefit/Council Tax Benefit experienced a straightforward transition from out-of-work benefits through Extended Payments to in-work benefits. A few respondents, however, did incur rent arrears (Section 7.2).

8 Conclusions

There is a relatively high degree of congruence between staff, claimant and eligible non-claimant accounts of the Extended Payments and Fast-track Incentive Schemes.

Respondents generally saw Extended Payments as a work incentive, because they provided a financial bridge between leaving out-of-work benefits and the receipt of the first payslip. To the extent that the scheme was seen by staff, claimant and eligible non-claimant respondents as aiding the transition into work, it can be considered to have been a success.

However, Extended Payments had little or no bearing on decisions made, or on behaviour, before the claimants had arranged job interviews or accepted offers of employment. This is mainly because claimants generally recall only being informed of the scheme for the first time when they signed off. Although this is a qualitative study, it suggests that the dead-weight costs of the schemes are relatively high.
The research also shows that there is a need for more co-ordination of the scheme at local level in order to secure increased publicity for, and staff training on, Extended Payments.

There is little evidence from this study that the Fast-track Incentive Scheme was effective at incentivising local authorities. This is mainly because some local authorities appear to be able to process fast-tracked claims easily within the target time limits.
1 INTRODUCTION

Overview
This chapter outlines the policy background to the Housing Benefit and Council Tax Benefit Extended Payments and Fast-track Incentive Schemes (Section 1.1.1). The eligibility criteria and the processes followed for making Extended Payments and in-work Housing Benefit/Council Tax Benefit claims are then summarised (Sections 1.1.2 and 1.1.3). The research objectives and research design are briefly discussed in Section 1.2. The chapter concludes by outlining the report's structure (Section 1.3).

1.1 The Housing Benefit/ Council Tax Benefit Extended Payments and Fast-track Incentive Schemes

Policy background
Housing Benefit and Council Tax Benefit are payable to people who are unemployed or on low incomes to help with their rent or council tax. Whilst the Department of Social Security has responsibility for the structure of these benefits, they are administered by local authorities.

The Housing Benefit/Council Tax Benefit Extended Payments and Fast-track Incentive Schemes were introduced in April 1996. The schemes form part of a package of work incentive measures announced in November 1994 to encourage and facilitate the transition of people who were unemployed into work.

The Extended Payments Scheme allows certain claimants who return to work from Income Support or income-based Jobseeker's Allowance to claim Housing Benefit and Council Tax Benefit for a further four weeks irrespective of their income during those weeks. Ordinarily, their entitlement to Housing Benefit and Council Tax Benefit would cease when they left Income Support or Jobseeker's Allowance to return to work if their income was sufficiently high.

1 Housing Benefit, unlike Council Tax Benefit, is not payable to owner occupiers.
2 The other work incentives were: Faster Family Credit (April 1995); the National Insurance Contributions (NICs) Reduction (April 1995); the 30-hour premium for Family Credit and Disability Working Allowance (July 1995); NICs holiday (April 1996); the Back-to-Work Bonus (October 1996); and the Earnings Top-up pilot (October 1996). The Child Support White Paper also proposed that a Child Maintenance Bonus be introduced in April 1997.
3 Jobseeker's Allowance was introduced in October 1996 and has two components: a contribution-based allowance which replaced Unemployment Benefit, and an income-based one which superseded Income Support for unemployed people. Thus, between April and October 1996 the only qualifying benefit for Extended Payments was Income Support. However, to improve the readability of the main text of the report, we will normally refer to the current qualifying benefits: Income Support and income-based Jobseeker's Allowance.
The rationale for the scheme is to reduce the financial uncertainty that some people have about paying rent and council tax over the often monthly period between leaving benefit and receipt of first wage. This uncertainty has been identified as a key barrier to leaving out-of-work benefits and returning to work (Bottomley et al., 1997; McLaughlin et al., 1989; and Shaw et al., 1996b).

Following on from their Extended Payments, some people moving off out-of-work benefit(s) into low paid work may retain entitlement to Housing Benefit and/or Council Tax Benefit. The Fast-track Incentive Scheme aims to facilitate a rapid transition to a claimant’s new rate of in-work benefit. The scheme is designed so that the new benefit rate is in payment by the time the extended period comes to an end, that is, the payment of benefit is to be ‘seamless’. As with Extended Payments this should help reduce any anxiety claimants may have and can allow them to plan household budgets.

To encourage local authorities to process claims within the target period, the scheme offers extra subsidy to local authorities as an incentive (see below).

1.1.2 Eligibility criteria

a) Extended Payments Scheme  To be eligible for Extended Payments:

- the Housing Benefit/Council Tax Benefit claimant must have left Income Support/ income-based Jobseeker’s Allowance because s/he or their partner started work or increased their earnings or hours of work; and

- the claimant must have been in receipt of Jobseeker’s Allowance, Income Support as a carer or as a lone parent, Income Support/Jobseeker’s Allowance for attending a government-approved training course or a combination of all or any of these for a continuous period of 26 weeks (this is known as the ‘26-week condition’); and

- the changes in work which caused Income Support or Jobseeker’s Allowance to cease must be expected to last for at least five weeks; and

- the claimant must be aged under 60 when leaving Income Support, or under 65 if a man or under 60 if a woman when leaving income-based Jobseeker’s Allowance; and

- the claimant must have a continuing rent or council tax liability for the whole of the extended payment period; and

- the application form must be received by the Employment Service, Benefits Agency or local authority within eight days starting from the day benefit stopped (known as the eight-day rule).

4 Standard Housing Benefit and Council Tax Benefit eligibility rules apply to these ongoing claims (see Zebedee and Ward, 1997).
b) Fast-track Incentive Scheme  Local authorities are required to fast-track (or prioritise) in-work Housing Benefit and/or Council Tax Benefit claims where a claimant:

- makes a claim for Extended Payments within eight days of Income Support or income-based Jobseeker’s Allowance ceasing; and
- makes the in-work claim within 15 days of Income Support or income-based Jobseeker’s Allowance finishing.

For an in-work claim to be considered, the claimant merely has to have made the Extended Payments claim within the set time period; the claim need not have been successful.

A key feature of the claiming process for Extended Payments is that it can involve the Benefits Agency, Employment Service and a local authority processing the same application form.

Individuals wanting to claim Extended Payments complete the application form NHB 1EP (see Annex A). This form asks for information on: personal circumstances; reasons for claiming Extended Payments; rent and council tax payments; claimants’ or partners’ work; any change of address; and whether or not they propose to claim in-work Housing Benefit or Council Tax Benefit. The form also includes two sections headed ‘For official use only’ where the Benefits Agency, Employment Service or local authority can date stamp the form, and where the Benefits Agency can certify that the claimant satisfies the 26-week continuous benefit condition.

Claimants are advised to return their completed application form to the local Benefits Agency office or Employment Service Jobcentre paying their benefit; but the form can be returned to the local authority. The form can be submitted up to 14 days before they left Income Support or Jobseeker’s Allowance. (In other words, the claimant has more than eight days in which to submit the application form.)

If a form is submitted to the Jobcentre or local authority, it is date stamped and sent to the Benefits Agency. Staff at the Benefits Agency also date stamp the NHB 1EP forms, regardless of whether they are received directly from customers, the Employment Service or the local authority. Since the introduction of Jobseeker’s Allowance, the Benefits Agency staff who date stamp and consider the applications made at the Jobcentre are likely to be located within the Jobcentre itself, rather than at the local Benefits Agency office.

The Benefits Agency staff certify as to whether or not the claimant has been in continuous receipt of Income Support or Jobseeker’s Allowance for 26 weeks. The form is then sent to the local authority. The target turnaround time for sending a form to the local authority is normally 24 hours. (If this
target is not met it may adversely affect a local authority's ability to fast-track any subsequent in-work Housing Benefit or Council Tax Benefit claim and so gain extra subsidy.)

At the local authority the form is date stamped, and a decision is made as to whether or not to award the Extended Payments.

Both the Benefits Agency’s Income Support and Jobseeker’s Allowance computer systems produce a notification of cessation of benefit which is also sent to the local authority. This notification prompts a local authority to terminate an individual’s entitlement to Housing Benefit and Council Tax Benefit. It is important that a local authority receives the notification at about the same time as the NHB 1EP application form in order to process efficiently the claim for Extended Payments. Whether or not the eight-day rule is met is calculated by comparing the date of the earliest date stamp with the date on the notice of benefit cessation.

The local authority informs each claimant that their entitlement to out-of-work Housing Benefit and Council Tax Benefit has ended, of the outcome of any claim for Extended Payments, and sends him/her a claim form for in-work Housing Benefit and Council Tax Benefit.

Extended Payments claimants may challenge decisions through the local authority’s Review System (see Sainsbury and Eardley, 1991). There are not, however, any 'good cause' grounds for appealing against a refusal to award Extended Payments because the NHB 1EP application form is submitted after the eight days. In addition, if not satisfying the ‘26-week condition’ is the only reason given for no entitlement, then the claimant is advised to contact the Benefits Agency for an explanation. A few eligible non-claimants have been awarded compensation where it has been demonstrated that Agency staff did not inform them of the existence of the Extended Payments Scheme.

In addition, as already mentioned, Extended Payments claimants may make a claim for Housing Benefit or Council Tax Benefit as an in-work benefit. This is a fresh claim, and is assessed using standard Housing Benefit and Council Tax Benefit rules. If there is an entitlement, it commences from the end of the Extended Payments period.

Local authorities may receive extra subsidy if they process these in-work claims within 14 days of the Extended Payments/in-work claim being made, or within seven days of receipt of all relevant information, whichever of these is later. In addition the claim must be determined within the four week extended payment period. They may also lose subsidy if they take too long to process the claim. There is also a period when they neither gain nor lose subsidy. (Details about the time limits are given in a flow diagram in Annex B.)
1.2 Research Objectives and Design

The Department of Social Security commissioned the Centre for Research in Social Policy in January 1997 to conduct a qualitative evaluation of the Housing Benefit/Council Tax Benefit Extended Payments and Fast-track Incentive Schemes.

1.2.1 Research objectives

The key research objectives are:

- to examine the implementation and operation of the schemes; and
- to explore the impact of the Extended Payments Scheme on claimants.

These objectives included investigating staff and claimant awareness of the schemes, claimants' experiences of service delivery, inter-organisational liaison arrangements, perceived advantages and disadvantages of the schemes and suggestions for improvements.

1.2.2 Research design

The research design is qualitative, that is, there is a focus on staff and claimants' own accounts of their attitudes and behaviour. Qualitative research can provide a rich source of contextual and detailed information about peoples' understanding of their situation, their motivations and their responses to events. As a consequence it is a method suited to exploring 'why' and 'how' type questions and for identifying patterns and associations in individuals' behaviour. Moreover, the level of detail gained means that individuals' accounts can be checked for internal consistency. The main drawback is that sample sizes are often small. Whilst the sampling strategy used will ensure that the desired types and range of situations and experiences sought are covered, generalising findings from the sample to the population, which is possible with quantitative research, cannot be done.

The research has a pluralistic design. It involved interviews with claimants and potential claimants and with staff of different grades in local Benefits Agency offices, Employment Service Jobcentres and Housing Benefit/Council Tax Benefit sections of local authorities. There are four main strands to the research:

- in three case study districts, in-depth face-to-face interviews with staff from the Benefits Agency, Employment Service and local authorities and telephone interviews with welfare rights officers were conducted between mid-February and mid-March 1997;
- telephone interviews with Benefits Agency, Employment Service and local authority staff in nine other districts were carried out between mid-March and mid-April 1997;
- four group discussions with staff from the Benefits Agency, Employment Service and local authorities were held during June 1997; and
- 27 in-depth face-to-face interviews with claimants and 13 interviews with people who were eligible for Extended Payments but did not make a claim were conducted between mid-May and mid-June 1997.
Further details are given in Annex D.

The 12 local authority districts used for fieldwork spanned four areas: Scotland; the Midlands; South Western England; and London. Details on the selection of the areas and districts are given in Annex D. The 12 selected local authorities could have contacts with more than one Benefits Agency local office or Employment Service Jobcentre within their respective districts. However, the fieldwork with Benefits Agency and Employment Service staff was conducted with the office which had most dealings with the local authority; rather than with a sample drawn from all the local Agency offices operating within each district.

1.2.3 Data analysis The analysis is based on the case studies and on the notes and transcriptions of the taped interviews with staff, claimants, eligible non-claimants and welfare rights officers. Analysis of qualitative data involves looking for continuities and discontinuities in respondents’ views and accounts of events. This report in particular elucidates any similarities and differences between the four areas, staff of different grades, the three organisations and the sub-groups of (potential) claimants.

The report includes verbatim quotes from some respondents. These are included to illuminate the perceptions, experiences and knowledge of the staff, claimants, eligible non-claimants and welfare rights officers. Where appropriate the quotes have been ‘smoothed’ to make them more readable. This has been done by amending punctuation and removing some speech (signified by three dots ‘…’), and inserting words (identified by square brackets [insertion]). The meaning or sense of the respondents’ quotes has not, of course, been altered.

1.3 Structure of the Report The issues raised by the implementation of the Extended Payments and Fast-track Incentive Schemes are discussed in Chapter 2, and their continuing operation in Chapter 3. Staff and welfare rights officers’ awareness and knowledge of the two schemes is considered in Chapter 4. The role of the schemes as work incentives is discussed in Chapter 5. Claimants’ and eligible non-claimants’ awareness of the schemes, their decision to return to work, the role of Extended Payments in their decision, and their experience of claiming are outlined in Chapters 6 and 7. Some conclusions based on the research are drawn in Chapter 8.

The Benefits Agency, Employment Service and local authorities can use different terminology to refer to the people who are entitled to Extended Payments or a fast-tracked claim, for example, ‘customer’, ‘claimant’ and ‘client’. For reasons of consistency and to make the report more readable ‘claimant’ will be used for those who had applied for an Extended Payment or in-work Housing Benefit/Council Tax Benefit, and ‘eligible non-claimant’ for those who were entitled to claim but did not.
1.3.1 Ensuring anonymity  All of the respondents were promised anonymity and confidentiality. To ensure this only limited details are given about each respondent both in the quotes and Annex C.

At the end of each quote the respondent has been given a unique identifier. The claimants and eligible non-claimants’ identifiers are prefixed with a letter ‘C’, the group discussion respondents have a ‘G’ and the welfare rights officers ‘WRO’. All the other respondents (with the exception of a quote from one case study respondent) have no letter prefix.

The staff identifiers give the respondent’s grade and organisation, whilst those for claimants and eligible non-claimants give claimant type (at the time of the interview), claim status and area.
Overview

The Housing Benefit and Council Tax Benefit Extended Payments and Fast-track Incentive Schemes became operational on 1 April 1996. One of the objectives of the research was to identify any issues arising from their introduction.

During the case study and telephone interviews and the group discussions, staff were asked to identify any issues arising from the implementation of the Extended Payments and Fast-track Incentive Schemes. Staff identified five main issues: other priorities which competed with the introduction of the two schemes (Section 2.1); insufficient publicity and promotion of the schemes (Section 2.2); concerns about the level of staff awareness and knowledge of the schemes (Section 2.3); the level of infrastructure to support the schemes (Section 2.4); and the level of inter-organisational liaison (Section 2.5).

2.1 Competing Priorities

Some of the respondents maintained that the implementation of the schemes, particularly Extended Payments, was given a low priority because of other pressing issues. These other matters were:

- the introduction of Jobseeker's Allowance - although this benefit went 'live' in October 1996, the intention had been for it to commence at the same time as the Housing Benefit and Council Tax Benefit schemes. Thus the implementation process for the schemes overlapped in part with that for Jobseeker's Allowance. Most of the respondents who identified a competing higher priority mentioned the demands imposed by the implementation of Jobseeker's Allowance:

  '... the signals that I was getting from my colleagues in the Benefits Agency were that what with the introduction of the Jobseeker's Allowance and all the associated upheaval, that ... [Extended Payments] was very much ... a secondary issue compared to moving their staff ... into Jobcentres ..., they had major problems to deal with in respect of the Jobseeker's Allowance and Extended Payments really didn't receive any sort of priority ... I think they were being asked to do too much at one time.'

    (37, Manager, Local Authority)

There was a perceived trade-off between the time, effort and staff resources devoted to Jobseeker's Allowance and Extended Payments, with the latter receiving least attention. There was, however, one case study respondent, a Benefits Agency manager, who believed that Jobseeker's Allowance had no impact on the implementation of Extended Payments. She argued that the staff involved with the introduction of Jobseeker's Allowance were not directly involved with Extended Payments;
a related point was that some respondents believed that Benefits Agency and Employment Service staff faced too many other administrative and benefit changes (such as, the introduction of the Labour Market System, Jobseeker’s Allowance, Incapacity Benefit and various other work incentive schemes) when the Extended Payments Scheme was being introduced. Respondents, particularly Employment Service staff, reported difficulties in coping with the volume of information these various initiatives generated:

‘... it was the introduction of the ... Labour Market System and ... Jobseeker’s Allowance and to be honest the Employment Service at that stage was really being bombarded with information and you know there were many, many things happening at the same time and I think really [Extended Payments] got lost amongst the noise of the other things ...’

(53, Manager, Employment Service)

‘... at the same time all this was coming out we’d also got the Back-to-Work Bonus ... and the changes with the Family Credit thing, so there seemed to be a lot of changes coming through at the same time ... If you’ve got an overload of information it tends to blow a fuse and people don’t take it in as well as they should.’

(23, Receptionist, Benefits Agency)

local government reorganisation – in April 1996 the two-tier system of local government on the Scottish mainland was replaced by a unitary system. Two local authority respondents, from separate districts, saw this as having a higher priority:

‘It was the worst possible time for it to be introduced because of local government reorganisation. I mean authorities in Scotland were concentrating in actually getting the new authority up and running and getting systems in place, staff in place, accommodation etc. sorted out, that something like this was just a nightmare. And it wasn’t, I would have to say, number one priority at the time.’

(9, Manager, Local Authority)

one local authority respondent suggested that Extended Payments had a low priority in the Benefits Agency and Employment Service because they had no major role in processing or paying claims. However, such a view does not recognise the Agencies’ key role in promoting the scheme to potential customers.

There was both a staff grade and a geographical effect underlying the above perceptions. Of those respondents who believed other issues adversely affected the implementation of the schemes, most were managers. The other respondents holding these views were evenly spread across the other staff grades. This is presumably because managers, more than any other grade, were aware of the resource and time conflicts between the two schemes and other organisational and policy initiatives.

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5 A new computer system introduced in Employment Service Jobcentres which included details about job vacancies and claimants.
The view that the priority given to Jobseeker’s Allowance was at the expense of Extended Payments was concentrated in the Midlands and South Western England. As indicated above, the higher priority given to local government reorganisation was confined to Scotland.

The perception that the implementation of the Extended Payments and Fast-track Incentive Schemes was given a relatively low priority was shared evenly across all three organisations.

2.2 Publicity and Promotional Materials

There was a national publicity campaign organised by the Department of Social Security to launch the Extended Payments Scheme. It included, during March 1996, local press and radio advertisements.

Although a few staff respondents claimed that there had been no launch publicity, or erroneously recalled television advertisements, most remembered some form of launch publicity. Typically, however, they were critical of the amount of publicity used to launch the Extended Payments Scheme; it was seen as insufficient:

'... [launch publicity] was sadly lacking. I think it was one of the best kept secrets at the beginning ... Customers didn’t know what was going on, to some extent staff didn’t know because the promotional material was not available ...'

(30, Manager, Benefits Agency)

'... there was quite a period of time before a lot of staff realised it had been introduced, it was a very low key introduction.'

(58, Receptionist, Benefits Agency)

So, for instance, two managers from different case study districts, one from the Benefits Agency and the other from the Employment Service, both used the phrase ‘slipped in’ to describe the initial promotion of Extended Payments.

Not only was the launch publicity seen as low key in absolute terms, it could also be perceived as inadequate in relative terms. Some respondents noted that what publicity was available was lost amongst the ‘noise’ of materials promoting other schemes and initiatives. In the group discussions, a few respondents cited the national advertising campaign to launch Family Credit, and used it almost as a benchmark against which they contrasted the introduction of Extended Payments.

A few respondents also mentioned that they experienced difficulties in getting copies of leaflets and posters:

'We had posters and leaflets which unfortunately we didn’t receive on time so from ‘A’ [implementation] day we couldn’t advertise the situation.'

(69, Receptionist, Benefits Agency)
Most respondents attribute this perceived lack of publicity as one of the main reasons for the low take-up of the two schemes (see Section 3.2). It was widely believed that (potential) recipients were simply unaware of the schemes, and that those who were informed did not know key details which led to, for instance, claims being submitted too late.

However, the case studies revealed an example of good practice for promoting the Extended Payments Scheme locally. In one district the Benefits Agency operated an outreach service, and the Information Officer produced a newsletter which was distributed to over 300 local organisations including advice agencies, charities, the local authority, etc. The newsletter was used to highlight changes in benefits and the February 1996 edition included a piece on Extended Payments.

2.3 Staff Awareness and Training

Staff in all three organisations needed to learn about the Extended Payments and Fast-track Incentive Schemes in order to inform customers and to administer the schemes.

The case studies showed that staff in local authorities, of necessity, knew about both schemes, but virtually all Benefits Agency and Employment Service respondents were unaware of the Fast-track Incentive Scheme. Thus, staff in the agencies received training only on Extended Payments.

2.3.1 Training received

The respondents received different sorts of training. Broadly, a distinction can be made between formal training, which involved staff attending courses and/or cascade sessions at work, and informal training where individuals essentially taught themselves. Whilst the respondents can be classified as receiving either formal or informal training, those who underwent some form of formal training also used to varying degrees the informal methods of training outlined below.

a) Formal training

Some of the respondents received formal training; they attended either a course or a (cascade) session/meeting where a manager or supervisor discussed the scheme(s). In some instances these formal sessions were backed up by written summaries or handouts on the schemes’ procedures.

Courses could be in-house or external and might involve the organisation’s training officer. The courses were mainly attended by respondents from local authorities, in particular those in London. Course participants were also likely to be relatively senior. A few of those attending subsequently cascaded
the information they had gained within their respective organisations or teams.

Cascade sessions were held across all three organisations, grades of staff and areas. Most of the local authorities' respondents learnt about the schemes through a cascade training session. Both Benefits Agency local offices and Employment Service Jobcentres held weekly staff training or communication meetings where new schemes and initiatives could be outlined.

b) **Informal training**  Most staff respondents, however, learnt about the schemes through informal training methods, notably by reading the Extended Payments application form (NHB 1EP), official leaflets and circulars and from discussions with colleagues and even with claimants. Both the form and the leaflets are published by the Department of Social Security. The Benefits Agency and Employment Service also produce separate circulars for staff on Extended Payments. The Benefits Agency circular was published in February 1996, and the Employment Service’s in March 1996 (revised in November 1996). The Department of Social Security also published a (revised) circular for local authorities in March 1996.

A few respondents were critical of the timing of these circulars (and of ambiguities in the Employment Service circular), and wanted more advanced warning of the schemes so that they would have had more time for training staff. Indeed, in a few reported instances, the training was held after the introduction of the schemes. It is likely, however, that it was the speed at which these circulars were disseminated to front-line staff that caused most of these delays, rather than the actual dates of publication by the Department and the agencies.

Reading forms, leaflets and/or circulars was the most common method of training in the Benefits Agency and Employment Service and was used by most respondents in these agencies. With the exception of interventionists⁶, it was a method used by all grades of staff in all areas.

> 'Someone said this is a new scheme that’s being introduced, these are the forms'.
> (34, Client Adviser, Employment Service)

> 'The training material was simply a circular which said what the new procedures were, there was no instructional material to go through, or practice cases, or anything of that nature.'
> (21, Manager, Benefits Agency)

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⁶ Interventionists and Client Advisers are Employment Service front-line positions. Interventionists administer the, normally, fortnightly signing-on process, whilst Client Advisers hold six monthly and *ad hoc* reviews with Jobseekers.

⁷ Receptionists in all three organisations were typically the first point of contact for claimants visiting an office. They could refer claimants to colleagues and other agencies, and/or give forms, information and advice to claimants.
What was read, however, could vary by grade. Although staff respondents in the Benefits Agency and Employment Service were likely to have read their respective organisation's circular, several of the receptionists had not done so. Instead they learnt about the Extended Payments Scheme by reading the application form (NHB 1EP). For instance, in one of the case studies the Employment Service receptionist was made aware of the scheme only when the forms arrived on the counter; she then had to read the form and enclosed leaflet to teach herself about the scheme. Moreover, in some offices where the cascade method was used to transfer information about the scheme(s), it appears that receptionists were not always in attendance, as they reported learning about the scheme by reading the form and accompanying leaflet.

Frequently, respondents who taught themselves about the scheme(s) stated that they had received 'no training', implying that they did not regard reading documentation as a valid form of training.

However, reading the relevant documentation was seen by a few respondents as an appropriate method in certain circumstances. One Benefits Agency manager thought it was right that managers should learn about Extended Payments in this way. Another justified the training method on the grounds that Extended Payments was a small part of the Agency's business. Some respondents suggested that the scheme was sufficiently straightforward and consequently learning about it by reading was not a problem; it simply did not warrant more formal training. This was also the view of some of the Benefits Agency and Employment Service processing staff in the case studies.

Moreover, in the staff group discussions, some respondents said that for an initiative like the Extended Payments Scheme it was usual practice for staff to teach themselves by reading circulars and leaflets. This method of training was not, therefore, untypical, especially in the two agencies.

A few Employment Service respondents learnt about the Extended Payments Scheme from informal discussions with colleagues. These respondents were typically receptionists and from the London area:

'A Client Adviser explained the scheme: it took five minutes and that was that.'

(83, Receptionist, Employment Service)

A couple of respondents also claimed to have been told about Extended Payments by claimants.

Six respondents maintained that they received no training at all, not even informal training. They were mainly interventionists and receptionists from the Employment Service. Yet, as they were able to discuss the operation of the scheme, this suggests that they had used informal methods to learn about the scheme.
2.3.2 Criticisms of performance

Some of the respondents in both the case studies and the telephone survey were critical of the level and scope of the training received by Benefits Agency and Employment Service staff because of the adverse consequences for service delivery during the initial period following the launch of the scheme:

`The initial information was very sketchy.'

(23, Receptionist, Benefits Agency)

`... Benefits Agency staff weren't as aware and as well trained as they usually are on legislation that's been introduced ...'  (37, Manager, Local Authority)

These respondents believed that the training undertaken, particularly in the Benefits Agency and Employment Service, did not sufficiently raise staff awareness of the Extended Payments Scheme, and this led to initial problems with:

- general awareness of the existence of the scheme:

  `Our local Benefits Agency office didn't even know about the scheme.'

  (28, Manager, Local Authority)

  `The Benefits Agency had the situation where people would be sending forms over and they wouldn't know what the hell they were.'

  (81, Client Adviser, Employment Service)

- eligible claimants being informed of the Extended Payments Scheme after the eight-day deadline for submission of the Extended Payments application form (NHB 1EP) and so their claim being disallowed;

- Benefits Agency staff incorrectly certifying whether or not a claimant met the qualifying period of at least 26 weeks continuously on a qualifying benefit:

  `[The Benefits Agency] ... had the problem of their staff not knowing exactly what it was they were supposed to be authorising, so they were sending some through ... saying they were OK and met the criteria when they didn't. And vice versa. That's gradually sorted itself out but that was a big problem in the first six months ...'

  (74, Manager, Local Authority)

One respondent pointed out that this could mean that customers were given conflicting advice about entitlement by the agencies and the local authority;

- Benefits Agency staff being unaware of the importance of turning around the Extended Payments application form (NHB 1EP) and sending it to the relevant local authority within 24 hours, in order to avoid delays in the processing of claims:
... some staff didn’t appreciate the requirement to turn the forms round very quickly in order to meet the local authorities’ requirements.”

(30, Manager, Benefits Agency)

- Benefits Agency and Employment Service staff not date stamping the Extended Payments application form (NHB 1EP) before passing it to the local authority;

- Benefits Agency and Employment Service staff in one case study district added a fifth category (sickness) to the back of the Extended Payments application form (NHB 1EP) (see Annex A); and

- low take-up rates mainly because staff were not informing eligible claimants about the scheme (see Section 3.2).

These comments were made by local authority respondents from eight districts, by Benefits Agency respondents from eight districts and Employment Service respondents from three districts. Although these criticisms were made by all grades of staff, most were made by managers.

2.4 Infrastructure

2.4.1 An initial shortage of application forms

At least one staff respondent from seven of the districts in the study reported a shortage of application forms (NHB 1EP) for the first few weeks of the Extended Payments Scheme:

‘The forms didn’t come as they should have done, we got one sample form and we tried to order an actual stock of them and we’re told it’s out of stock or they’ve never heard of it … The Council thought that we’d got stocks of them, we thought the Council had got stocks of them and it turned out that nobody had got stocks of them …’

(23, Receptionist, Benefits Agency)

Most of the respondents reporting this shortage were managers and receptionists from the London area and were from all three organisations.

That respondents identified this as an implementation problem is not unexpected, as the shortage of forms was widely known at the time and the Department of Social Security acted to correct the shortfall (Department of Social Security, 1996a).

Solving the problem by using photocopies could be problematic. Although one Benefits Agency respondent correctly said that photocopied forms could be used, a local authority respondent from another area claimed that they would not accept photocopies. This occurred despite a Department of Social Security circular to local authorities stating that photocopied forms could, if required, be used to claim Extended Payments (Department of Social Security, 1996b).

As a consequence of the shortage of forms potential claimants were, in some districts, sent to different offices in search of application forms. One respondent maintained that some people lost their chance to claim because
they were unable to obtain an Extended Payments application form (NHB 1EP) before the expiry of the eight-day time limit.

2.4.2 Computer systems

One of the case study local authorities had a problem with its computer system. The authority had an in-house system for administering Housing Benefit, which for financial reasons was not updated to take account of Extended Payments. As a result, Extended Payments were processed clerically. The local authority was, however, considering purchasing a commercial Housing Benefit computer package.

Due to this authority's difficulties, staff in the telephone interviews were also asked if there were any initial problems with their organisation's computer systems. Respondents in general reported no difficulties. Only two local authorities using proprietary systems reported delays of around two to four weeks in getting updates to the software installed. Another local authority apparently had problems with its in-house system and year-end figures for Extended Payments.

In addition, one Benefits Agency and four Employment Service respondents made various complaints about the performance of the computer systems they used. However, these may reflect staff getting used to the then newly installed Jobseeker's Allowance system and the Labour Market System.

In summary, the computer infrastructure was in place and worked reasonably well for most of the three organisations when the two schemes were introduced. (Ongoing problems with the computer systems are discussed further in Section 3.3.2c.)

2.5 Liaison Arrangements

When the Extended Payments Scheme was Launched

In many of the 12 districts there was some form of liaison connected with the launch of the Extended Payments Scheme. These liaison arrangements took place in all four areas, but mainly in Scotland and South Western England. However, there does not appear to have been any liaison between the three organisations with respect to the introduction of the Fast-track Incentive Scheme which seems to have been perceived exclusively as a local authority responsibility. This is probably because Benefits Agency and Employment Service staff are not directly involved in processing fast-tracked claims.

Liaison on the implementation of Extended Payments always involved the local authorities and the local offices of the Benefits Agency and was usually held at managerial level. In addition, in some of the districts the Employment Service Jobcentre manager seemed to have an active role in the liaison arrangements.

8 Arguably, they are indirectly involved because in-work fast-tracked claims follow on from claims for Extended Payments, and Benefits Agency and Employment Service staff have a direct role in processing these (c.f. Section 1.1.3).
Some Extended Payments liaison involved one of the regular meetings these organisations held at local/district and/or county level. Other liaison entailed a respondent or colleague visiting one of the other organisations to discuss the scheme and its implications.

The issues raised at these meetings included a mix of clarifying procedures and, once the scheme had gone 'live', resolving some initial problems, such as low staff awareness of the scheme, the lack of publicity and shortages of the application form.

2.6 Conclusion This chapter has examined staff perceptions of the implementation of the Extended Payments and Fast-track Incentive Schemes. For some respondents, notably managers, the timing of their introduction clashed with other initiatives, such as Jobseeker's Allowance, which were accorded a higher priority.

Staff respondents tended to believe that the schemes, particularly Extended Payments, were not sufficiently publicised. This, in turn, had an adverse impact on the take-up of the scheme.

Most of the staff respondents learnt about the schemes by reading relevant circulars and leaflets. Other staff received more formal training through courses or staff cascade sessions. Although the type of training received appears to be in-line with other initiatives of this sort, there was considerable criticism of the detrimental effect this level of training had on initial service delivery. Service delivery was further hindered in some areas by an initial shortage of application forms for Extended Payments.

The level of inter-organisational liaison which accompanied the introduction of the Extended Payments Scheme varied. Where discussions were held they typically involved the local authority and the Benefits Agency and to a lesser extent the Employment Service.
Overview

The main issues connected with the ongoing delivery of the Extended Payments and Fast-track Incentive Schemes are considered in this chapter. More specifically, the promotion of, and publicity given to, Extended Payments is discussed in Section 3.1. Staff respondents' views on reasons for the perceived low take-up of the Extended Payments Scheme are outlined in Section 3.2. The problems which have arisen in processing Extended Payments are presented in Section 3.3. The processing of fast-tracked in-work Housing Benefit and Council Tax Benefit claims is considered in Section 3.4. Liaison arrangements arising from the administration of the Extended Payments Scheme are briefly described in Section 3.5. Finally, staff respondents' suggestions for operational improvements to the Extended Payments Scheme are given in Section 3.6.

3.1 Scheme Publicity and Promotion

3.1.1 Types of publicity

The type of publicity given to the Extended Payments Scheme since its implementation varied across the three organisations and the 12 districts.

Most of the respondents in the case study and telephone interviews were unaware of any specific publicity for the schemes in their respective offices at the time of the interviews. A few staff respondents thought there had been some national publicity on the Extended Payments Scheme. However, staff respondents generally could not recollect any national publicity of any type since the introduction of the scheme.

Moreover, there appeared to be no publicity or promotion of the Fast-track Incentive Scheme.

Nevertheless, where publicity for Extended Payments was evident respondents said that several methods of promotion were used. These included:

a) posters and leaflets within the three organisations;
b) letters and leaflets sent out to claimants;
c) flyers in other public places;
d) seminars for claimants;
e) local press, television and radio;
f) a Benefit Agency newsletter; and
g) a mention on the signing-on card.
Each of these is discussed in turn below.

a) Posters and leaflets  Posters and leaflets were by far the most common form of publicity for the Extended Payments Scheme. Those offices publicising Extended Payments used either only posters and leaflets, or a combination of these with one of the other types discussed below.

‘At the moment we are trying to flood the market with leaflets to everyone who would be entitled.’  (24, Manager, Employment Service)

‘Down in reception there was a poster talking about Extended Payments, so anybody coming into our office [would see it], and it’s still up there as yet’.

(10, Processor, Local Authority)

More Benefits Agency local offices and Employment Service Jobcentres than local authorities promoted the scheme through the use of leaflets. This form of advertising was most common in Scotland, the Midlands and London, and used less often in South Western England.

However, there were discrepancies in some respondents’ accounts. In one office, an Employment Service Jobcentre in the London area, one member of staff stated:

‘When it first came in we put up all of the posters and we had a drive and there was a leaflet with the houses on ... I know of two instances where I’ve done talks to the whole office meetings to promote it.’

(81, Client Adviser, Employment Service)

Yet two other members of staff from the same office were not aware of any local publicity at all. One of these respondents said:

‘I’m not aware of any publicity ... People tend to hear about it through word of mouth, I guess’.

(83, Receptionist, Employment Service)

Some of the respondents in the case studies were uncertain about what materials on the Extended Payments Scheme were available in their office’s reception areas. A few claimed that posters and leaflets were available which the research team were subsequently unable to find on display. So the availability of posters and leaflets might have been less than reported by staff respondents.

b) Letters and leaflets sent out to claimants  In two districts, staff respondents talked about leaflets advertising Extended Payments being sent with letters to claimants when they signed off. This form of promotion was viewed by those who used it as ‘very useful’; it targeted ‘the right people’ as claimants who signed off by post as well as those who visited the office were informed about benefits:

‘What we have started to do here is that when people tell us that they’ve got a job and they either send in their card or attend the office, we actually now write out to
them including the leaflet all filled out, saying this is something you are entitled to, please pursue it, if you can you've got seven days or whatever, to get this done. So we have taken a proactive method in promoting it to clients.'

(33, Manager, Employment Service)

c) Flyers in other public places 
Flyers, designed by individual offices, were available in libraries and other public places for claimants in one area:

'I do know that in the local library and places like that there has been quite small locally produced flyers.'

(33, Manager, Employment Service)

This method of promotion was seen by staff respondents as 'helpful', and was suggested by a number of respondents from other districts as a way of increasing promotion and publicity of the scheme (see Section 3.6.1).

d) Seminars for claimants 
One London Jobcentre carried out a series of seminars for long-term unemployed claimants. Various schemes and benefits, including Extended Payments, were discussed at these seminars. According to the staff respondents, this appeared to be a worthwhile exercise.

e) Local press, television and radio 
Staff respondents from four districts within Scotland, London and South Western England said that there had been local press, television or radio publicity since the introduction of the scheme.

f) Benefits Agency newsletter 
In one district the Benefits Agency used a newsletter to promote the Extended Payments Scheme amongst advice agencies:

'We issue a district newsletter every quarter to the local welfare agencies in this area and we have completely mapped on the Extended Payment Scheme and all the others, the Family Credit and so on, that came on, the Back-to-Work Bonus, all of these sorts of back-to-work schemes.'

(12, Manager, Benefits Agency)

g) Mention on signing-on card 
One staff respondent, an interventionist, said that the Extended Payments Scheme was promoted on jobseekers’ signing-on cards. However, the respondent added:

'People very rarely read it, so it's publicized but unless you are the type of person that is of that bent that would read it thoroughly than you're not going to know about it.'

(55, Interventionist, Employment Service)

3.1.2 Location of the NHB 1EP application forms

There are two key issues surrounding the location of Extended Payments application forms: first, in which offices within a district they are held, and secondly, where the forms are kept in each office.

The Extended Payments application forms (NHB 1EP) were available at local Benefits Agency offices and Jobcentres. Although local authorities were
not obliged to hold a stock of the forms, most of the 12 local authorities in the study did so.

One of the local authorities was unusual, in that the Extended Payments application forms (NHB 1EP) were freely available to claimants in the public reception area. However, all other local offices stocking the forms kept them behind the reception desk and/or with Client Advisers. These staff acted as 'gatekeepers'; they had control over the distribution of the forms. Receptionists and Client Advisers, therefore, had an important role in identifying potential claimants and handing out application forms.

3.1.3 The scale and extent of the publicity and promotion

There were five main problems identified by staff respondents with regard to the ongoing promotion and publicity given to the Extended Payments Scheme:

- Generally, as with implementation (Section 2.2), the level of publicity and promotion of the Extended Payments Scheme was perceived as 'low'. Staff respondents often commented on the publicity as 'inadequate' and 'not enough'. Only a few Employment Service Jobcentres appeared to be actively promoting the scheme since its launch:

  'The Employment Service advertised this particular benefit quite regularly on three and six month intervals.' (58, Receptionist, Benefits Agency)

All other offices, at the time of the fieldwork, had nothing, or very little, in the way of local publicity initiatives.

Staff respondents from all areas, grades and organisations felt there was a general lack of publicity for the Extended Payments Scheme both at a local and national level and made various suggestions for improvements concerning publicity (see Section 3.6.1).

Respondents felt that this lack of publicity adversely affected, first, staff awareness and knowledge of the scheme:

'Well, it would have been useful if such a scheme is going to be launched to publicise it so everybody concerned will know about it and so will be able to deal with it and not look rather daft when people ring up to ask about it and we say what? what scheme?' (78, Processor, Benefits Agency)

'[The lack of publicity] is a bit disappointing because obviously it's something that has a good financial impact on customers returning to work and obviously the fact that we ourselves didn't receive the circular until after I made enquires and obviously we felt that we would have liked to have known more about it in advance and been familiar with the rules and the regulations'.

(79, Receptionist, Benefits Agency)
and secondly, claimants in their awareness of the scheme:

‘As I haven’t seen any publicity on it, people, I feel, are not aware of the benefit that is available to them.’  
(42, Receptionist, Benefits Agency)

- As with implementation (Section 2.2), the Extended Payments Scheme was just ‘one of many’ Back-to-Work initiatives, and its publicity ‘got lost’ amongst, and was over-shadowed by, the publicity for other schemes and benefits:

‘It’s one amongst a rack of other literature; it doesn’t stand out ... I would say it’s not very well publicised and I wouldn’t imagine the leaflets go very quickly either.’  
(55, Interventionist, Employment Service)

‘There are such a plethora of schemes and things available to people that [Extended Payments] gets lost amongst everything else.’  
(53, Manager, Employment Service)

As a consequence it was believed that it was more difficult for both staff and claimants to be made aware of the scheme and to recall it at the appropriate time.

- A few members of staff from six different districts incorrectly believed the low publicity and promotion of the Extended Payments scheme was intentional. These respondents felt that they were ‘not supposed’ to promote the scheme in any way, and that they could not mention the scheme to claimants who appeared eligible unless the claimant enquired about it:

‘I’m not sure if it’s official policy if we should be pushing it. I’ve got it in the back of my mind, I can’t verify it, I’ve got a feeling somewhere that perhaps we’ve been told that we shouldn’t actually offer it, and we only respond if asked, now I don’t know but somewhere I’ve got vaguely in the back of my mind that’s the position.’  
(55, Interventionist, Employment Service)

‘There was the suggestion that someone had instructed the Benefits Agency not to advertise the scheme too much because it would cost too much, this was an official instruction.’  
(2, Processor, Local Authority)

‘I think it’s sad that they don’t know about it because apparently we can’t offer it to them unless they ask for it.’  
(66, Manager, Benefits Agency)

Although this rumour was evident across different offices, areas and organisations it was not possible to track down its source. None of these respondents could recall exactly where or when they had been told not to promote the scheme. Respondents in the discussion groups suggested that there was no single source for this view, rather it was a consequence of the perceived low profile given to the Extended Payments Scheme when it was launched (see Section 2.2). There was a general feeling that staff should be only reactive, not proactive, in the promotion of Extended Payments;
The publicity and promotional material in organisations was not always comprehensive. In two case study districts posters produced by the local authorities referred only to Income Support and omitted income-based Jobseeker's Allowance as a possible qualifying benefit;

At local level there was perceived to be a lack of shared ownership and responsibility amongst the three organisations for promoting the Extended Payments Scheme. Several respondents from different areas and organisations believed that it was not their organisation's responsibility to promote and advertise the scheme. One local authority respondent said:

'The main impetus [for publicity], and rightly so, as it's a Benefits Agency scheme really, did come from them.'

(37, Manager, Local Authority)

Some Benefits Agency and Employment Service respondents viewed the scheme as a local authority responsibility, because it was concerned with Housing Benefit and Council Tax Benefit which were administered by local authorities.

Only a few of the respondents, from four different districts, were 'happy' or 'satisfied' with the level of publicity for the scheme. These respondents felt that the amount of publicity for, and promotion of, Extended Payments was typical for a scheme of this type and felt that the publicity which took place was successful:

'It seems to be [successful], people come in and ask about it, if they have not already been told.'

(81, Client Adviser, Employment Service)

'It definitely was [successful] because so many people were taking up on it'

(5, Receptionist, Benefits Agency)

Only two respondents believed it was 'too difficult to assess' the impact of the publicity.

3.2 Perceived Take-Up of Extended Payments

Almost all of the respondents in the case study and the telephone interviews felt that the take-up of the Extended Payments Scheme was both less than expected, and lower than that for comparable schemes. Respondents from the local authorities were the most critical of the scheme's take-up rate.

Only a few respondents would agree with the Client Adviser from London who described the take-up as 'quite high'. Three other members of staff said that the take-up of the scheme was only as low as would be expected for a new scheme of this type.

Respondents were asked to estimate the number of Extended Payments cases they dealt with each week. Respondents who were able to estimate a number, tended to say that their office had less than ten enquiries or claims for Extended Payments per week. This perceived low take-up of the scheme extended across all offices and all four areas.
A few respondents, all of whom were front-line staff and from all four areas, had never had anyone mention or enquire about the scheme. These staff had never given out an Extended Payments application form and they agreed that staff and claimants' awareness of the scheme was 'poor'.

Some respondents could not say how many enquiries or claims for Extended Payments were made in a week, but they all agreed that the take-up rate was low or very low. Managers from all three organisations were the least likely to know how many claims for Extended Payments their office dealt with. Staff from local authorities appeared most aware of the take-up of the scheme locally, with Employment Service respondents being the least knowledgeable and Benefits Agency staff falling somewhere in between.

Respondents, when asked for their explanations for the low take-up of the scheme mentioned one or more of the following:

- lack of publicity for Extended Payments (see Sections 2.2.1 and 3.1.3);
- low staff awareness and knowledge of the scheme;
- static unemployment/the ‘26-week condition’ rule;
- more than one organisation involved in administering the scheme (see Section 3.1.3);
- the plethora of schemes and publicity (see Section 3.1.3); and
- the initial shortage of Extended Payments application forms (NHB 1EP) (see Section 2.4.1).

The second and third of these reasons are discussed below; as indicated, the other reasons have been discussed previously in this report.

3.2.1 Low staff awareness and knowledge of the Extended Payments Scheme

Lack of staff awareness and knowledge of the scheme was cited by some respondents as a reason for the low take-up of Extended Payments. There were several reasons given by respondents for this lack of staff awareness:

- poor staff training (see also Section 2.3.2). Several local authority respondents felt that Benefits Agency staff were not only unaware of the scheme but also gave out the wrong information to claimants:

  'The wrong advice is being given by staff, differing from organisation to organisation.'  
  (28, Manager, Local Authority)

- the use of inexperienced and casual staff combined with the relatively high levels of staff turnover in Employment Service Jobcentres meant that there was relatively little staff expertise and experience of the scheme in Jobcentres; and

- perceived poor management of the scheme:
"The scheme seemed to have been brought in a hurry ... Advertising and back-up for staff and advisers wasn’t done as fully as it should have been ... There are a lot of people and a lot of staff that don’t understand its workings fully."

(23, Receptionist, Benefits Agency)

The staff expressing these views came from all three organisations, and across all areas and staff grades.

Respondents from the local authorities, although aware of some problems with their own staff’s level of understanding, were the most critical of staff awareness and knowledge within the other two organisations:

'A combination of problems since its implementation that have emanated from total lack of awareness and training by Benefits Agency and Employment Service staff about the whole purpose of the scheme and what it’s about, particularly Employment Service ... When someone takes a job, it’s not part of Employment Service staffs’ instructions to give out information on the scheme or to hand out an application form.'

(1, Processor, Local Authority)

'People made enquiries at the Benefits Agency and Employment Service but were told that [the Extended Payments Scheme] didn’t exist.'

(18, Manager, Local Authority)

3.2.2 Static unemployment/ the ‘26-week condition’ rule

Low take-up of the scheme was also attributed to a shortage of suitable job vacancies within several districts, particularly in the London area. Claimants who fulfilled the ‘26-week condition’ (see Section 1.1.2) were long-term unemployed, and some respondents pointed out that these were the claimants least likely to move off out-of-work benefits into work.

Several respondents also argued that those claimants moving in and out of work on short-term contracts who could have benefited from the scheme did not qualify as they were often not in receipt of out-of-work benefit continuously for 26 weeks. In one district every respondent mentioned this as a major contributor to the low take-up of the scheme.

'A lot of people are in short-term jobs so they don’t meet the six-month qualifying period, and those that do have been unemployed for years and not likely to get jobs.'

(57, Processor, Benefits Agency)

'A majority of people who sign off haven’t actually claimed for the 26 weeks.'

(58, Receptionist, Benefits Agency)

'There is a static unemployment register, customers tend to be unemployed for long periods of time ... I would expect the numbers coming off of the unemployment register and finding work to be low anyway.'

(56, Manager, Benefits Agency)

This problem was also evident in one of the case study districts where a large computer manufacturer provided work for large numbers of people on
short-term contracts and then released them for a period before re-hiring. As a result these claimants were not eligible for Extended Payments.

An implication of this is that the take-up rate for Extended Payments could, in fact, be higher than perceived by some respondents. If the number of long-term unemployed leaving out-of-work benefits was small, then the absolute number taking up Extended Payments must also be relatively low.

3.3 Processing Extended Payments

The staff respondents had different perceptions about the effectiveness and efficiency of the Extended Payments process. Whilst many felt that there were few, or no, problems with the processing of Extended Payments, the remainder highlighted various problems or issues.

The respondents who suggested that there were no problems tended to believe that this was due to the low number of applications, which were seen as ‘not enough to cause any real problems’. These respondents came from all three organisations and all staff grades.

However, there were several problems or issues identified with the claims process. Whilst many of these were evident during the implementation of the Extended Payments Scheme (c.f. Chapter 2) and some had been resolved, there were others which at the time of the research remained outstanding and were causing staff some inconvenience and frustration. It is these ongoing concerns which are discussed in this section. They were as follows:

- Benefits Agency and Employment Service staff not properly completing the ‘For official use only’ sections of the Extended Payments application forms (NHB 1EP);
- delays in processing Extended Payments claims;
- the operation of the eight-day rule; and
- lost forms.

3.3.1 Incomplete application forms

Several respondents said that they had received incomplete application forms, some on a regular basis, from the Benefits Agency and Employment Service. This problem was mentioned by respondents from all four areas, and by managers and front-line staff from local authorities and the Benefits Agency.

‘Sometimes the information that [the Benefits Agency] completed is incorrect.’

(19, Processor, Local Authority)

The information missing could be the date stamp at the top of the form or the certification by the Benefits Agency that the claimant fulfilled the ‘26-week condition’ (c.f. Sections 1.1.2 and 1.1.3).
'I'll tell you the very simplest thing is the three boxes at the top of the application form, it clearly says please date stamp, invariably in 99.9 per cent of cases we get in there the Employment [Service] or Benefits Agency address stamp.'

(2, Processor, Local Authority)

'The one problem that we have encountered is the fact that quite a lot of the time we have to return forms to the DSS because they haven't actually completed their panel on the back of the form, they don't fill out the bits so we can't process it because the information that we need from the DSS isn't there, so again the delay is not so much the person claiming it, it's the DSS not completing the form'.

(64, Processor, Local Authority)

These omissions from the forms could lead to contacts between the local authority and usually the Benefits Agency. Two Benefits Agency managers, for instance, reported that they had been informed about incomplete forms by staff from the relevant local authority:

'it's been highlighted to me by [local authority staff] that the claims are not being authenticated.'

(3, Manager, Benefits Agency)

'We have regular liaison meetings with the local authority and they have brought to my attention on a couple of occasions problems where forms haven't been completed correctly, bits and bobs have been missed off the forms.'

(56, Manager, Benefits Agency)

3.3.2 Processing delays

Most staff respondents had experience of delays in processing Extended Payments claims. These respondents came from all four areas and from across all staff grades.

There were several reasons given by respondents for the delays in processing Extended Payments claims:

a) low Benefits Agency and Employment Service staff awareness and knowledge of the Extended Payments Scheme;

b) heavy workloads/backlogs of work;

c) the Income Support computer system not generating a notice of benefit termination;

d) confusion over the qualifying period; and

e) the use of remote processing sites.

a) Staff awareness

Many of the staff respondents believed that relatively low awareness and knowledge of the scheme amongst staff had led to delays in processing. The main problems cited were that Benefits Agency and Employment Service staff:

9 Remote processing centres primarily serve some of the London Benefits Agency offices; at these sites much of the processing of claims is conducted. There are remote processing centres in Belfast, Glasgow and Makerfield.
• did not complete the forms properly (see Section 3.3.1 above);

• were not aware of where to send forms once completed:

‘[Benefits Agency and Employment Service staff] ... don’t know where the forms need to go, so I’ve had forms arrive here with eight or ten stamps on.’

(47, Manager, Local Authority)

and;

• misinformed claimants about the scheme.

b) Staff workloads  Heavy workloads or backlogs of work within offices were believed by some respondents to cause delays in the processing of Extended Payments. A few respondents, mainly front-line staff from local Benefits Agency offices in London, felt that due to pressures of work Extended Payments forms were not being processed as quickly as they should have been, particularly by the Benefits Agency. This problem was exacerbated in two districts where Benefits Agency staff were understood to be holding on to the forms and not passing them on to the relevant local authority as quickly as possible. A supervisor who was newly appointed to one of the sections concerned could not explain why the backlog of application forms had built up. In the other district a respondent attributed the storing of the forms to an internal communications problem.

Some respondents mentioned that they prioritised the processing of Extended Payments application forms over other claims. These respondents said that the forms for Extended Payments were distinctive and ‘easy to spot’ and hence they could be dealt with straight away. However, in one case study district respondents felt that Extended Payments did not need processing any faster than anything else and they were still processed on time.

Competing work priorities were also seen by one Benefits Agency respondent to delay the processing of Extended Payments:

‘I do understand that it is a 24-hour turnaround but I wouldn’t say that we do actually adhere to that. Again it’s very much driven by the volume of work that is around at the time. The staff are aware that they are a priority form, those that receive them, but obviously it’s a competing priority.’

(68, Processor, Benefits Agency)

c) No notice of benefit termination  In the South Western England case study, and in other districts in Scotland, several front-line staff from the local authorities believed that one of the main problem causing delays in the processing of forms was that they received no, or a late, notice of termination of benefit from the Benefits Agency (c.f. Section 1.1.3). Often these respondents said that they could not process an Extended Payments application without this notice:
If the [Benefits Agency] have not contacted us that their Income Support has been cancelled we then have to contact them to get a date when it was cancelled so that we can work out the four weeks.'

(10, Processor, Local Authority)

Some Benefits Agency respondents complained that they experienced difficulties with the Income Support computer system. It could, they said, fail to generate a notice of benefit termination when one was expected. In the Scottish discussion group a possible reason for this was suggested:

'... there was a fundamental problem with our computer systems in that we couldn't actually generate the NHB form that tells you that Income Support has stopped until we got the instrument of payment back ...'

(G4, Manager, Benefits Agency)

A few local authority respondents also claimed that the computer system could produce a notice of benefit termination when one was not required, albeit this could be based on a misunderstanding about the circumstances under which such a notice was produced by the system.

d) Confusion over qualifying period  A few respondents, from local authorities in one area, said that confusion over the qualifying period of 26 weeks continuous benefit receipt was causing delays. These respondents alleged that Benefits Agency staff were mistakenly certifying claimants as being in receipt of benefit for more than 26 weeks when they were not, or that they had not met the '26-week condition' when they had:

'We're still getting some [forms] where they say they didn't qualify when perhaps they should have done or the other way round. Well, we know we haven't had them on benefit for six months and yet [the Benefits Agency] are saying they qualify and if you query it - oh yes, I was wrong, I must have been having a bad day.'

(48, Processor, Local Authority)

'We've also had problems with time periods and when people aren't entitled to their 26 weeks, not been in receipt of the relevant benefit, [the Benefits Agency] actually said that they have been, and certified them for us to pay and it's only when we actually look at the system and say they can't possibly be that we have to refer them back.'

(47, Manager, Local Authority)

e) Use of remote processing sites  Two respondents (both from a Benefits Agency in the London area) felt that because their local offices were linked to a remote processing site and Extended Payments claim forms were sent across more than three offices, this caused unnecessary delays.

3.3.3 Operation of the eight-day rule  Several staff respondents believed the eight-day rule gave many otherwise eligible claimants insufficient time to make a valid claim:

'What's always prominent with me is the number of days that they're allowed to process the application which seems ridiculously short really ... and you know you
only need a bank holiday weekend or something like that and you’re up to that time limit really.’

(23, Receptionist, Benefits Agency)

‘At one stage I don’t think we were even clear when the clock stopped ticking ... I don’t think it was clear to us at the very beginning how tight it was on the eight days.’

(24, Manager, Employment Service)

The various reasons given for this were:

- given that claimants had other priorities and tasks to undertake, there was insufficient time to complete the application form:

‘[The claimants] don’t quite grasp the urgency of it. They don’t return the form back within the time limit no matter how much staff emphasise that it has to be returned quickly.’

(8, Interventionist, Employment Service)

‘... it is a very strict time limit, we don’t have anything else where they have so little time to act, and if you consider you’re taking on a new job you’ve got your first week to sort that out, obviously people have got a lot of other things on their mind at the same time ...’

(38, Processor, Local Authority)

‘... I think the seven-day [sic] issue is critical and I think by the time somebody knows they’ve got a job and make some decisions and are going to start I think just seven days is fairly quick for somebody to get it all sorted ... so the more I’ve got involved with it the less I think seven days is realistic.’

(43, Manager, Employment Services)

- claimants were told too long before they started work to remember to apply when they moved off benefit:

‘Clients don’t take it in when they are told about it at their six-monthly interview, because it is not an immediate benefit. They are not reminded of it when they start work and they forget to apply for it.’

(7, Client Adviser, Employment Service)

- potential claimants who did not visit or telephone the office to sign off were less likely to hear about the scheme:

‘Because clients don’t actually sign off at the Benefits Agency, they don’t tell anyone and are then too late to apply.’

(2, Processor, Local Authority)

‘What they do is they get a job and they just don’t tell anybody, they just don’t sign on again and in another fortnight’s time ... it’s too late to actually have the Extended Payment ...’

(19, Processor, Local Authority)

‘... we don’t get the opportunity to tell them because they don’t ring us up and say “I’m starting work on Monday”, they send their book back and say “I started work last Monday”...’

(G15, Processor, Benefits Agency)

and;

- the lack of publicity about the scheme and its rules meant eligible claimants did not know about the deadline.
The perception that the time limit was too short was shared by staff across all organisations, with slightly more staff in the local authorities taking this view. This could be expected as it was local authority staff who were more likely to have the responsibility of informing a claimant that their claim was unsuccessful because their form had not been received on time.

Criticism of the eight-day rule was also much more likely to be made by managers and processing staff and much less by Client Advisers and interventionists. Again, this was probably because these staff would be less likely to tell a claimant that their claim had been rejected. With regard to area, the eight-day rule was seen as problematic by more respondents in South Western England and the Midlands than elsewhere.

None of the respondents expressing these views mentioned the 14 days claimants had to make an application before they left benefit. However, this period of time was available only to those who knew about the scheme in advance of leaving benefit. Instead, many respondents reported that eligible claimants were not informed until they signed off.

In addition, respondents from more rural areas were more likely to highlight this issue. In rural areas, claimants tended to sign off by post or telephone because of the cost or inconvenience of visiting local offices. As a consequence, they were less likely to be informed by staff about the Extended Payments Scheme and to complete a claim form.

Some staff respondents were critical of the fact that claimants could not appeal, even on 'good cause' grounds, for not meeting the eight-day deadline.

'... it's one of those black and white things, you know, if you have it within the eight days ... then fine, if it's on the ninth day, no they can't have it irrespective of whether they can show good cause for the delay in their application, there's no facility within the regulations to backdate any claim even though the person may have acted with the utmost reasonableness and that the delay wasn't all their fault, wasn't due to anything they had done or had failed to do.'

(37, Manager, Local Authority)

'... the anomaly with no good cause for backdating if they don't claim within the eight days. Whilst I can see the sense in it, it doesn't fit with the rest of the benefits legislation ... I don't think it's particularly fair given the poor publicity that it seems to have got ...'

(74, Manager, Local Authority)

In one district, the Benefits Agency and local authority staff appear to have colluded to alter some claimants' applications in order to ensure that they met the eight-day rule. A local authority respondent alleged that local Benefits Agency staff would alter the office's date stamp and re-stamp the form so that it fell within the eight days. Such action is a serious breach of the Agency's rules.
There was, however, in the London discussion group, one local authority respondent who defended the eight-day rule. She pointed out that the Extended Payments application form had to be received by the local authority at the same time as the notification of cancellation of benefit in order to avoid a break in Housing Benefit and Council Tax Benefit (c.f. Section 1.1.3).

3.3.4 Lost forms Most of the respondents who felt that there were problems with the processing of Extended Payments identified ‘lost forms’ as an issue. These respondents were from all areas, but in particular from the London area. Most of these respondents did not offer an explanation as to how the forms were lost. However, those that did, believed they were ‘lost in the post’.

'I've been here long enough to know things go walkies.'

(81, Client Adviser, Employment Service)

'The most recent example I can think of was last week when a girl came in and started work, something like 13th March, and she came in and she wasn't starting the job until 7 o'clock that evening so she had time to come into the office, completed the [Extended Payments] form and handed it in ... She then had a letter telling her that she was in arrears, and she was quite frantic and I said “Fair enough, I believe that you handed it in” but the form had just gone missing. Talking to the Benefits Agency staff, [the member of staff] says she has a process of recording it on the computer when these forms are handed in, so she said “I don't understand why it's not been recorded as being received” and secondly she said it could still be hanging about in the building or sent to the wrong housing office or you know just been redirected in the mail and it could take a couple of weeks to reach her.'

(8, Interventionist, Employment Service)

3.4 Processing Fast-track Claims A fast-tracked claim was a new or fresh claim for standard Housing Benefit/Council Tax Benefit. Each local authority had its own version of the claim form, which was sent out automatically when the authority received notification that a claimant had left Income Support or Jobseeker's Allowance. Each weekday, local authority staff would receive a pile of Housing Benefit/Council Tax Benefit claim forms. Although a fast-tracked claim was made on the same application form as a non-fast-tracked claim, staff did not report any difficulties in identifying fast-tracked claims. This was partly because staff might have previously marked the form as a fast-tracked claim, or because staff knew their caseload and could easily sift out those claims to be fast-tracked.

The fast-tracked claims could be processed either by certain members of staff, such as a team leader, because such claims were rare or required a high level of clerical action, or by any member of staff on the processing section.

In most of the local authorities, fast-tracked claims were picked out from the other claims and processed first. In one of the case study authorities, however, this was not seen as necessary. Processing staff at the local authority
were usually able to clear any fresh claims within a working day. Thus, fast-tracked claims were dealt with as staff came across them in the pile of claim forms.

'[I] ... just try and remember to do it as soon as I get it and don’t have to worry then about the dates and times and everything, if you do it straightaway then you’re OK ...'  
(G16, Processor, Local Authority)

Determining a fast-tracked claim was more complex than an Extended Payments claim because the 'normal' rules for Housing Benefit and Council Tax Benefit applied. Some respondents highlighted the difficulty of meeting the Fast-track Incentive Scheme time limits (to earn subsidy) and having all of the documentation necessary to determine a claim. In particular, it might not be possible to obtain copies of all of the weekly wage slips needed to assess a household’s income:

'... you can’t physically have the five payslips within that four-week period.'  
(75, Processor, Local Authority)

Local authority respondents from three districts overcame this problem by making an interim assessment on the claim using the first wage slip or a letter from the employer specifying the gross wage. At a later date the claim was reviewed and any adjustments to the benefit rate made. Adopting this more 'liberal' interpretation of the evidence required to establish entitlement meant that the claim was fast-tracked, the claimant received his/her benefit promptly and the local authority could obtain extra subsidy.

Other than this problem, staff did not report any difficulties with processing fast-tracked claims. However, this might be because of the low volume of cases they had to process. It is conceivable that a higher take-up rate of fast-tracked claims would have caused local authorities problems in meeting the set time limits.

Several of the local authority respondents perceived a close inter-relationship between the Extended Payments process and the fast-track process. Indeed, one local authority manager argued that it was necessary to get the Extended Payments Scheme working properly, before any changes to the Fast-track Scheme should be considered.

3.5 Liaison Arrangements for Extended Payments

This section considers the inter-organisational liaison arising from administration of the Extended Payments Scheme. As with implementation there appears to be no such liaison on the Fast-track Incentive Scheme. Liaison arrangements during the implementation of Extended Payments are discussed in Section 2.5.

Liaison occurred at two levels: first, liaison about specific cases; and secondly, at regular, say, quarterly, forum/consortium meetings. The former tended to involve processing and reception staff, occurred on an ad hoc basis, and were
often made by telephone or fax and occasionally in writing. The latter could cover a range of issues and benefits and were usually attended by Benefits Agency and local authority staff.

Although some of the staff respondents knew that there were local Service Level Agreements in operation, only a few could specify how any agreement covered Extended Payments. Indeed, some said that the Extended Payments Scheme did not fall within the scope of the Service Level Agreement. In most cases, therefore, liaison on Extended Payments occurred without recourse, or reference, to Service Levels Agreements.

The respondents’ experiences of liaison were varied. Most had some direct experience of liaison, mostly of case-specific type. All three organisations had respondents involved in inter-organisational liaison. However, local authority-Benefits Agency links were more common than local authority-Employment Service contacts. Indeed, Employment Service respondents were usually not engaged in liaison over Extended Payments. In particular, Client Advisers and Interventionists were not involved in liaison to the same degree as front-line staff from local authorities and the Benefits Agency.

There were no area variations in whether or not respondents were active in liaison over Extended Payments.

The main reasons given for case-specific liaison were:

• the Benefits Agency provided incorrect information on a claimant’s eligibility, in particular, someone might be deemed to have met the ‘26-week condition’ when they did not, and vice versa (see Section 3.3.2);

• the Extended Payments application forms (NHB 1EP) were not complete (see Section 3.3.1);

• local authorities did not receive notification from the Benefits Agency that a claimant had left benefit (see Section 3.3.2);

• complaints where an eligible claimant had not been informed of the Extended Payments Scheme;

• potentially eligible claimants being issued copies of the application form nine or more days after they had left benefit when they were no longer entitled to Extended Payments;

• Extended Payments application forms missing or believed to be lost and one organisation checking that a form had arrived at another (see Section 3.3.4);

• a claimant wanting to know why they were assessed as not eligible for Extended Payments; and

• in one instance, the issue of forms by Fraud Officers to ineligible claimants.
Most of this liaison was generated by the local authorities.

Although much of the liaison was focused on specific problems, relationships between local authorities and the Benefits Agency and between the Benefits Agency and the Employment Service were frequently described as 'good'. There was some agreement amongst the agencies' respondents that Benefits Agency-Employment Service relations had improved with the introduction of Jobseeker's Allowance and the movement of staff between the two Agencies.

The research, especially the case studies, emphasised the dynamic nature of inter-organisational relationships. In one district, the Chief Benefit Officer perceived a deterioration in local authority-Benefits Agency liaison arrangements and levels of co-operation. The Benefits Agency had, for financial reasons, abolished its liaison officer post and this had led to less liaison between the two organisations. This was confirmed by the Business Manager at the Benefits Agency, although he was sceptical of the value of the previous level of liaison. The Chief Benefit Officer was also critical of the liaison with the Employment Service, which she believed was undermined by high staff turnover at the local Jobcentre. In another district, however, the Benefits Agency Business Manager was hoping to resurrect liaison arrangements with the local authority.

3.6 Staff Respondents’ Suggestions for Improvements to the Operation of the Extended Payments Scheme

Whilst the staff respondents made a number of suggestions for operational improvements to the Extended Payments Scheme, they also recognised it as having the following advantages:

- the claiming process was straightforward;
- claimants received a quick decision on their claim;
- the scheme offered good customer service; and
- the scheme allowed local authorities more time to assess an in-work claim for benefit.

There were, however, a number of issues which they equally wished to be addressed, and they made two suggestions for improvements to the operation of the Extended Payments scheme:

- better publicity and advertising; and
- increased staff awareness of the scheme.

3.6.1 Better publicity and advertising

Most of the respondents suggested that the Extended Payments scheme needed to be better publicised and they identified a number of ways in

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10 That is, the principal officer within the local authority with lead responsibility for the administration of Housing Benefit.
which this could be achieved. For example, many suggested that there should be posters and leaflets within the local offices of the three organisations as well as in other public areas, such as libraries or post offices:

'I think the [Department of Social Security] need to tell people ... and if we had leaflets in the council building telling them all about it.'

(11, Receptionist, Local Authority)

It was also thought that all local authorities should hold a stock of the application forms (NHB 1EP). In addition, some respondents felt that the information given to claimants could be made clearer, such as emphasising the eight-day time limit or clarifying the correct Agency to which to return completed application forms. Another idea was to change the name of the scheme so that it meant something to claimants:

'... perhaps call it something else ... extended payments don't really mean an awful lot to a lot of people ... could be something like 'rent-free for 4 weeks' - something that strikes home.'

(7, Client Adviser, Employment Service)

It was also suggested that there should be more publicity on a local and national level through television, newspapers and the radio. Several respondents suggested that it should be advertised on the same scale as Family Credit:

'... television advertising gets it home to people ...'

(22, Processor, Benefits Agency)

'... there should be publicity in the local press because we've got several free papers that go out so, obviously, a page in there with all the back-to-work incentives would be great ... in papers such as Jobs and Careers, as well, that we have in the office ...'

(35, Interventionist, Employment Service)

Including information about the scheme in Income Support orderbooks, or in a letter accompanying a claimant's final benefit payment or P45 was another suggestion made by respondents:

'It would seem far more logical that something went out with the final payment of Income Support ...'

(18, Manager, Local Authority)

Others thought that the scheme could be advertised as part of a package of different back-to-work incentives such as Back-to-Work Bonus, Family Credit and the National Insurance Contributions holiday for employers. Also, one respondent thought that employers could bring the scheme to the attention of new recruits.

The respondents who suggested more publicity and advertising were more likely to come from the Benefits Agency and Employment Service, although quite a few local authority staff also made this suggestion. Front-line staff, particularly receptionists and processors, were more likely than managers to call for more publicity. This is presumably because they had more direct contact with the public who they perceive as, typically, being unaware of the
scheme. Staff from all four areas made the suggestion, although more staff from the London area tended to make this point.

3.6.2 Increase staff awareness of the scheme

Several respondents felt that staff awareness should be increased so that staff would remember to advise claimants about the scheme. For instance, it was felt by many that there should be more staff training, and some local authority staff felt that the need for this was greatest in the Benefits Agency and Employment Service.

'I think the Benefits Agency staff need more training ... we found that when we were ringing up they didn't really know anything about it and we were telling them and they didn't know.' (76, Receptionist, Local Authority)

'... more publicity material should be aimed at the actual staffing than members of the public.' (81, Client Adviser, Employment Service)

It was also suggested that computer systems could be changed in order to prompt staff to target eligible claimants.

The view that staff awareness should be increased was held by respondents from all three organisations, though it tended to be made more frequently by Employment Service staff. Apart from receptionists, front-line staff were more likely than managers to take this view, as were staff from London.

3.7 Conclusion

Issues surrounding the delivery of Extended Payments and the fast-tracking of in-work Housing Benefit and Council Tax Benefit claims have been discussed in this chapter. The focus has been on the promotion and publicity given to the Extended Payments Scheme, the reasons for the perceived low take-up of Extended Payments, problems associated with processing Extended Payments, issues connected with the Fast-track Incentive Scheme, liaison arrangements for the Extended Payments Scheme and staff respondents' suggestions for improvements to the Extended Payments Scheme.

There are a number of issues which emerged more than once under these headings. First, there was the belief that the Extended Payments Scheme was not adequately publicised and promoted. Secondly, it was thought that staff training in the agencies had not sufficiently equipped staff to promote the Extended Payments Scheme or to ensure that procedures for correctly processing applications were adhered to. Thirdly, and related to the two previous points, the Extended Payments Scheme was seen as 'one of many' schemes and its impact was diminished because it was not distinctive enough to be noticed by either staff or claimants. Fourthly, staff perceived the eight-day rule for the submission of application forms to be unfair because there was no appeal allowed on the grounds of 'good cause'. Finally, there was relatively little liaison between the three organisations with respect to the administration of Extended Payments. Indeed, there was effectively no shared ownership or responsibility at local level for the Extended Payments Scheme.
Overview

Awareness and knowledge of the Extended Payments and Fast-track Incentive Schemes varied widely. This chapter explores both staff (Section 4.1) and the welfare rights officers' (Section 4.2) understanding of the two schemes.

Any assessment of people's knowledge is problematic - they might feel uncomfortable if the interviewer appears to be directly testing them. Accordingly, the following is based on the respondents' descriptions of the schemes and the research team's interpretation of how well they understood the two schemes. There is the possibility that if, for instance, a respondent forgot to specifically mention one of the eligibility criteria we have erroneously concluded that (s)he did not know it. Despite this proviso, the similarity between the respondents' accounts strongly suggests that the following gives a valid and reliable description of their awareness and knowledge of the two schemes.

4.1 Staff Awareness and Knowledge of the Schemes

Local authority respondents were, on the whole, aware of the Fast-track Incentive Scheme. They also tended to know the eligibility criteria and could accurately describe the claiming process. Benefits Agency and Employment Service staff are not directly involved in processing fast-tracked in-work benefit claims (c.f. Section 1.1.3) and consequently respondents from these organisations were not familiar with the scheme. Indeed, a large majority of these respondents had no knowledge of its existence, and this section will, therefore, concentrate on staff's awareness and knowledge of the Extended Payments Scheme.

Staff respondents' awareness and knowledge of the Extended Payments and Fast-track Incentive Schemes appeared to be related to:

- the amount and type of training respondents received (see Section 2.3); and
- their use, or level of contact with, the scheme(s). Front-line staff had more contact with claimants and the schemes and their knowledge of the schemes seemed to be better than that of their managers, who tended to have more of an overview of the scheme(s).

All of the respondents interviewed in the case studies, telephone interviews and group discussions\(^\text{11}\) were aware of the existence of the Extended Payments Scheme. All but two of the staff respondents knew that the scheme

\(^{11}\) Responses from the group interviews, however, are not an accurate guide of staff understanding of the eligibility criteria, as several of the participants made use of official circulars on the Extended Payments Scheme during the course of the discussions.
provided an extra four weeks Housing Benefit and Council Tax Benefit for claimants moving into work, and some also stated that the scheme was available to those increasing their hours of work.

Although the staff respondents were aware of the Extended Payments Scheme, only a few could fully explain the eligibility criteria and describe the claiming process in full (c.f. Sections 1.1.2 and 1.1.3). Most staff mentioned only one or two of the eligibility criteria, with managers in the case study and telephone interviews being generally unable to recall any. The most often recalled criterion was the 26-week rule; this was mentioned typically by front-line staff from all areas and organisations. The respondents also tended to mention the eight-day rule. These respondents were from all areas, staff grades and all three organisations. The five-week rule, where a claimant’s new job or increased hours must be expected to last for at least five weeks’ was recalled by several respondents. A few were aware also that claimants over 60 could not make a claim (see Section 1.1.2).

The processing of the application forms was understood by respondents to varying degrees, depending, again, on their amount of contact with the scheme. Each respondent understood their Agency’s role in the process. Some respondents from both the Benefits Agency and Employment Service were unsure of what happened to the forms after they left their Agency and a few questioned the need for their involvement.

‘It’s a local authority benefit administered by them, I don’t see the need for our involvement.’ (Case Study, Manager, Benefits Agency)

In addition, a few respondents incorrectly gave details about the eligibility criteria for Extended Payments. For example, some stated that the qualifying period was 12 months and not six months.

Respondents who worked on the front line were most aware of the eligibility criteria, certainly of the qualifying period and the eight-day rule. Managers from all three organisations recognised that their staff ‘would know more about the details of the scheme’. This is because as managers of staff and other resources they did not need to know the technical details of either scheme.

Some Employment Service managers in the case study districts believed that front-line staff were ‘more familiar with the scheme as their pay depends on their performance, they have an incentive to give the right information’ and ‘they use everything they can to get people back into work’.

Local authority staff had the ‘best’ understanding of the technical aspects of the scheme. Again, this was probably related to use of the scheme, as local authorities were the most involved with the processing of the benefit. Those managers who knew the eligibility criteria tended to be from the local authorities.
However, most local authority respondents when describing the qualifying benefits for Extended Payments mentioned Income Support only. A few also referred to income-based Jobseeker’s Allowance. Indeed, the two case study local authorities which had produced posters had omitted any reference to Jobseeker’s Allowance\textsuperscript{12}, and referred only to Income Support (see also Section 3.1.3). It is conceivable that the local authority respondents were using ‘Income Support’ as a shorthand for both benefits, particularly as Jobseeker’s Allowance had been only recently introduced and the terminology might still have been unfamiliar. Nevertheless, at least two authorities had misleading posters.

Benefits Agency and Employment Service staff were less aware of the scheme. This was most apparent in the case studies, where staff were typically unaware of the eligibility criteria for the scheme and the details of how Extended Payments application forms (NHB 1EP) were processed. Respondents from the Benefits Agency and Employment Service could get specific details wrong and did recognise that they were ‘not experts’.

4.2 Welfare Rights Officers’ Awareness and Knowledge of the Schemes

All of the welfare rights officers were aware that the Extended Payments Scheme existed and that it provided eligible claimants with four weeks extra Housing Benefit and Council Tax Benefit. However, only one of the welfare rights officers was aware of the Fast-track Incentive Scheme and knew how it worked:

\[\text{'[The claimant] may still be entitled to in-work Housing Benefit, so then [after the extended period they] can make a claim for this which should be fast-tracked.']\]

(WRO5, Scotland)

4.2.1 Awareness and knowledge of the eligibility criteria

Most of the welfare rights officers were aware in general terms of the eligibility criteria for the Extended Payments Scheme. When asked, most reported that they would ‘have to look it up each time’ to check details of the scheme. Nevertheless, with one exception, all respondents made the distinction between income-based and contribution-based Jobseeker’s Allowance, and knew that it was only income-based Jobseeker’s Allowance that qualified.

All the welfare rights officer interviewed knew about the existence of a time limit for applications; however, they did not always know the exact number of days. Respondents also knew that claimants had to be unemployed for ‘quite a long period’ but could not always state exactly how long. Some respondents were also aware that the job had to last for at least a certain period of time, but, again, were unsure of the time period. Indeed, one respondent incorrectly quoted eight weeks.

\textsuperscript{12} The posters had been on display both before and after the introduction of Jobseeker’s Allowance.
4.2.2 Information and training

None of the welfare rights officers received any formal training about the Extended Payments and Fast-track Incentive Schemes. Most of the respondents read materials produced by either the Citizens Advice Bureau or the Department of Social Security and felt that this was typical of how they found out about such schemes.

Two respondents, from different areas, felt that they were made ‘fully aware’ of Extended Payments before its introduction. These respondents heard about the scheme in October 1995 through the Citizens Advice Bureau’s circulars and specialist welfare rights bulletins. The other respondents were made aware of the scheme through similar routes, Housing Benefit/Department of Social Security circulars and Citizens Advice Bureau update programmes, at around the time that the Extended Payments Scheme was introduced. One respondent was not sure how she had heard about the scheme.

All respondents felt that they were familiar with the scheme and would suggest it to those who appeared eligible. Only one respondent said that they did not usually remember to do this:

‘It’s not something at the front of my mind.’

(WRO1, South Western England)

4.2.3 Awareness of the claims process

Most of the welfare rights officers could explain the application process. All respondents knew where a claimant should go to collect a form, and all but one welfare rights officer understood that there were three organisations involved and knew, basically, the role of each one.

4.2.4 Welfare rights officers’ experience of Extended Payments

The welfare rights officers interviewed had relatively little experience of dealing with claimants who had made, or were about to make, an Extended Payments claim. None had dealt with more than six claimants enquiring about the scheme since its introduction, and one welfare rights officer reported:

‘Nobody has ever asked us about it.’

(WRO5, Scotland)

Welfare rights officers had mentioned the scheme to claimants who they felt were eligible, normally when a claimant asked them for a ‘better-off’ calculation. In one Citizens Advice Bureau, Extended Payments had been added to the ‘better-off’ calculation on the computer to prompt advisers to suggest the scheme to claimants.

All but one of the respondents had dealt with claimants who had either applied for the Extended Payments Scheme and were dissatisfied with the result, or were not made aware of the scheme until it was too late to apply. Several respondents gave examples of cases that they had dealt with:

‘One claimant was hugely frustrated, he heard about the scheme afterwards, he had read about it in the little newspaper that the Jobcentre produces, Benefits News...’
or something. The claimant was very frustrated because he had read about it and there was no publicity anywhere. Another claimant filled in a form with a member of staff at the Jobcentre who was on the ball, but the form never got to the appropriate benefits section in time.' (WRO1, South Western England)

All of the respondents believed that they were familiar enough with Extended Payments to comment on its implementation and operation.

They were all critical of the publicity for the scheme and most could not recall any:

‘If it wasn’t for our internal publicity none of the advisers would have known anything about it.’ (WRO2, South Western England)

Although all of the respondents saw the Extended Payments Scheme as essentially a work incentive, but none of them felt it achieved its aim due to a perceived low level of awareness about the scheme amongst claimants.

Other problems identified with the Extended Payments Scheme were low claimant and staff awareness, the ‘tight time limit’, the lack of appeal rights, and the ‘tight criteria’ in general.

4.3 Conclusions

The understanding which staff and welfare rights officers had of the Extended Payments and Fast-track Incentive Schemes has been considered in this chapter. Generally, their levels of awareness and knowledge about the schemes were relatively low.

To promote the schemes effectively, staff ought to know about them in detail. Yet, the staff respondents possessed only patchy knowledge of the schemes. Indeed, most Benefits Agency and Employment Service staff respondents had not heard of the Fast-track Incentive Scheme. Knowledge of Extended Payments was highest amongst front-line and local authority staff; that is, those most involved with the day-to-day operation of the scheme. Even so, a few Benefits Agency and Employment Service front-line respondents gave incorrect information about the Extended Payments Scheme to members of the research team.

The welfare rights officer respondents were in many respects similar to the staff respondents in their understanding of the two schemes. They knew some of the features of the Extended Payments Scheme (for example, where to collect claim forms) but would have to check details in a guide or manual. Only one of the advisers was aware of the Fast-track Incentive Scheme. They had relatively little actual experience of Extended Payments claims.
5 THE SCHEMES AS WORK INCENTIVES

Overview This chapter considers staff respondents’ views about the efficacy of Extended Payments and the Fast-track Incentive Schemes as work incentives. Two different definitions of ‘work incentive’ are discussed in Section 5.1. The staff respondents’ perceptions on the Extended Payments Scheme as a work incentive are outlined in Section 5.2.1, and their views on the Fast-track Scheme in Section 5.2.2. Staff respondents’ suggestions for improving the design of the Extended Payments Scheme are considered in Section 5.3.

5.1 Defining a Work Incentive

Both Extended Payments and the Fast-track Incentive Scheme were designed as work incentives. However, there are two main ways in which a scheme can be seen as a work incentive. The main distinction between them is the timing of when an individual needs to know about the existence of the work incentive; is it before, or can it be after, the person has decided to return to work or increase their hours of work?

A work incentive could mean that a scheme affected someone’s behaviour before they decided to take a new job or increase their working hours. That is, the work incentive stimulated a change in behaviour and decision making. Without the work incentive the person would have remained on benefit. It follows that claimants must know about the scheme prior to their decision to take a job or increase their hours of work.

Alternatively, it might mean that a scheme facilitates or assists the transition from benefit to work. Here the recipient need not know about the scheme prior to changing his/her working circumstances. The work incentive is seen almost as a ‘safety net’, a form of protection, which helps to ensure that an individual can accept new employment or increased hours. This is a ‘softer’ definition of work incentive, and the impact of any scheme may be only partial or indirect. Indeed, it may only contribute to a change in a person’s attitudes about returning to work. By implication, some of the beneficiaries of the work incentive would have altered their employment status without the work incentive, as they did not know about the scheme beforehand. Others, who might have withdrawn from employment and returned to benefit, could be encouraged to remain in work during this transitional phase.

It is this second, broader definition of ‘work incentive’ to which most of the staff and (potential) claimant respondents adhered (see Section 6.5). So whilst Chapter 6 demonstrates that there was little evidence of Extended Payments altering claimants’ jobseeking behaviour (as in the first definition above),
most staff (and claimants and eligible non-claimants) still saw the scheme as a work incentive because it supported the transition into work.

A further distinction can be made between those who believe a particular work incentive is both necessary and sufficient to produce the desired outcome, and those who consider it only a necessary condition. The latter view requires any scheme to be part of a wider package of work incentives for it to be effective.

5.2 Staff Perceptions

This section, which is largely based on telephone interviews with staff, considers staff perceptions of the two schemes as work incentives.

5.2.1 Extended Payments

Staff respondents generally believed that Extended Payments were an effective work incentive. This was a view shared across all three organisations, grades of staff and areas. In particular, it was a belief that was predominant in the Employment Service, and was shared by all respondents who were interventionists, and all but one Client Adviser.

The Extended Payments Scheme was seen as providing financial support at a critical time for many people. It bridged the gap in claimants' budgets between leaving benefit and receiving their first (often monthly) wage:

'The scheme acts as a buffer between benefit and wages - it can put people off going back to work if they have to manage for the weeks before their first pay.'

(4, Processor, Benefits Agency)

'It provides assistance at a time when people do desperately need it.'

(37, Manager, Local Authority)

'It is financially beneficial to the client, it enables them to take a job without the worry of how they are going to pay their rent. Being in arrears is not a good way to start their working life.'

(80, Manager, Employment Service)

'It helps claimants when they first go back to work. It's one less thing for them to worry about.'

(27, Receptionist, Employment Service)

It was perceived by several respondents as reducing some of the stress and financial worries that people might have about paying their rent and council tax when they started work:

'To have rent paid is of paramount importance in people's minds, far more so than Jobseeker's Allowance, it's paying the rent and council tax they worry about.'

(62, Receptionist, Employment Service)

'It gives employees a bit of breathing space to get back into work, because rent and council tax is a main concern.'

(7, Client Adviser, Employment Service)

'Paying the rent is one of their main worries if they start work, it eases the worry a bit.'

(41, Processor, Benefits Agency)
'It's a safety net for people that are starting work. One of the biggest considerations is how to keep a roof over their head and if they've got that taken off their mind for one month then it's going to be a big benefit to them.'

(46, Receptionist, Employment Service)

As a consequence, some Employment Service respondents claimed the scheme could be used to help a claimant see the merits of returning to work:

'You can say that this is equivalent to £200 that you are not going to have to pay in the first four weeks when you might be waiting for wages to come in or getting yourself sorted out with your job.'

(24, Manager, Employment Service)

'It's an incentive for someone to get off benefit and into a job, it removes the barrier, if they're saying to us I can't last out, we're saying to them well you don't have to last out, so it can remove the barrier to get them back to work.'

(34, Client Adviser, Employment Service)

That only Employment Service respondents perceived this as an advantage is not surprising as it was staff from this organisation who were more likely to inform claimants of the various back-to-work schemes. Indeed, those who identified this as a good feature of the scheme were mainly Client Advisers:

'In a way it's quite helpful because it's something else to talk to them about, sometimes they are very negative, you know if they've been out of work for six months and they think everything is against them and it is quite a positive step to tell them about it.'

(54, Client Adviser, Employment Service)

Of those staff respondents claiming that the Extended Payments Scheme was a work incentive, there was some variation in their views about the impact of Extended Payments and whether or not the incentive effect was conditional on other factors. Some respondents were quite certain and positive about the effect of Extended Payments:

'... I'm sure it does have an effect on people actually saying yes to a job.'

(31, Processor, Benefits Agency)

These respondents believed that the scheme, on its own, acted as a work incentive. However, other respondents, whilst acknowledging that it was a work incentive, were more equivocal in their views. Several respondents said it had an impact providing claimants had been informed about the scheme. Many respondents believed that it was a work incentive but only when included as part of a package of other schemes and initiatives, notably, Family Credit:

'It's definitely an incentive for someone considering taking a job and going over that initial hurdle of coming off Income Support and linked in with Family Credit Fast-track and the Back-to-Work Bonus it is a very good incentive.'

(23, Receptionist, Benefits Agency)
In itself it doesn’t lead to people signing off but does make a massive contribution towards it.’

(58, Receptionist, Benefits Agency)

‘... it’s an extra incentive for them to sort of be more positive about taking up a job.’

(53, Manager, Employment Service)

Two other respondents thought that its effectiveness depended upon the personal circumstances of the claimant. Another two respondents said that it depended on the state of the local job market and prevailing wage rates. One respondent said that it depended upon the amount of Housing Benefit received. These respondents could emphasise how the scheme encouraged people to return to work and as such they could see the scheme as a ‘useful’ or ‘helpful’ ‘tool’ for getting claimants back to work.

‘Yes, it’s a good technique or tool to use in an interview. ... I wouldn’t want to be without it.’

(33, Manager, Employment Service)

There were, however, some respondents who believed that Extended Payments had no work incentive effects. These respondents came from all three organisations and all areas, with managers tending to be more sceptical than other staff grades. In addition, only one respondent from London said that Extended Payments did not have any work incentive effects.

The reasons given by these respondents for Extended Payments not being an incentive for returning to work were as follows:

• it did not provide sufficient motivation for leaving benefit, and those claimants who were going to find work would do so irrespective of the scheme:

'[Extended Payments is] ... a fairly sort of nebulous reason for coming off unemployment.’

(37, Manager, Local Authority)

‘... those that are less than keen are not going to be tempted by the fact that they’ll get extended Housing Benefit for four weeks.’

(22, Processor, Benefits Agency)

• the financial inducement of the Extended Payments Scheme was insufficient to persuade claimants to leave benefit;

• the scheme was no more than a ‘publicity stunt’; and

• people did not know about the scheme and consequently it did not influence any decision to return to work.

Nevertheless, the general view of respondents - that Extended Payments was a work incentive - was consistent with most of their own descriptions of how Extended Payments claimants were informed about the scheme. According to most respondents, claimants were normally told about Extended Payments when either they had decided to attend a job interview
or after they had accepted a new job or increased their hours of work and were signing-off benefit:

'... you're closing down their claim then, taking a statement or taking in their books or whatever it might be and then it's a case of the next automatic thing is what's your property and then obviously the reasons for coming off benefit and then nine times out of ten if they fit, well, all well and good, they have the form to fill in.'

(32, Receptionist, Benefits Agency)

If Benefits Agency and Employment Service respondents tended to inform eligible claimants when they had, in effect, already decided to leave out-of-work benefit, then by definition the scheme could only assist in the transition into work. The information was provided too late to influence the claimants' initial decision to take work or increase their hours.

There were, however, a few Client Advisers who reported telling claimants about the scheme at Back-to-Work review meetings:

'... at the six month interview ... it's basically going through anything that they're eligible for ... so [Extended Payments] would be one of the options that we could actually bring up at the interview ...'

(54, Client Adviser, Employment Service)

Under these circumstances it was possible for claimants to adjust their job-seeking behaviour in response to their new knowledge about the existence of the scheme. However, few claimants appear to have been informed about the scheme in this way (see also Section 6.5).

5.2.2 In-work Housing

The Fast-track Incentive Scheme was not perceived as a work incentive by Benefit/Council Tax Benefit staff respondents. First, because some respondents recognised that (potential) customers did not know about the scheme. Secondly, the small number of claims which were made and could have been processed under the fast-track arrangement, together with operational delays in processing Extended Payments, meant that few people could benefit from the scheme. The members of one group discussion agreed that before the Fast-track Incentive Scheme could work, problems with processing Extended Payments had to be resolved (see Section 3.3).

5.3 Staff Respondents' Suggestions for Improving the Design of the Extended Payments Scheme

Staff respondents made the following suggestions for improving the design of the Extended Payments Scheme which would impact upon it as a work incentive:

- make the eligibility criteria more flexible;
- simplify the claiming process;
- widen the scope of the scheme to other claimant groups;
- change the nature of the payment; and
5.3.1 Make eligibility criteria more flexible

Many respondents suggested that the qualifying criteria for the Extended Payments scheme should be made more flexible. This suggestion was made particularly in relation to the eight-day rule. Here, it was felt, as discussed in Section 3.3.3, that the time limit was too short and that it should be extended. It was also argued that backdating should be allowed if the claimant had a 'good cause' for failing to submit the application form on time.

'... it would be nice if [the eight days] could be extended so if a person did forget, they'd still be able to claim ...'

(55, Interventionist, Employment Service)

'... maybe extend the 'eight-day rule' to say 14 days, or eight working days rather than just eight days, because the weekend could cause problems.'

(51, Processor, Benefits Agency)

Another thought that the 26-week rule regarding continuous receipt of benefit could be relaxed so that anyone wanting to take temporary work would not be disqualified from claiming Extended Payments.

Although several Benefits Agency staff suggested making the qualifying criteria more flexible, it was more likely to be made by staff from the other two organisations. It was also more likely to made by managers and staff in London, South Western England and the Midlands.

5.3.2 Simplify the claiming process

5.3.2.1 Pay Extended Payments automatically

Some respondents felt that the process for claiming Extended Payments should be made simpler. In fact, it was suggested that there should not be a claiming process at all, but that the claimants should have their Housing Benefit and Council Tax Benefit extended automatically:

'If we know they're entitled to it why aren't we just sending it, why are we making them jump through these hoops ... we know what they're getting and we know where they've started work so why don't we just send it to them?'

(33, Manager, Employment Service)

'... when somebody starts work why don't we just send a notification to the local authority right away rather than go through this where the person actually has to make a claim ...'

(12, Manager, Benefits Agency)

The perceived merits of this were that there would be less chance of errors occurring between the three organisations, and claimants would not have to worry about filling in a form and submitting it on time.
‘... I mean, it seems stupid that they do have to actually complete another form, you know, they’re already getting the Housing Benefit and Council Tax Benefit, why can’t we just give them another four weeks automatically, sort of thing.’

(G16, Processor, Local Authority)

However, one member of staff from a discussion group felt that Housing Benefit and Council Tax Benefit should not be extended automatically because this might encourage fraud:

‘I think there should be some formal application ... because there’s so many shifty characters.’

(G19, Processor, Local Authority)

b) A single delivery Agency Some respondents also suggested handing control of the Extended Payments Scheme to just one Agency. It was felt that this would be beneficial to claimants as they would know their claims would be dealt with in one place instead of by three different organisations.

A few staff respondents also argued that claimants did not always understand why their claims could be turned down by the local authority when they applied for it through the Benefits Agency or Employment Service:

‘Obviously, the claimant starts off being told about the scheme by staff at the Jobcentre ... then there is the form being passed to the Benefits Agency to certificate the form and then the form comes back to us, the authority, to actually produce the payment. I think a lot of it has to do with different organisations giving out advice ...’

(28, Manager, Local Authority)

Respondents from all four group discussions thought that too many organisations were involved. They felt there was a lack of ownership of the Extended Payments Scheme and that no one organisation took the lead on publicity or training. There was also a view that it was unrealistic to expect all three organisations to work together smoothly to provide a reasonable service to claimants:

‘... the way it was supposed to work was that the Jobcentre and the Benefits Agency would work together in making sure that people who had the potential entitlement were given the forms ... we found ourselves as being the first point of contact for some people ... and it gave a bad impression for the public that the agencies who were delivering benefits, Housing Benefit, Council Tax Benefit, Jobseeker’s Allowance, whatever, they weren’t getting their act together.’

(G3, Manager, Local Authority)

‘It’s a nonsense having two, three, however many organisations involved in the payment of one benefit and as for taking the lead I think you’ll probably find that we assume that [the] local authority unofficially take the lead in it anyway because it’s their benefit.’

(G15, Processor, Benefits Agency)

‘It’s between all the organisations, isn’t it, the customer in the middle runs round all three organisations.’

(G12, Manager, Benefits Agency)
However, there were different opinions about which organisation should have overall responsibility. For example, some respondents felt that it should be the local authority because claimants more readily associated Housing Benefit and Council Tax Benefit with this organisation, whilst others felt that it should be the Benefits Agency as claimants were more likely to report a change in circumstances to them.

A similar number of respondents from all three organisations and all areas suggested simplifying the claiming process. Managers were much more likely to make this suggestion than any other staff grade; and no receptionists suggested it.

5.3.3 Widen the scope of the scheme to other claimant groups

Some staff respondents said that it was unfair that certain claimant groups, for instance, people with mortgages or people who were out of work due to sickness, were not eligible:

‘Well, one of the things that I've always found puzzling on a point of principle is that it isn't extended to people with mortgages. Because you have two people, one a tenant and one a homeowner, the tenant gets help for the first month but the homeowner, who may have to pay out more money, is left on their own …’

(78, Processor, Benefits Agency)

‘[One of the] bad points is that it is a little bit selective … people with mortgages are not eligible … if you're signing under six months duration you're not eligible, and if you're on contribution-based benefit, again, you're not eligible, so there are some downsides there.’

(35, Interventionist, Employment Service)

‘... it worries me that there are a large group of customers that I deal with that are excluded ... the sick customers ... it's one of those things that I just can't see and I don't understand ...’

(G20, Receptionist, Benefits Agency)

These respondents would like to see the scope of the Extended Payments Scheme widened to include these other groups.

5.3.4 Change the nature of the payment

A small number of respondents suggested making changes to the way Extended Payments were made. This included suggestions that the amount of payment should be increased or it should be made for a longer period of time. Respondents claimed that these changes would make the scheme more of an incentive for claimants to go back to work. It was also suggested that the payment be made on a sliding scale rather than 'giving' claimants 'full money' for four weeks. This was seen as beneficial to families who, presumably, would be paid a higher rate.

Changing the nature of the payment was suggested by respondents from the Benefits Agency and Employment Service, but not by any local authority staff. This might be because local authority staff were less likely to be concerned with the delivery of work incentives. Front-line staff were more likely than other grades to make this suggestion, as were staff from South Western England and the Midlands.
5.3.5 Means-test the Scheme

That the Extended Payments Scheme was not directly means-tested was seen as a disadvantage by one respondent, a local authority manager from South Western England. This respondent felt that the scheme was an anomaly within the Housing Benefit regulations. He mentioned that the four weeks’ extra benefit could go to someone who was on a high wage as well as to someone on a low income. Accordingly, he argued that the benefit should be means-tested, notwithstanding the additional administration that this would entail.

5.4 Conclusion

This chapter considers the extent to which the schemes can be regarded as work incentives. It is focused on the Extended Payments Scheme.

The majority of staff saw Extended Payments as a work incentive. However, it was seen in this way because they held a particular notion of what was a work incentive. It was depicted as a work incentive by the majority of respondents because the scheme could assist and underwrite the transition from out-of-work benefits to work. The Extended Payments Scheme was perceived as providing help which was timely and directed at costs which otherwise might be seen by claimants as a barrier to returning to work or increasing their hours of work.

Generally, staff respondents did not see Extended Payments as a scheme which influenced claimants’ behaviour or decision making prior to their final decision to return to work or increase their hours of work.

The respondents’ views on Extended Payments as a work incentive were consistent with many staff (and claimants’) accounts of when recipients were usually informed about the scheme, namely, just prior to a job interview or when they signed off out-of-work benefits.

In addition, there were a small minority of respondents who believed that the Extended Payments Scheme was, for a variety of reasons, not a work incentive.

Staff respondents also had a number of suggestions for improving the design of the Extended Payments Scheme.
Overview

This chapter focuses on the findings from the interviews with claimants and eligible non-claimants and considers the respondent's or their partner's transition into work. In particular, it examines the factors which were found to be impinging on, and influencing, the decision to return to work, and the extent to which this decision was affected by the Housing Benefit and Council Tax Benefit Extended Payments and Fast-track Incentive Schemes. It begins with a discussion of claimants' and eligible non-claimants' awareness and knowledge of the Extended Payments Scheme and of in-work benefits (Section 6.1). It then considers the movement from benefit into work, in the light of respondents' previous experience of work (Section 6.2.1) and of the benefit delivery system (Section 6.2.2), recent work history (Section 6.2.3), their job-search methods (Section 6.2.4), the type of job being sought (Section 6.2.5), and the method of signing off (Section 6.2.6). This is followed by an assessment of the factors which could impact on the decision to return (Section 6.3), such as the influence of other people, financial considerations, perceptions of pressure from the Benefits Agency and/or Employment Service, domestic circumstances and the social benefits to be derived from employment. Any worries and/or problems the respondents had about returning to work are considered in Section 6.4. The claimants' and eligible non-claimants' views on the role of Extended Payments as work incentives are discussed in Section 6.5.

6.1 Claimants' and Eligible Non-claimants' Awareness and Knowledge of the Extended Payments Scheme and of In-Work Benefits

6.1.1 Extended payments

a) Prior knowledge The interviews explored the extent to which claimants were aware of Extended Payments prior to accepting employment or increasing their hours of work.

Respondents were generally unaware that the Extended Payments Scheme was an option available to them before they had decided to accept a new job or increase their hours of work. They had not been told about the Extended Payments Scheme, nor had they seen any publicity prior to their decision.

Sources of information about Extended Payments Nevertheless, some claimants and eligible non-claimants were aware of Extended Payments prior to the change of circumstances which precipitated their claim. They found out about Extended Payments through a variety of sources:

- sometimes it was as a result of day-to-day activity - for example, one unemployed man had been working as a volunteer at the Citizens Advice Bureau and had heard about it there before being sent leaflets from the Jobcentre; another heard about it while working as a volunteer with a project for young offenders;
• a few claimants knew about Extended Payments from attending Job Clubs or events aimed at helping people back into work. For example, one lone parent had attended a careers fair where there was a Benefits Agency stand, and she was given a Family Credit pack and told specifically about Extended Payments;

• social networks were another source of information. However, such informal exchanges occasionally gave rise to confusion. For example, one lone parent was informed about Extended Payments by a friend who had previously been awarded it; but when she subsequently went to sign off, she was told (erroneously) by the Benefits Agency that she was not eligible;

• one claimant had previously made a (successful) claim for Extended Payments;

• a few claimants attempted to discover prior to finding, or accepting, a job what help might be available. In one case this was prompted by the future employer, in another it was pressure from a Benefits Agency Fraud Officer. However these people were unusual in thinking ahead in this way. All of them were assured by their local authorities that they would receive help. Of those who then went on to accept a job, none felt that the Extended Payments had influenced their decision. One, a woman experiencing her first spell of unemployment, said:

'Well, I can't say as it did because I went for the job first and thought about all that after.'

(C30, (ex-)Unemployed, Successful, South Western England)

• several other respondents remembered seeing leaflets or brochures on Extended Payments in Jobcentres, although publicity materials on the scheme were not always freely available (see also Section 3.1). A few ex-unemployed people commented that people were often reluctant to visit, and certainly to 'dally', in either a Jobcentre or a Benefits Agency local office. This may have reduced the likelihood of their spotting and studying any available literature:

'If you go down to the [Benefits Agency] ... they talk to you as though "Well, we've got a job but you haven't, so tough." That's their attitude to me and that just annoys me. You can understand why a lot of people get very angry ... it makes you feel "Do I have to go down there? I don't want to but I have to." You can understand why people get very aerated in there.'

(C35, (ex-)Unemployed, Successful, South Western England)

'You can't notice them posters ... people only want to go in [the Jobcentre], sign their name and come out. They've got no enthusiasm about anything else, they just want their Giro.'

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

'I never heard anything, but I didn't really like spending a lot of time down the Jobcentre I must admit. I just liked to get in and get out ...'

(C16, (ex-)Unemployed, Eligible non-claimant, Midlands)
and;

- a few respondents recalled receiving leaflets about Extended Payments through the post, either with, or around the same time as, information about the Back-to-Work Bonus (see Section 3.1):

  ‘... like they sent a leaflet about this Back-to-Work Bonus, it also said with another leaflet that come, if you do take on extra hours we will pay an Extended Payment but you must apply for it, you must claim for it.’

  (C26, Lone Parent, Successful, Midlands)

Level of publicity    The general view was that the level of publicity about Extended Payments was extremely low in all four areas (a perception which was shared by most staff respondents - see Section 3.1.3). Certainly most claimants had no recollection of seeing any publicity material at all. Even when interviewees were shown samples of leaflets and booklets which might have been on show in Benefits Agency local offices and Employment Service Jobcentres, none could recall having seen them. Not surprisingly, it was also felt that the general level of awareness of the scheme was low. One ex-unemployed man in the Midlands said:

  ‘You don't hear of it advertised on the television, “We can give you Extended Payments if you get work”, people are still in the dark about it ... there's still a hell of a lot of people don't know about it, it's not widely told to people.’

  (C18, (ex-)Unemployed, Successful, Midlands)

while a lone parent in Scotland commented:

  ‘... the Extended Payments is totally unknown in terms that people are totally unaware of it.’

  (C10, Lone Parent, Successful, Scotland)

In a few cases, interviewees misinterpreted the level of publicity and expressed the view that it was an intentional strategy by the Department of Social Security, as a way either of ‘rationing’ resources or of ‘weeding out’ those who demonstrate by their efforts and tenacity that they are somehow deserving of help:

  ‘They're losing money if they're paying your rent while you're working, so I don't suppose they want too many people to know ... they try and get away with whatever they can I should imagine; even though they're supposed to give it to you or whatever, they make it difficult for you to find out ...’

  (C16, (ex-)Unemployed, Eligible non-claimant, Midlands)

  ‘I think the reason why (the government) don’t advertise it is because ... they don’t want everyone going for it. It's one of those things, if you ask and push, you'll get; but for the ones that are not so clever, then they can't have it. [They] try and separate the ones that won't help themselves [from] people who are actually asking, and that's the way they want it. I don't agree with it, I think it should be the other way round, I think it should be advertised and everyone's equal, sort of thing.’

  (C18, Unemployed, Successful, Midlands)
Indeed, another respondent reported being told by her local authority that ‘[w]e don’t make this known’, and by the Benefits Agency that ‘we don’t tell people that one’ (see also Section 3.1.3).

**b) Finding out when signing-off** Most of our sample could have been told about Extended Payments when they notified the Benefits Agency or Employment Service that they were coming off out-of-work benefits and moving into work. However, only some were then told about their eligibility for Extended Payments and encouraged to claim.

Generally, the respondents contacted the Employment Service or Benefits Agency at the earliest opportunity after accepting a job and being given a start date. As one might expect, most unemployed people contacted the Jobcentre; the remainder either contacted the Benefits Agency or could not recall signing off. Similarly, most lone parents remembered contacting the Benefits Agency. In addition, a call to the local authority was often made on the same day to sort out the rent.

A few claimants recalled using the telephone (which could be followed up with a visit or a letter), some signed off by post, but the majority called in person.

Claimants who contacted the Employment Service were usually told about Extended Payments, compared with only some of those who went to the Benefits Agency.

Most of the telephone calls were to the Benefits Agency; yet only one of these resulted in the claimant being told about Extended Payments. Only one person rang the Employment Service and he followed this up with a visit; he had already heard about the scheme and found out more when he went in person.

None of the claimants who signed off by post to either the Employment Service or the Benefits Agency were told about Extended Payments. Indeed, most of them were eligible non-claimants and one made an unsuccessful claim.

Those who visited the Jobcentre in person were usually told about Extended Payments. None of those who visited the Benefits Agency were told about it. Indeed, one of the lone parents who had signed off in person at the Benefits Agency did not find out about it until later when she received a letter from the local authority about rent arrears:

‘I got a letter saying I was in debt, so I queried the letter ... and this is when I found out [about Extended Payments].’

(C10, Lone Parent, Successful, Scotland)
(This woman subsequently claimed and was awarded Extended Payments; she maintains an exception was made by staff, even though she had missed the eight-day deadline.)

Several respondents contacted their local authorities when their circumstances changed. Several of these were first informed about Extended Payments by the local authority, although most had already signed off at the Jobcentre or Benefits Agency. In the example below, the claimant had previously telephoned the Benefits Agency:

‘... among my letters from the Council I had a named lady for enquiries ... she told me ... if she hadn’t mentioned it I wouldn’t have known anything about it ...’

(C32, (ex-)Unemployed, Successful, South Western England)

In most cases where respondents were told about Extended Payments, the information was given spontaneously by staff keen to help. However, two people, one with prior knowledge of the scheme and another who was alerted by a friend in a Citizens Advice Bureau, found it necessary to be assertive and persistent in order to obtain the information they sought:

‘I had to ask and ask [at the Jobcentre] and then eventually they give you ... you know, it was hard work; instead of someone saying to me, “Okay, Mr. X, if you do take this job we can offer you ...”

(C18, Unemployed, Successful, Midlands)

‘I spoke to chap at Labour Exchange and he said, “No, you’re on Unemployment Benefit, you’re not entitled to it.” I went to the Council and spoke to the chap down there; he said, “Of course you’re entitled to it”, so [I went back to the Jobcentre], I saw the boss up there and ... he said, “Yes, you’re entitled to it, claim and I’ll see to it myself ...”

(C31, (ex-)Unemployed, Successful, South Western England)

The quote above is also an example of the conflicting information and confusion which some claimants faced. Other illustrations of misinformation were:

- the lone parent, an eligible non-claimant, who repeatedly telephoned the Benefits Agency, only to be told she could not claim any benefits when she signed off; and

- the unemployed man who was initially told that he did not qualify because of the 26-week rule, but later went on to make a successful claim.

Two other claimants clearly felt that obtaining the correct information at the appropriate time had been largely a matter of chance:

‘Well, in a sense ... I was lucky because at the time when I was signing off the register one of the staff in the Jobcentre said, “Do you know about this?” I said, “No”.’

(C3, Unemployed, Successful, Scotland)
'My rent was due so ... I went to the rent rebate place and they told me that ... I had only got that day to put in for my four-week extension. If I hadn't got it in for that day I probably wouldn't have got it ... it was pure luck; if it wasn't for that guy telling me on the day I wouldn't have got it, I would have lost it ...'

(C4, Lone Parent, Successful, Scotland)

c) Understanding of Extended Payments Claimants' and eligible non-claimants' understanding of the scheme was relatively low. One lone parent thought the purpose of Extended Payments was to help those waiting for their claim for Family Credit to come through. Others floundered in trying to identify even the basic eligibility criteria:

'This is really for people 21 and over.'

(C18, Unemployed, Successful, Midlands)

Few respondents mentioned the 26-week rule, and not always in the right context:

'I think you've got to be on Housing Benefit ... [for] 26 weeks.'

(C26, Lone Parent, Successful, Midlands)

Yet, even if one knows the formal criteria, it is sometimes difficult to relate these accurately to one's own circumstances, especially where specific periods of time are concerned. For example, one person commented:

'I hadn't thought of myself on [Unemployment Benefit] for six months; although it didn't seem that long to me, obviously it was.'

(C30, (ex-)Unemployed, Successful, South Western England)

Some respondents were aware there was a deadline for submitting a claim, although only a few could specify the correct number of days.

There was no apparent awareness of any of the other rules.

6.1.2 In-work Housing Benefit/Council Tax Benefit

a) Knowledge of in-work Housing Benefit/Council Tax Benefit All but two respondents knew of at least some in-work benefits. Some had some general, often vague, awareness that they existed. Others had more detailed knowledge about specific in-work benefits. Sometimes their knowledge derived from direct experience: most were either current recipients of in-work benefit (typically Family Credit), or had made claims in the past.

Several respondents could not recall the source of their information about in-work benefits. Others identified staff at the Benefits Agency or Employment Service and they were told usually when they signed off. Two people were told by the local authority, as one described:

'[The local authority said] 'Just bring your wage slips in and, if you can't afford [the rent] you might be able to get extra benefit ...'”

(C31, (ex-)Unemployed, Successful, South Western England)
Often information about in-work Housing Benefit and Council Tax Benefit was given with a Family Credit pack, or claimants were given it in the context of Extended Payments. Another two respondents found out about in-work benefits from colleagues and friends who were themselves recipients:

'Somebody ... mentioned something. I've got a few friends in similar predicaments as myself. We all try and help each other as much as we can [with] any information. and ... somebody did mention that there was a scheme to help you while you're actually in work.'

(C13, Lone Parent, Eligible non-claimant, Midlands)

Often people's knowledge and understanding were minimal:

'I have heard [of in-work benefits] but I don't know the system at all, I don't know what it would be about ... I think it was, if you were on a low income, they subsidised [you], or, if you didn't make your hours, or something like that.'

(C8, (ex-)Unemployed, Successful, Scotland)

'You automatically think when you get the job, that's it, you've got to pay everything.'

(C35, (ex-)Unemployed, Successful, South Western England)

Nevertheless, a small number of respondents felt they knew enough to be able to discount in-work benefits where their own circumstances were concerned. However, none of them was certain of (or sought to ascertain) the upper earnings limit:

'You have to be coming out with about £110 a week.'

(C18, Unemployed, Successful, Midlands)

'I wasn't aware of what limits there were, but I realised that with [my salary] being £15,000-£16,000, it would have been over what limits they had.'

(C15, (ex-)Unemployed, Unsuccessful, Midlands)

'It was only for people who were earning a low wage for them to get help, so I never enquired about it or anything.'

(C16, (ex-)Unemployed, Eligible non-claimant, Midlands)

b) Knowledge of the Fast-track Incentive Scheme Although, two respondents knew that fast-tracking was an option for Family Credit claims, and recognised that their claims had been dealt with in this way, of the respondents aware of in-work benefits only one realised that the mechanism also existed for in-work Housing Benefit and Council Tax Benefit claims.

6.2 Movement From Benefit into Work This section considers the context and circumstances surrounding the respondents' decisions to return to work.

6.2.1 Last period of unemployment During the course of the interview, respondents were asked to stipulate the length of time they or their partner had been unemployed prior to their most
recent return to work. Several respondents had been unemployed and claiming Income Support (and more recently Jobseeker’s Allowance) for five years or more. Most of those respondents were lone parents. Other respondents had been unemployed for periods ranging from six months (the minimum period for entitlement to Extended Payments) to four years.

When asked about the out-of-work benefits people had claimed during their or their partner’s most recent period of unemployment, most mentioned Income Support without any prompting. Some respondents had experienced a brief spell on Jobseeker’s Allowance before their movement into employment. Whilst most respondents had also been in receipt of Housing Benefit and Council Tax Benefit before moving into work, these benefits were not always mentioned without some prompting. One respondent had been in receipt of Invalidity Benefit for six years before moving onto Income Support for a further two years. One couple received and continue to receive Invalid Care Allowance and Disability Working Allowance for their daughter.

When asked to comment on their previous experience of claiming benefits in general, enormous variations emerged. Many stated that they had experienced no significant problems when dealing with their local offices. The criticisms that were aired by respondents covered all three districts and therefore specific problems cannot be readily attributed to one particular location. Almost all of the criticisms related to respondents’ experience of the Benefits Agency and many related to problems with, or objections to, the administrative system. Other criticisms were linked to the negative way respondents felt they were treated by staff working at their local offices.

Whilst many respondents had not experienced any problems once their claims were in payment, some did encounter problems at the outset when making their claim for Unemployment Benefit or Income Support:

‘We did to start off with, it was a bit of a bloody hassle, go here, do this, do that, go to this one, go to that one, and the paperwork you’ve got to fill in. Yes, that was a bit of a pain. But, obviously once you’ve got through the rigmarole and got it sorted out, then there is no problem after that.’
(C23, (ex-)Unemployed, Successful, Midlands)

Other people found problems only when their circumstances changed and their benefit levels were affected:

‘If you take work or courses then it’s quite difficult because you have to come off Income Support ... it alters your benefit ... and I find it very difficult to get back onto it and be able to live in the interim.’
(C10, Lone Parent, Successful, Scotland)
One woman who had worked as a part-time supply teacher had encountered
difficulties claiming Income Support because her circumstances changed so
frequently:

‘There should be some kind of mechanism for intermittent working ... all you
should have to do is sign something which says my circumstances have not changed
since two weeks ago when I was on Income Support. You’re having to fill out every
single detail [of] about 20 pages [every time].’

(C40, Lone Parent, Unsuccessful, South Western England)

There were also examples of frustration from people who had to spend long
periods waiting in offices and who felt angry and upset by the way they had
been treated by staff:

‘But it was degrading, it really was, you were made to feel pathetic ... if you
needed a loan and you went to get it off them they made you wait for hours and
hours for a five-minute decision.’

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

For other respondents, the treatment they had received from staff had
affected their willingness and motivation to visit local offices:

‘I’ve been on ‘Social’ once in my life. Honest to God, they made me feel that
size, I thought I’m never coming back here again.’

(C9, Lone Parent, Eligible non-claimant, Scotland)

Some respondents felt overwhelmed by the paperwork they were given
when they visited their local office and were also critical about the lack of
availability of staff to answer questions and provide advice to people.

These findings reflect those of other research on claimants’ experiences of
claiming benefits, see, for example, Kellard and Stafford (1997), Shaw, et al.,

6.2.3 Recent work history In most cases, it was the respondent who had recently moved into work, but
in two cases it was their partner/spouse who had found work and had,
therefore, triggered their eligibility for Extended Payments.

At the time of the interview, most of the respondents, or their partners, were
working part-time, and not claiming benefit, as they were working more
than 16 hours. Some were in full-time employment. The remainder were
not working and were back on benefit. A few of those in work also had
temporary contracts and were unsure about their future job prospects.

6.2.4 Finding employment Respondents had found work through a number of different channels.
Several had used informal networks, such as friends or acquaintances, to find
a job:
as I know the guy anyway. I live next to his son-in-law and he just said to me ‘Would you like some work and go on Family Credit’, and I said ‘Yeah, why not’, you know, it’s better than just sitting round the house all day doing nothing …’

(C39, (ex-)Unemployed, Eligible non-claimant, South Western England)

Formal recruitment channels, such as Jobcentres and private sector employment agencies, had been used by a number of respondents, with employment agencies acting as a source for temporary job opportunities. The respondents who had joined Job Clubs spoke enthusiastically about the practical support that had been available to them:

‘… one of the nice things about the Jobcentre is that as soon as you join one of the Job Clubs you get all the free stamps and you get all the facilities. I was in a Job Club and what I was doing was I made a list of all the … workshops from here to the other side of [District B] and, quite honestly, I just bunged in a spec letter. So I was sending these letters and I was lucky enough to get a job because my CV landed on a guy’s desk the day he was going to hire somebody, so I was really, really lucky …’

(C5, Unemployed, Successful, Scotland)

Finding employment as a direct result of undertaking voluntary work with the same or a similar organisation was mentioned by a few respondents:

‘I’d been a volunteer at Citizens Advice for 12 months and the job was advertised and to be honest I didn’t think I stood any chance at all and then I get an interview.’

(C37, (ex-)Unemployed, Successful, South Western England)

6.2.5 Occupational choice

During the course of the interview, respondents were asked about their (or their partner’s) usual occupation, and whether the job they (or their partner) had recently taken was the same or of a different type. Some stated that they had moved into the same type of work. For the rest, occupational change was brought about by a number of different factors.

In the Midlands and in Scotland, the sample included respondents who had spent a number of years working in declining traditional heavy industries (namely, shipbuilding and engineering) before being made redundant, and therefore a change in career was seen as being forced upon them, due to a lack of opportunities in the immediate locality.

As far as the lone parents in the sample were concerned, the number of hours that a job offered and a location which enabled them to accommodate childcare commitments, were often more important than the nature of the work itself:

‘The reason I went there … I know my job and I can do it with my eyes shut, it’s an easy enough job, the hours suit my daughter’s school, but I wouldn’t say it’s a job that I am happy in. I get the work done and come out, I’m bored with it, I’m fed up with it, but I have no choice.’

(C12, Lone Parent, Eligible non-claimant, Scotland)
For some respondents with partners and children, the chance of getting any job which offered a re-entry into the labour market was considered to be more important than the type of job on offer, the hope being that one job might lead to a better one:

'He [partner] just took a chance ... We're not really much better-off now, but it's a job. He's just going to keep hunting around until the right one comes. This is just getting him back to employment at the moment.'

(C28, (ex-)Unemployed, Successful, South Western England)

For one respondent, ill-health had brought about a change in occupation:

'Well, I was still working for my company at that time, but there was no way I could go back to them, because it was a driving job and my thing was if I drove outside of [District G's] boundary I was having panic attacks, so there was no way I could go back to my present company [after rehabilitation]. I was put on then with the disability chap at the Jobcentre ... they put me on working at [named firm] for half a day ... and then I was offered a job off Tracy's brother and I thought "Well, I'm working half a day now, I'll try it", and up to now it's working out all right.'

(C34, (ex-)Unemployed, Eligible non-claimant, South Western England)

The inability to find a suitable job in manufacturing had forced the only graduate in the sample to try a number of different jobs in order to gain some work experience:

'It's varied. I've been a telephone support help-line for computers. I've done training and demonstrating computer software. I've been a part-time lecturer, I've worked in a die-casting factory. In some ways I've been trying to use the manufacturing degree that I've got, in some places I just haven't needed it. It's been difficult.'

(C15, (ex-)Unemployed, Unsuccessful, Midlands)

6.2.6 Method of signing off
Several respondents who had made successful claims for Extended Payments visited the Jobcentre very soon after receiving their job offer. Some respondents also visited the local authority on the same day. In most cases this was within 48 hours of being offered employment. In contrast, only a few respondents within the eligible non-claimant and unsuccessful claim types could recall visiting their local Jobcentre. Informing the Benefits Agency in writing, completing the back of the Jobseeker's Allowance book or lone parent's orderbook, or contacting local offices by telephone was much more frequently cited by the latter two claim types as the method used for signing off benefit.

6.3 The Decision to Return to Employment
The decision to participate in the labour market can be complex and depend upon a number of inter-related factors. In this section how respondents made this decision and the various influences upon it are discussed.

6.3.1 Deciding to return to work
There are two aspects to the decision-making process relating to the return to work. First, there is the decision to take the job offered and with whom,
if anyone, respondents talked this through. Secondly, there is the part played by financial calculations in the decision-making process.

**a) The job offer**  When asked whether they had discussed their decision to take the job offered to them with anyone else, many of the respondents who were lone parents or lived alone replied that it had been their own personal decision and that they had not discussed the matter with anyone else. In only two cases had a member of their close family been consulted. Where respondents lived with a spouse/partner, the decision making had, on the whole, been shared.

**b) Financial calculations**  Most of the respondents in the sample stated that they had undertaken some form of financial better-off calculation before they or their partners had moved into work. Better-off calculations have been defined during the course of the research in the following way:

>`... where respondents focus on the financial relationship between income and costs met via benefit (e.g. rent, Council Tax ...) on the one hand and income from employment plus any in-work benefits (e.g. Family Credit, Housing Benefit) on the other.' 


Those carrying out financial calculations came from all three areas. Although, many of the respondents who carried out better-off calculations were couples living in South Western England; the reasons for this are unclear. Respondents conducting better-off calculations also tended to be successful claimants of Extended Payments.

Those respondents who had undertaken no form of financial assessment before taking up employment broadly fell into two types. The first group were those who were determined to get a job for personal reasons, such as ‘to just get out of the house’ or for financial reasons, such as the ‘bills were mounting up’, regardless of whether or not they would be better-off.

>`I knew the money situation, I knew I’d be working for nothing because I’ve done it before.’  

(C12, Lone Parent, Eligible non-claimant, Scotland)

The second group were those who had obtained a job where the wage considerably exceeded the amount that they received from out-of-work benefits. This group consisted, on the whole, of males, without dependants, who lived alone.

Some respondents regretted not having undertaken any financial calculations before moving into work:

>`I actually went into a rollerball effect of actually being employed but not actually being able to sit back and assess what the hell is going on, you know, personally and financially ... now I’m full-time and lost most benefits and not really financially gaining an awful lot.’  

(C13, Lone Parent, Eligible non-claimant, Midlands)
For those who had completed better-off calculations, three types of calculation can be identified:

- formal calculations - which included an assessment of wages, overtime payments and any in-work benefits against costs such as rent and council tax payments, travelling expenses, childcare, clothing and other household costs;

- informal calculations - which consisted of a general assessment of current benefits received and anticipated income from wages and in some cases any in-work benefits that might be claimed; and

- Agency-led calculations - which included better-off calculations made on respondents' behalf by Benefits Agency or Employment Service staff.

Unsuccessful claimants and eligible non-claimants were least likely to have performed a better-off calculation. Most of the successful claimants conducted a more structured calculation (either formal or Agency-led) as opposed to an informal calculation.

The timing of the decision making differed between those respondents making formal better-off calculations and those making informal calculations. Two respondents had made their calculations well before finding a suitable job and therefore were able to know in advance the level of income that they were seeking. However, in most cases, the calculation (either formal or informal) was made once the respondent or their partner had received a job offer, when actual wage levels and amounts that would be received from in-work benefits were often at their most difficult to predict. Some respondents had left their calculations until after they had started work, thereby presenting problems for those who had missed the eight-day deadline for eligibility for Extended Payments.

All respondents in the sample who had undertaken a better-off calculation went ahead and took the job offered. This included some respondents who knew they would only 'break even' by moving off out-of-work benefits and a small number who anticipated they might even be worse off. Thus, for them, the importance attached to having a job and moving out of the benefit system significantly outweighed the financial consequences of their decision.

6.3.2 Factors influencing the return-to-work decision

During the course of the interview, respondents were asked about the main reason for their or their partner's return to work. Respondents gave one or more of the following reasons:

a) a perceived influence/pressure from the Benefits Agency or Employment Service;

b) financial considerations;

c) changes in domestic circumstances; and

d) the social benefits to be derived from working.
These are discussed in turn below.

a) Perceived influence/pressure from the Benefits Agency or Employment Service  A few respondents had felt under some pressure to return to work as a direct result of contact with their local Benefits Agency office or Employment Service. For one respondent taking a job was a way of avoiding undertaking any further participation in Restart Programmes:

‘That’s right, a lot of pressure, because they sent me on one of those courses and I think that’s degrading. I found that very degrading.’

(C27, (ex-)Unemployed, Unsuccessful, Midlands)

Contact with a Fraud Officer was given as the main reason for returning to work by another respondent:

‘The Fraud Officer came along and they gave me about a month, which I said - “Look, I can’t do anything straight away, you can’t pressure me so much”.’

(C19, (ex-)Unemployed, Successful, Midlands)

In this particular case, it was the Fraud Officer who advised the respondent about the Extended Payments Scheme.

Another respondent decided to move into employment because he feared he might be caught by a Fraud Officer:

‘It was too risky - I was sick of looking over my shoulder all the time, so I thought “Well, it’s about time” ….’

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

The decision to take a job for another respondent was allegedly brought about by pressure from Benefits Agency or Employment Service staff:

‘Respondent: Because they forced me to. “Here’s a job, you’ve got to take it, OK?” You go into the office and they say you’re doing this job, it doesn’t matter. I want to work, but I don’t want to work at a job that they want me to do.

Interviewer: Right, you want to choose your own work?

Respondent: Yes.’

(C7, Unemployed, Successful, Scotland)

For this particular respondent, this job was a short-term contract with a local electronics company which lasted four weeks.

b) Financial considerations  For some respondents, the main incentive for taking a job was to improve their financial circumstances, or desire for a higher standard of living.
‘Well, I thought “I’m not getting anywhere here, I’m not getting a wage, we’re still living on Jobseeker’s Allowance …” You had to pay what you had to pay. If you wanted to go anywhere, you couldn’t go anywhere …’

(C34, (ex-)Unemployed, Eligible non-claimant, South Western England)

Financial pressures, linked to mounting debts and the inability to pay bills, were also mentioned by others.

One respondent decided to become self-employed, because he was worried about the amount of money that was deducted from part-time earnings:

‘It was a crazy situation. To start off with I was earning. At the beginning I was only doing nine hours, whatever anyway, but it worked out at £40, so they took £35 off my benefit, so I said “Well, that’s fair enough. I know I’m not entitled to it when I’m working, so that leaves me £5.” I said “How do I go about working clothes and travelling expenses?” “Oh, that’s up to you” - and that’s the attitude I got. So I just said “Sign me off, I’ll just work on my lonesome”. So that’s what I done.’

(C6, (ex-)Unemployed, Eligible non-claimant, Scotland)

c) Changes in domestic circumstances For a number of respondents, a change in family circumstances had brought about the decision to return to work. These changes had occurred in a number of different ways. Work incentives, such as Family Credit and Housing Benefit and Council Tax Benefits were not assigned a high priority:

‘Well, I was working cash-in-hand before that and I decided when John went to work permanently … because he was on the dole as well, when he got a permanent job, I’ll get one.’

(C24, (ex-)Lone Parent, Successful, Midlands)

‘Well, my kids started school, and I had free time on my hands, so I thought it was time to get back to work.’

(C4, Lone Parent, Successful, Scotland)

‘Well, I actually started work and I hadn’t been working for quite a long time and I actually started to work just after the New Year because my partner, my child’s daddy, had died just before Christmas and I’d known him 14 years and he just died suddenly, so I actually thought if I could work even part-time, it would give me something to get me out of the house.’

(C11, Lone Parent, Eligible non-claimant, Scotland)

d) Social benefits of working ‘Getting out of the house’, and the sense of value some respondents attached to working for a living, coupled with a desire to move off the benefits ‘treadmill’, were mentioned by a number of people as their main reason for taking a job. For some, the availability of in-work benefits or Extended Payments were not considered to be of crucial importance in the decision-making process:

‘I prefer to work, which is obvious because it’s more money, but I do prefer to work. I’m not a lazy layabout, I do enjoy working rather than anything else, getting me out of bed and that …’

(C16, (ex-)Unemployed, Eligible non-claimant, Midlands)
I didn’t understand Family Credit or anything, so I wanted a part-time job because I was fed up of sitting in all the time and so I got a part-time job and I phoned up the social security to see what happens and all this ...

(C17, (ex-)Unemployed, Successful, Midlands)

'Working, I think, not so much the money, getting out and doing a day’s work, because I think if you stay unemployed too long you start to vegetate, don’t you? You don’t want to do anything, when you’re offered a job, you don’t want to take it. So it was good in a way, because it got me out of her hair.'

(C39, (ex-)Unemployed, Eligible non-claimant, South Western England)

For some respondents, moving into work alleviated the negative feelings they had about claiming out-of-work benefits:

‘Because I felt that, I don’t know, I was taking something that, what I’m saying is because of past comments before, when I was in work and saying “Bloody spongers on the dole, out for everything they can get”, and then I ended up doing it myself and I thought “Oh my God”, I didn’t like doing it.’

(C30, (ex-)Unemployed, Successful, South Western England)

6.4 Respondents’ Worries and Problems

While a number of people in the sample stated that they had made the transition into the labour market without any major difficulties, some interviewees did express a number of concerns and problems that they experienced both before and after moving into employment.

6.4.1 Worries in anticipation of moving into employment

Respondents could have had one or more of the following worries prior to moving into employment:

a) uncertainty about their future income stream including the amounts of any in-work benefits;

b) fears about their ability to manage their financial affairs once out-of-work benefits ceased;

c) the likely duration of the work; and

d) possible loss of passported benefits.

a) Uncertainty about future income and anticipated in-work benefits The issue of whether or not the calculations that had been made before taking the job were correct, was a fear that was frequently expressed. This focused on the accuracy of the predictions of anticipated living costs and future income, and often went hand-in-hand with uncertainties about the amounts that would be received from in-work benefits. The results of applications for benefits, most notably Extended Payments, Family Credit and in-work Housing and Council Tax Benefits, were not known before respondents had taken the decision to move into employment. Therefore, many had to base their predicted level of income on a ‘calculated guess’, which many feared would not, in reality, live up to their expectations:
"Taking any job is a gamble, because you've to think, are they going to pay this or, the [council] tax is another one, are they going to pay that or have you got to pay that yourself."

(C33, (ex-)Unemployed, Successful, South Western England)

In addition, some stated that they had worried about how they were going to manage until the first pay cheque arrived. In some cases, this was for a week, while for others it was a month. Some intended to borrow from friends and relatives, but this in turn led to worries about possible mounting debts. A few respondents who had applied for Extended Payments stated that their application for the scheme had alleviated some of the worry they had felt about their ability to pay their rent and council tax during this period.

Indeed, a number of people who had completed better-off calculations themselves or had calculations undertaken on their behalf by the Benefits Agency or Employment Service, had found, after they had moved into work, that their assessments had tended to over-estimate the amount by which they would be better-off in work. Over-estimates were usually linked to the amounts of in-work benefits they thought they would receive:

"To be honest, the way we looked at it were ... that no matter how low a wage I got, I mean we'd be made up, well, we assumed ... we did get caught out on this actually, didn't we?"

(C34, (ex-)Unemployed, Eligible non-claimant, South Western England)

"Respondent: But the Jobcentre provide you with an estimate, what you would get, you know. They go out of their way to help in that way.

Interviewer: But could they work out precisely what you would get in Family Credit?

Respondent: They were £5 out.

Interviewer: And what about Housing Benefit?

Respondent: £8 out'

(C37, (ex-)Unemployed, Successful, South Western England)

b) Fears about the loss of security provided by out-of-work benefits
A few respondents, who had been out of work for some time, had worries about moving off a benefit-led lifestyle, where their financial affairs were largely managed for them by various government agencies, to one where they had to become, once again, responsible for all aspects of their own financial management. They felt insecure about this transition and about their ability to take control and manage successfully their own income:

"... the difference was that you don't control your destiny, do you, when you are on Income Support? It's all done for you, if you've got arrears in rent or water or electricity, not so much electricity but a lot of the utilities, you can pay those arrears off and that's all done for you, that's stopped at source from your Income Support. Housing Benefit is paid for you, you don't get the money ... It's all done for you.
But if you're drawing your own wage, you decide how you spend the money ... whatever you put at the top of your priorities.

(C37, (ex-)Unemployed, Successful, South Western England)

One lone parent stated that she had worried that when she took up her job offer she would be ‘on her own’, and unable to ‘plead poverty’ to organisations such as British Gas, if she accumulated large bills in the same way she was able to do whilst claiming Income Support. She felt that such organisations would be less helpful once she had left Income Support, if she ran into difficulties when she was working.

c) Fears that the job might not work out/last Concerns about whether the job would be enjoyable and whether they would be able to ‘stick at it’, were expressed by some respondents. For others, having accepted the job, they worried about the likely permanency of it and whether or not they would find themselves out of work after a short period of time. This in turn led to some anxieties about the ‘hassle’ of having to re-apply for benefits and some feared the reaction of local Benefits Agency office and Employment Service staff, if the job did not work out.

One respondent who had been out of work for some time, according to him because of ill-health13, had fears about his ability to cope back in employment and about being forced to leave if problems arose.

In addition, two lone mothers expressed their fears about having to take time off work for doctors’ appointments, if they or one of their children became ill.

d) Losing passported benefits Some respondents were anxious that they might lose entitlement to passported benefits, such as free prescriptions. Given that a considerable number of the sample had applied for Family Credit, many hoped that their application would be successful and that as a consequence passported benefits would still be available to them.

6.4.2 Actual problems

Once they had moved into employment, respondents encountered two actual problems: unanticipated living costs and not being financially better off.

a) Unanticipated living costs In a number of instances, the costs of moving into work proved to be higher than had been expected. This applied both to respondents who had undertaken some form of better-off calculation and to those who had not. For many, this was because they had hoped to receive more in terms of Family Credit and in-work Housing Benefit and Council Tax Benefit than they did in fact receive. For example, one woman who had successfully claimed Extended Payments, and had undertaken a

13 It should be noted that claimants in receipt of Income Support because of long-term sickness or disability are not eligible for Extended Payments.
formal better-off calculation, found that her rent and council tax were far
greater than she had expected. In another case, where an informal calculation
had been made, a lone parent who had hoped to receive a full rate of Family
Credit found that she had been awarded a reduced amount because of the
hourly rate she was being paid and she was no better off financially for taking
the job. As a result, she felt the system was penalising her, ‘for trying to
work’ and was questioning whether or not she should stay in employment.

Problems relating to the cost and availability of childcare were mentioned by
a few respondents. One lone parent had hoped to claim for her childcare
costs, but had found that, once she returned to work, she was unable to do
so, because her childminder was not registered and she was reluctant to
move her children for fear of unsettling them. The cost of school holiday
childcare arrangements had failed to be considered by one lone parent, when
she had taken the decision to return to work.

One couple who had completed a rigorous calculation before securing
employment, had found that, in reality, their budgeting was very difficult to
adhere to, and this had created problems in their relationship. The
respondent’s partner was moving out and she felt that she could no longer
afford to work, as it was not economically viable to remain in the job as a
single parent, because of childcare and housing costs. As a result, the
respondent felt forced to leave her job:

‘... if there was any way I could work and carry on and still get the same money,
then I would. But I think I’d be working and having no money left. All my wages
would just go on rent and then there’d be childcare, and food and bills. I just can’t
do it. So I’m back on benefit.’

(C32, (ex-)Unemployed, Successful, South Western England)

b) The better-off margin While some people in the sample stated that
they were struggling to ‘break even’ once in work, others felt that they were
worse off. However, no-one in the sample stated that they or their partner
had left the job they had taken, for either of these two reasons.

Discrepancies between income and expenditure tended to occur because
anticipated in-work benefits had not lived up to expectations. In such cases,
the justifications for remaining in the job were the social benefits, most
notably ‘getting out of the house’, and avoiding the friction and pressure that
had mounted up between partners when they had been together all the time:

‘I said “Give it a try”. We were no worse off. To be honest, I can’t stand him
round me ... I said if we both worked ... you look forward to seeing each other.’

(C35, (ex-)Unemployed, Successful, South Western England)

Two lone parents had found themselves worse off in work because their
hours of work had unexpectedly dropped once they had moved into
employment. Both had taken part-time jobs and claimed Family Credit on
the basis of their predicted hours of work. Consequently, they were both finding that they were worse off in work, given that their wage levels had fallen and the level of Family Credit would remain the same for its six-month duration. Despite being committed to remaining in employment, both women questioned the financial viability of doing so:

‘In the job I’m in at the moment, if the schools are off, he usually shuts because he gets no business, so that means I’m sitting here with Family Credit and my Family Allowance, so it’s not easy ... So I’m dropping £48, but I’m expected to pay my rent and council tax and everything else.’

(C12, Lone Parent, Eligible non-claimant, Scotland)

6.5 Perceptions of the Extended Payments Scheme as a Work Incentive

This section outlines claimants’ and eligible non-claimants’ views of the Extended Payments Scheme as a work incentive. Respondents did not generally know about the Fast-track Incentive Scheme, so they tended not to express an opinion on its role as a work incentive. Accordingly, this section focuses solely on the Extended Payments Scheme.

Like the staff respondents (see Section 5.2), the claimant and eligible non-claimant respondents tended to see Extended Payments as a work incentive which facilitated the transition into work, rather than as something they took into account when considering whether or not to start a new job or increase their hours of work.

Indeed, only three mentioned that they knew about the scheme before they had taken the decision to return to work, and that its availability had ‘tipped the balance’ in encouraging them to move back into employment:

‘... there’s a new scheme which helped me tremendously. The thought of starting work on the Monday and not getting paid until the Friday and knowing full well if you start work that Monday come the Thursday your rent is due and also the same with the council tax ... I was in two minds about going into the job, but I was told you get a four-week extension to the rent and council tax, so as soon as I knew I was starting I had that form filled in and into the ‘Social’ and the Council to get my four-week extension, so that was brilliant.’

(C8, (ex-)Unemployed, Successful, Scotland)

In two of these cases where respondents did say that the Extended Payments Scheme had influenced their return to work, it was only mentioned when prompted by the interviewer.

For many respondents, the Extended Payments Scheme was valued as a temporary ‘buffer’ which eased the household’s immediate financial pressure both practically and emotionally:

‘You didn’t have to worry about [the rent] for that time ... you think, “Oh well, I’ve got that month, that month’s paid.” You just have to worry about the month after.’

(C35, (ex-)Unemployed, Successful, South Western England)
‘That relieves a great deal off your mind, before you start the job, to think that they are ... that there was somebody there that was helping you.’
(C30, (ex-)Unemployed, Successful, South Western England)

One respondent pointed out how ironic it was that the process of moving into work could so easily put a person into debt:

‘[Extended Payments] helps you out of the most difficult position you can be in, to go to work and start owing rent as soon as you go to work ...’
(C30, (ex-)Unemployed, Successful, South Western England)

This was a real dilemma for those on benefits who were often struggling and ‘behind all the time’. For those required to work a month in arrears, the problem was clearly exacerbated:

‘Extended Payments [helped] because otherwise you become responsible for full rent more or less straightaway ... and if you start a half-decent job it’s a month before you get any wages. So that payment of rent for that first month can take a lot off your mind because if you’ve not got anything sitting in your back pocket, there’s no getting through that month.’
(C5, Unemployed, Successful, Scotland)

‘You have to do a week-in-hand and ... the dole won’t pay week-in-hands no more ... (by) the time you get your money, you’re two weeks behind with your rent, two weeks behind with council tax ... by the time you get your first week’s wages ...’
(C18, Unemployed, Successful, Midlands)

‘It allows you four weeks to find your feet ... [the Employment Service] are off your back, you can get a bit behind you and then you’re away.’
(C18, Unemployed, Successful, Midlands)

It gave claimants and their families time to plan and readjust to a new routine and a new budget:

‘When you sign off, you’ll be surprised how many bills really do drop ... You’ve got to start paying for the kids’ school dinners ... So it’s getting your budgeting right. It was a bit awkward.’
(C19, (ex-)Unemployed, Successful, Midlands)

Another respondent felt that by serving to postpone the time when the newly employed had to assume responsibility for their tenancy, the scheme was an opportunity to plan and make choices:

‘Eventually, they’re either going ... to be able to get benefit again, or they’re going to have to pay the rent themselves, aren’t they? It does give people time to think about it.’
(C37, (ex-)Unemployed, Successful, South Western England)

A few respondents admitted that they would have had to reconsider their decision to return to work if the help had not been forthcoming. Two explained why:
‘If it hadn’t been for that Extended Payment, I probably wouldn’t have started work because you couldn’t afford the gap between losing your benefit and getting your wages and having to pay the bits in between.’

(C8, (ex-)Unemployed, Successful, Scotland)

‘I would have had to think twice. We could have got round it probably, but it would have made life harder, a lot more difficult.’

(C37, (ex-)Unemployed, Successful, South Western England)

One claimant reflected on how the family would have coped without Extended Payments until wages and Family Credit came through:

‘[It would have been] terrible. We couldn’t have survived it. We would have been behind a whole month’s rent, so that’s £230 … and we would have had to pay it back.’ (C35, (ex-)Unemployed, Successful, South Western England)

Several others would have been able to pay the rent only with difficulty, because of the mismatch between first pay day and when the rent was due.

Extended Payments enabled some respondents to ‘catch up’ financially by using first wages to put money towards other bills (for example, utility arrears). One respondent needed as much assistance as possible if a permanent move from benefits into work was to be achieved:

‘I spent the first year of my employment paying off my debt from being unemployed. Because [people on benefits] are marginalised and whatever, they can’t get [cheap loans] … Let’s say they want furniture, they have to go for high interest rates … so they’ve built up a debt … So a lot of people spend a lot of time paying off previous debts; before they ever have a wage to themselves they’re paying off what they owe. So if they had some help and that, that again helps.’

(C13, Lone Parent, Eligible non-claimant, Midlands)

Furthermore, those who had moved into new accommodation welcomed being able to use the money on household essentials:

‘It saved me, because I picked up the first month £672 I think … £250 out of that for the rent. I could have done it, but it was much better that I could buy things. I didn’t have a fridge, I bought a fridge freezer the first month and then each week I buy different things, curtains …’

(C31, (ex-)Unemployed, Successful, South Western England)

‘When I moved in here, I had absolutely nothing, foodwise or anything … and that four weeks helped me not have to spend so much out of that first bit of money that I did have from work so that I could stock up on little things that I needed … I’ll tell you what, it was a godsend.’

(C30, (ex-)Unemployed, Successful, South Western England)

For many, Extended Payments clearly served as a most welcome ‘bonus’ which did much to assist their transition from benefits into work:
'I can't fault it in any way, there is nothing I could say to make it any better ... It was brilliant the way they did it and it helps you out, it really does.'

(C30, (ex-)Unemployed, Successful, South Western England)

The majority of these points were also made by the unsuccessful claimants and eligible non-claimants who were very conscious of having missed out on significant help.

That most claimants and eligible non-claimants should hold this view is not surprising. Generally, they were not informed about Extended Payments until after they had decided to begin a new job or increase their hours of work. In a sense, they could only realistically view it as a device to assist the movement into work, rather than as a scheme which could have affected their decision to return to work.

In contrast, the availability of Family Credit as an in-work benefit, was mentioned by a number of respondents as a factor which had affected their decision to return to work. Most of them knew about it prior to securing employment. For some respondents, most notably lone parents and women, the availability of Family Credit enabled them to consider part-time work, knowing that they would be supported by the benefit, while for others, the ability to apply for Family Credit had allowed them to consider and take up low-paid jobs.

6.6 Conclusions

This chapter has looked at the claimants' and eligible non-claimants' awareness and knowledge of the Extended Payments Scheme, their decisions about returning to work, and their views about Extended Payments as a work incentive.

The claimants' and eligible non-claimants' accounts suggest that there was little evidence of publicity in either Benefits Agency local offices or Jobcentres in any of the three areas. Very few claimants were sent literature through the post.

This perceived lack of publicity may help to explain why only some of the respondents had any knowledge of Extended Payments prior to accepting their jobs and signing-off; and only three appeared to remember when it was appropriate for them to claim. The remainder had been totally unaware that Extended Payments was an option.

Most unemployed people contacted the Jobcentre to sign off; the remainder either contacted the Benefits Agency or could not recall signing off. Similarly, most lone parents remembered contacting the Benefits Agency. Claimants who visited the Employment Service were usually told about Extended Payments, compared with only a few of those who went to the Benefits Agency. None of the respondents who signed off by post to either
the Employment Service or the Benefits Agency were told about Extended Payments.

Although several respondents were identified as having some knowledge of Extended Payments by the time of the research interview, their knowledge of the eligibility rules was relatively low.

All but two claimant respondents knew of at least some in-work benefits. Most had specific knowledge about at least one of the in-work benefits.

Of those in receipt of in-work Housing Benefit only one knew that his claim had been fast-tracked.

Given the considerable lengths of time which most of them had spent in unemployment, the transition from out-of-work benefit to paid employment could not be expected to be smooth. These difficulties had been compounded, for some, by the negative experiences they had encountered, often related to what was perceived to be excessive paperwork and, according to some, indifferent, even patronising, treatment by staff. When it came to searching for, and, more importantly, finding, a job informal word-of-mouth channels were significant. Unsurprisingly, several of the respondents who had found employment had taken jobs in different occupational areas from those in which they had previously worked. A number of factors contributed to this pattern, notably the decline of traditional industries, the need to fit in with childcare arrangements, health reasons and the lack of available alternatives. A significant number of the sample had moved into part-time employment and were supported by Family Credit and in-work Housing Benefit and Council Tax Benefit.

Although other individuals were rarely mentioned as having any influence on the decision, most had undergone a process of calculating the financial implications of taking work, in terms of benefits foregone against wages and eligibility for in-work benefits, prior to accepting a job offer. Nonetheless, it was significant that this process of financial calculation often occurred after a job offer had been made, and when actual in-work benefit levels were unknown.

An element of compulsion or coercion was also apparent, with a few respondents reporting that they felt under pressure from the Benefits Agency or Employment Service to accept whatever job was on offer. Nevertheless, the social benefits which employment conferred, in getting people out of the house, helping them meet others and imposing a structure on the day, should not be understated, as several respondents indicated their importance. This does not necessarily mean that generating income was not the prime consideration when attempting to enter the labour market, for there was clear evidence that this was also the case.
The availability of Housing Benefit and Council Tax Benefit Extended Payments Scheme was not, of itself, a major factor in stimulating a decision to return to work. Indeed, the decision to return to work had already been taken before most respondents had become aware of the benefit. In contrast, the availability of Family Credit, as an in-work benefit, was far more widely known by respondents, and the existence of Family Credit featured much more prominently as a factor which influenced the decision to return to work. It is, of course, possible that in the longer term, as the public’s awareness of the Extended Payments Scheme increases, it too will have an impact similar to Family Credit on people's decisions to return to work.

The Extended Payments Scheme, however, was praised as a measure which assisted claimants in making the transition from benefit to employment. It was a 'bonus' which allowed households to plan and budget, and it helped to reduce any financial stress.
Overview

This chapter describes respondents' experiences of claiming Extended Payments and in-work benefits and their suggestions for improvements. Section 7.1 is devoted to the Extended Payments Scheme - specifically, the practicalities and implications of claiming (Section 7.1.1) and the outcomes of the claims (Section 7.1.2) and Section 7.2 has a similar focus in relation to in-work Housing Benefit and Council Tax Benefit. Particular attention is paid to the sub-groups of successful and unsuccessful claimants, and eligible non-claimants.

7.1 Extended Payments

7.1.1 The claiming process

a) Obtaining forms

Twenty-seven people in the sample claimed Extended Payments. Not all could recall obtaining the form, but for most of those who could this appears to have been a straightforward process. Most were given (or sent) forms automatically when they signed off, often in conjunction with forms for in-work benefits. One claimant received a form from a Benefits Agency Fraud Officer, who was investigating his case; another picked one up at the local authority.

Examples of how easy the procedure could be for some include one unemployed man who rang the Employment Service Jobcentre and then called in person to find a form for Extended Payments had been put on one side ready for him. Another claimant described how:

"[The man at the Jobcentre] turned round and gave it to me there and then, and he said, “Right, fill it out now before you go back home, and it will be here ready.” They were ever so helpful."

(C30, (ex-)Unemployed, Successful, South Western England)

However, a few claimants had to ask specifically, in order to obtain a form. Even then, one reported considerable difficulty:

"When I started work I had great difficulty because there’s a benefit, an extended Housing Benefit, which is not readily known, and I had a big fight, well, argument with [the local authority] actually and the Council agreed with me that they don’t make this known ... Subsequently I got mine because I wrote this big letter about it …"

(C10, Lone Parent, Successful, Scotland)

Another problem for some people who knew that the benefit existed was establishing where to obtain the forms. This could be made worse by confusion amongst the organisations concerned as to which actually held the forms (c.f. Section 3.1.2). The result could be a considerable amount of ‘to-ing and fro-ing’ by some respondents:

"She [at the local authority] sent me off to get a form to fill in ... they don’t have it at the Council, you have to get it from the Jobcentre, but then when I went to
the Jobcentre she said, “Oh no, you have to get it from the Benefits Agency”, so ... you felt as though you were being passed around a little bit ... nobody seemed to take responsibility for it.’

(C32, (ex-)Unemployed, Successful, South Western England)

‘He [at the Employment Service] said, “Oh no, you haven’t got this form, run over and go and get this form” and I ran over and got this form from [the Benefits Agency].’

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

A few other respondents said they encountered staff unable to deal appropriately with their enquiries:

‘When I went back on that day for the form, she ... actually didn’t know what I was speaking about and she had to go to somebody else and they came out and gave me the forms.’

(C4, Lone Parent, Successful, Scotland)

‘I don’t think the staff knew very much about it, that’s what I felt ... because it wasn’t available. The girl behind the counter didn’t know and the other girl, the person who she’d asked, had said, “We don’t really know”, as if they hadn’t been told ...’

(C10, Lone Parent, Successful, Scotland)

b) Completing and returning NHB 1EP application forms

Generally, claimants had no difficulty in completing and returning the NHB 1EP application form. Several did so ‘there and then’, sometimes with help from Benefits Agency or Employment Service staff; others took their forms home to fill in and return the next day (in person or by post).

Indeed, for two successful respondents the claiming process was such a ‘non-event’ that they had no recollection of it. One said:

‘I think it was all taken care of by the Benefits Agency; I don’t remember actually physically going anywhere and writing anything down or signing for anything.’

(C5, (ex-)Unemployed, Successful, Scotland)

When a problem did occur, it was usually the result of confusion between the agencies as to how forms should be dealt with. Unfortunately, in the following case, this confusion led to the deadline being missed and the claim being rejected:

‘The [Employment Service] supervisor, all she [did] was stamp it, that’s all she said she had to do, and we took it back to the Council and [they] said, “No, that’s not good enough, [the Employment Service] have got to fill it in, sign it, and then stamp over it and put the date on.” But when we went to take it back [the Employment Service] said, “No, we don’t have to do nothing, we’ve done our bit, we’ve stamped it.” So we took it back and [the local authority] said, “Well, we’ll deal with it, we’ll send it off to them with a note in it [but] it never got there on time ...”’

(C25, (ex-)Unemployed, Unsuccessful, Midlands)
Two respondents appreciated receiving personal help. In one case the Benefits Agency Fraud Officer 'took care of everything'; in another a member of staff within the Benefits Agency:

'... sat there and done it for me ... she filled a form in for Extended Payments for me.'

(C26, Lone Parent, Successful, Midlands)

In fact, the claim form itself presented no difficulties, with all the remaining respondents finding it easy and straightforward to fill in.

c) The eight-day rule Several of the respondents claiming Extended Payments were aware that there was a deadline (c.f. Section 1.1.2), but only three could specify the correct number of days (see Section 6.1).

In most cases the deadline (whether claimants were aware of it or not) did not create any particular problems. As already mentioned, the forms were often completed and handed back when they were given them. Other claimants who took their forms home tended to be sufficiently disciplined and motivated not to procrastinate:

'We like to get them out of the way.'

(C28, (ex-)Unemployed, Successful, South Western England)

'Anything we get we put in straightaway ... we fill [it] in, send it off.'

(C35, (ex-)Unemployed, Successful, South Western England)

'Obviously like anyone you'd be keen. I was off, I got it all done and sorted out.'

(C18, Unemployed, Successful, Midlands)

This contrasts with the views of some staff respondents who believed that the eight-day rule disadvantaged some claimants (see Section 3.3.3). Nevertheless, there was a recognition that some claimants might have difficulty in meeting the deadline - for example, if working full-time or on shifts:

'If you were in shift work in a factory, you'd find it quite hard to do all this and quite hard to do it on the 'phone.'

(C10, Lone Parent, Successful, Scotland)

or less motivated:

'Well, you're lackadaisical being unemployed, being lazy, not me, but other people I know, they just don't get round to ... days just fly by, don't they? You're used to not doing anything ...'

(C18, Unemployed, Successful, Midlands)

Two claimants were prompted by being told about the eight-day rule to deal with their forms straightaway. Another was just told 'to do it quickly', but she added:
‘I know basically that means the next day, get it sorted out as quickly as possible, else I’ll be waiting six months for it.’

(C24, (ex-)Lone Parent, Successful, Midlands)

A small number of claimants were close to losing their Extended Payments as a result of being given incorrect information, being told late, or their forms being mislaid:

‘[The local authority] told me that on that day I had only got that day to put in for my four-week extension. So I went to the [Benefits Agency] and they gave me a form and I just took it to the rent rebate place. If it wasn’t for that guy telling me on the day I wouldn’t have got it, I would have lost it … You’ve got to have it in for a certain date and … I went in on that date, so I was quite lucky.’

(C4, (ex-)Lone Parent, Successful, Scotland)

A few respondents expressed suspicion about the choice of eight days rather than the more common 14 by which to respond, and the motivation underlying the condition itself:

‘The eight days, that’s very, very clever tactics because a lot of people don’t respond … eight days to me is a very unfair number.’

(C13, Lone Parent, Eligible non-claimant, Midlands)

‘If they’re going to give it you, they’re going to give it you, so why put pressure on you for the eight days? Again it’s for them to say, “If you want to help yourself; you can; you’ve got eight days.” And for most people everyone will help themselves but for the minority, who don’t get it in eight days, they just cut you off. Somebody is up there … looking down, thinking, “If they ain’t going to help themselves, then we’re not going to help them”.’

(C18, Unemployed, Successful, Midlands)

In the case of one lone parent who was not told about Extended Payments when she signed off in person at the Benefits Agency and consequently missed the deadline, the local authority made an exception and awarded her the benefit:

‘… I actually got it. I claimed for it after the time limit but they did give me it, they made an exception for me … because I complained … They only gave me the benefit of the doubt because I made such a stink.’

(C10, Lone Parent, Successful, Scotland)

7.1.2 Outcomes of claims for Extended Payments

There were 21 successful claimants and six who were unsuccessful in our sample. This section also considers the circumstances of those respondents who were eligible non-claimants.

a) Successful claimants Most of the successful claimants were unemployed claimants, and the rest were lone parents. The lone parents were divided equally between the Midlands and Scotland.
Very few claimants could recall when and how they were informed of the successful outcome of their claims. The ones who could remember appear to have been sent a letter between three days and three weeks after claiming:

‘The letter said all the bits and pieces and then the date, “This is when it will finish”.’

(C35, (ex-)Unemployed, Successful, South Western England)

Where people rented from private landlords, a cheque was often included.

For a few who had put aside money for the rent or who had otherwise expected to pay full rent and council tax straightaway, the award came as a welcome surprise: ‘[We were] over the moon!’ (see also Section 6.5).

In most cases the processing of claims was straightforward and sufficiently quick for people to experience continuity in the payment of their rent and council tax.

Three respondents identified outcomes which were more puzzling than problematic. Two cases referred to the length of payment: one unemployed woman appeared to have received Extended Payments for a maximum of two weeks and another for three weeks only. These respondents may have remembered incorrectly. In the third case, there was a shortfall of first 9p and then £3 a week which the claimant had to make up in rent. It is possible, however, that an over-payment of benefit was being recovered from this respondent.

Two successful claimants reported arrears. In one case the respondent had experienced arrears in the past and it was unclear whether this episode was a continuation of previous debt or a new debt arising from this period of employment. In the other case there was a mix-up over which weeks were covered by Extended Payments; this resulted in one week’s arrears which the claimant had to make up to her father (the landlord) over a period of six weeks.

There is some evidence to suggest that some local authorities were a little hasty in demanding rent and council tax from newly employed tenants without checking first whether they had been awarded Extended Payments. Two people received letters notifying them, erroneously, that they were in debt:

‘These things are dealt with by the Council and it goes through the computers so you just don’t bother paying your rent, pure and simple, even though they send you a demand saying that you’re four weeks behind, because I got one of those in and I said, “No, I’m not! Look at the file.” “Oh yes, you are!” ... I would say it could be intimidating for some folk, especially if they don’t know [their] rights.’

(C8, (ex-)Unemployed, Successful, Scotland)
'Even while I was waiting for the Extended Payments I still received letters; as soon as I signed off I had letters in two days [from the Housing Office]: “You owe this, you owe that”, and you know straightaway I was thinking, “That’s not right.” ... As soon as they find out you’re [working] it goes to the local Housing Office just up the road and they send you a letter, “We want rent, we want council tax and everything.” ... This was before someone had contacted them and said I’d be getting the Extended Payments if they’re agreed.’

(C18, Unemployed, Successful, Midlands)

b) Unsuccessful claimants

Of the six unsuccessful claimants, four, for various reasons, failed to meet the eight-day deadline for submitting their Extended Payments application forms (NHB 1EP), and the other two had not been unemployed continuously for 26 weeks. One of the latter was also a mortgagee. Three were unemployed (all living in the Midlands), and three were lone parents. All were officially notified by post.

As above, one respondent heard that she had been turned down only when she contacted the local authority after receiving rent and council tax demands:

‘I did ‘phone the [local authority] ... because it was taking such a long time and ... I’d had a letter to say that I owed this, I was in arrears with this, and I’ve never been in arrears with anything ... I thought, “Well, this is no fault of mine” ... So I think I ‘phoned them and ... I got a letter after that to say that I was too late in claiming it ...’

(C14, Lone Parent, Unsuccessful, Midlands)

Of the other claimants turned down because they had not returned the forms in time, one had not been aware that there was a deadline. In the other case there was a mix-up over obtaining the form and the timing of the claim. This man complained initially, but decided against following it through:

‘I ... complained and they said the only way is if I go to [the Benefits Agency, the Jobcentre], and Council and get a letter off each one of them and then hand it into Housing Benefit and then it would be up to the manager to decide ... but why should we have to run about and do all that? ... at the end of the day they’re going to turn round and say “No”, so I thought “I won’t do all that hard work for nothing”.’

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

One respondent found she did not qualify because the local authority said they had not received the application form at all. She blamed the post, rather than the Employment Service, and wished with hindsight that she had handed it in person and obtained a receipt. She too complained to the local authority, but to no avail.

As already mentioned, two respondents were turned down because they did not fulfil the ‘26-week condition’. Neither contested the decision. One had forgotten about the two-week working period which prevented her from being eligible:
I'd not really looked at the details of this four-week payment because I just presumed I was going to get it, forgetting about that two weeks, as I knew I'd been on Income Support for six months or more ...

(C40, Lone Parent, Unsuccessful, South Western England)

In addition, she would not have been eligible for Extended Payments because she was a homeowner. The other respondent accepted the decision with some resignation:

'... I didn't bother phoning again, I thought "Well, that's it, in black and white, I can't have it".'

(C14, Lone Parent, Unsuccessful, Midlands)

To the extent that the unsuccessful claimants became liable for their rent and council tax earlier than they would have done if they had been awarded Extended Payments then they incurred a financial cost. For those with substantial outgoings, these costs were significant:

'I ended up paying nearly 200 bloody pounds.'

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

Another claimant found herself unexpectedly in arrears, through no fault of her own:

'I thought they were [dealing with] that, but then the [local authority] sent me a letter saying they hadn't received my form, and then of course I got behind, [in] arrears, with my landlord, because I thought they were still paying it.'

(C27, (ex-)Unemployed, Unsuccessful, Midlands)

c) Eligible non-claimants  There were 13 eligible non-claimants in our sample. Only one was told about Extended Payments when he signed off at the Employment Service Jobcentre; but he was not given a form at the time and, when he subsequently enquired, he had missed the eight-day deadline. Most of the eligible non-claimants did not claim because they were totally unaware that Extended Payments was an option. However, three had heard about it in the past: when making preliminary enquiries prior to seeking work, while working as a volunteer with young people and from a friend, and another vaguely recalled seeing some posters in the Jobcentre. Only one of these people investigated Extended Payments further, and she (a lone parent who signed off at the Benefits Agency) was told (wrongly) that she was ineligible.

Six of the eligible non-claimants were unemployed, six were lone parents and one was a trainee.

Two were clearly upset by the financial implications of having missed out on Extended Payments:

'Bit annoyed, yes. It could have paid my rent for a month.'

(C1, (ex-)Unemployed, Eligible non-claimant, Scotland)
Another was more philosophical about it:

'It's somebody's pitfall. I think it's just the system. These people behind the counter, they get it took out on them, [but] it's not their fault. I believe that somebody's at blame for not informing.'

On the other hand, he suffered less financially because:

'I was getting paid with cash in hand, so it didn't really affect me, plus I was getting extra hours here, there and everywhere else I could find [work].'

(C6, (ex-)Unemployed, Eligible non-claimant, Scotland)

Those who had to work a week or more in advance before receiving a wage found it a struggle to meet their outgoings in the intervening period. One man commented:

'If we hadn't got paid for that week, that's probably what we would have done, we would have gone for a [Social Fund] crisis loan. But they're hard to get off them, very hard ...'

(C34, (ex-)Unemployed, Eligible non-claimant, South Western England)

7.1.3 Respondents' suggestions for improvements to the Extended Payments Scheme

a) Increased publicity  By far, most claimant and eligible non-claimant respondents wanted more publicity for the Extended Payments scheme. Suggestions were that posters should be displayed more prominently, and that booklets and brochures should be more freely available (either within agencies for picking up and taking away, or included in claim packs). Their views coincide with those of many staff respondents (see Section 3.6.1).

Benefits Agency local offices, Employment Service Jobcentres and local authority offices were seen as the obvious places for publicity and hand-out materials to be located. However, one respondent pointed out the importance of having literature which was well-designed and appropriately targeted:

'[It] gets on your nerves, you need a briefcase when you're down there to sign on; it's terrible the stuff you come out with.'

(C8, (ex-)Unemployed, Successful, Scotland)

It was also suggested that information could be included as a matter of course in written communications between the agencies and claimants, with information being directed to individuals identified by the computer system as they become eligible.

Another respondent suggested that Extended Payments and in-work benefits should also be publicised in work settings and community locations (for
example, libraries) which the public visit and where specific groups tend to meet:

'Maybe if [publicity] was actually put into work places where people were applying for jobs ... and again in areas where people ... if you're talking about mothers, you're talking about nurseries and schools ... where they could actually have leaflets on show ... saying, “Going back to work? then this is what you're entitled to”.'

(C13, Lone Parent, Eligible non-claimant, Midlands)

One respondent also felt that employers could be called upon to help publicise the scheme to potential workers:

'Maybe if [employers] were actually able to say to them, “You do realise along with the job that you've got an entitlement to [Extended Payments]?”'

(C13, Lone Parent, Eligible non-claimant, Midlands)

Other suggestions were advertisements in local newspapers and on the television:

'Really it's got to go on the telly, hasn't it? That's really the way to get to the nation.'

(C18, Unemployed, Successful, Midlands)

One of the most effective methods of publicity was perceived to be 'word of mouth'. Respondents were keen to share their knowledge and prevent others missing out. Several had already told friends, and others said they would do so if the opportunity arose.

b) Need for a lead organisation

It was widely felt, however, that the level of awareness about Extended Payments was extremely low, and that an emphasis must be placed upon ensuring that professional workers tell people individually and in person that the benefit exists, and encourage them to claim:

'People know what they're not entitled to, but they very rarely know what they are entitled to and I think that's disgraceful.'

(C13, Lone Parent, Eligible non-claimant, Midlands)

'It's a damn good idea, it's just a shame that they don't point it out to people.'

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

Opinions varied, however, as to which organisations should be responsible for telling people, and when. A few people felt that Employment Service 'Restart' interviews could be used more constructively in this regard:

'Jobcentre staff are not putting forward enough positive ideas to get you into work. If they were more forthcoming and [said], “See, if you were working, you could get paid for four weeks,” or something like that ... I don't think they do enough to actually encourage people as much as they could.'

(C5, Unemployed, Successful, Scotland)
'Personally, I think under the new Jobseeker’s Allowance thing, where you’re supposed to have your formal interview, … they could actually sit down and explain to people what they’re entitled to.’

(C8, (ex-)Unemployed, Successful, Scotland)

Others thought that Benefits Agency and Jobcentre staff should ensure that people are routinely told when they sign off:

‘They should have the forms there and then and say, “Right, fill it all in, sign it, we’ll stamp and date it …” As soon as you sign off, “We ain’t going to sign you off until you’ve filled this in …” At least then it’s all sorted out officially …’

(C25, (ex-)Unemployed, Unsuccessful, Midlands)

Two lone parents who were eligible non-claimants were particularly indignant at not having been told by the Benefits Agency at the appropriate time. One said:

‘You try and find work and they don’t want to help you in any way, and they don’t want to tell you what you’re entitled to … how can they justify keeping saying, “Oh, you should have known about it”, [when] they’re not even advertising it or telling you anything about it?’

(C12, Lone Parent, Eligible non-claimant, Scotland)

Two other people also felt it should be the responsibility of the local authority to alert tenants to the fact that this help is available if and when they move into work or increase their hours.

One respondent felt there needed to be a well-publicised local source of information about Extended Payments and in-work benefits. This could be at one of the three key agencies or, perhaps, a key individual within a ‘One-stop shop’. People considering work options would then have a dedicated place to go to ask questions and obtain their better-off calculations:

‘There should be somewhere for somebody to ask questions. I know you can go to this one and go to that one but, if you leave the Employment [Service] office and go to [the Benefits Agency], it’s crowded out in there. Normally there’s only two people behind the counter so you’re there the biggest part of the day. You stick your head in the door and out you go. I think the system is designed like that, to put you off.’

(C6, (ex-)Unemployed, Eligible non-claimant, Scotland)

Another respondent advocated simplifying the system in order to reduce the number of organisations involved (and, implicitly, the scope for error or document loss). For example, removing the requirement for the Benefits Agency and Employment Service to stamp the forms would mean all the administration could be dealt with by the local authority14:

14 Under this proposal the local authority would have to certify that the claimant fulfilled the ‘26-week condition’.
"You have to go down to the Council to get the actual form ... I couldn’t see why you had to go to the Unemployment Benefit to get it stamped; if you’ve got your book to show you’re unemployed and they know you’re unemployed because they pay the rent ... if they don’t believe you, [they can] just ‘phone up and say, “Is this person unemployed?”’, you’ve got your national insurance number. I should have just gone to the Council offices, [got] the form, and given it back to them.’

(C31, (ex-)Unemployed, Successful, South Western England)

This would also serve to speed up the administrative process, which claimants would welcome:

'It would be nice to think that, when you filled a form in, that form went off and you knew, say, within a week, fortnight, you were going to hear something from it, instead of you having to keep asking, “Have you done something ...?””

(C26, Lone Parent, Successful, Midlands)

c) Eight-day rule  Three respondents had thoughts about changing the eight-day rule. One wanted it abolished because of the additional pressure which it put on claimants. Alternatively, it was felt it should be extended to either a fortnight or a month.

d) Other suggestions  Additional suggestions raised by one or two individuals included:

- extending the scheme to mortgagees;
- shortening the six-month unemployment rule; and
- the payment period should be extended to six weeks or three months.

7.2 In-Work Housing Benefit and Council Tax Benefit

At the time of their interview, a total of 25 respondents were receiving or hoping to receive at least one in-work benefit. Twenty of these had claimed Housing Benefit, together with Council Tax Benefit in 17 cases.

7.2.1 The claiming process

With one exception, the remainder of the sample did not claim any in-work benefits at all. The exception was an ex-unemployed woman who claimed but was turned down for in-work Housing and Council Tax Benefit because her wages were too high. Of the others, a few were no longer working; some either believed they were earning a wage which was too high to qualify, or they considered their income was sufficient for their needs; one man chose not to claim, preferring to stay off benefits because of ‘hassle’ in the past from the Employment Service; and one unemployed man had not realised that such help might be available (now that he knew, as a result of the interview, he planned to claim).

Respondents acquired in-work benefit claim forms in a variety of ways: lone parents tended to be sent or given them with a Family Credit package by the Benefits Agency; similarly, most ex-unemployed people received them (unsolicited) from the Employment Service. A few picked the forms up on
their own initiative, either from where they signed off or from the local authority. One family already had a form in the house which they had been sent previously to keep and fill in if their circumstances changed.

There was no consistent pattern as to when forms were sent or given. Two unemployed men were given forms for in-work benefits when they received their Extended Payments forms. Another was sent one three weeks after he had started work (after making a successful claim for Extended Payments). Yet another did not receive a claim form for in-work Housing Benefit until after his Extended Payments had finished. This was too late for fast-tracking, but he was assured by the local authority that they would backdate the benefit to the time when the Extended Payments finished.

Two respondents did not realise that it was necessary to make a fresh claim for in-work Housing Benefit in order for it to continue beyond their Extended Payments. One was a lone parent who, although she had been sent a form with a Family Credit claim pack, only realised she had to fill it in when she received a letter from the local authority to say that she would soon be liable for her full rent. The second explained:

'Because I made the claim for four weeks at the Employment Service, I wrongly assumed that that form of claim would continue but no, they said it stopped.'

(C37, (ex-)Unemployed, Successful, South Western England)

With a few exceptions (like the one above), people filled in the in-work forms as soon as they received them, especially if they all came together with the Family Credit claim pack.

However, one household delayed because the occupants disagreed over whether it was worth claiming in-work Housing Benefit when they were in receipt of Family Credit:

'I only sent off [the Housing Benefit form] by chance actually, because I kept saying, “We're never going to get any benefit on Family Credit”, and he kept saying, “We will because I'm on a low wage”.'

(C34, (ex-)Unemployed, Eligible non-claimant, South Western England)

Their claim was successful. The dilemma they identified may be characteristic, though, of other people who are uncertain of how in-work benefits inter-relate, and current definitions of 'a low wage'.

Two others respondents claimed 'on the off-chance', although both were unsuccessful:

'I filled in [the] forms and sent them away ... just to see ... because I didn't know what I could get.'

(C9, Lone Parent, Eligible non-claimant, Scotland)
The Jobcentre help you in every way they can ... they gave me a rent rebate form regardless and they still send one every year, because I've had one for the new rent year since I've been here ... it says on there somewhere, "Even if you don't think you're entitled, fill it out anyway and send it in"."

(C30, (ex-)Unemployed, Successful, South Western England)

A few people were critical about the claiming procedure in general, or about how their particular claims were handled. One person had been assured that she would receive in-work Housing Benefit, but that the precise amount could not be assessed until she had taken her fourth wage slip into the local authority. She pointed out the inconvenience and cost incurred in being asked to call in each week with a wage slip.

Another woman was annoyed at the administrative muddle which her claim generated:

'The council tax people wrote 23 letters which was a complete waste of money. The first letter they wrote was saying that they understood [she had applied for Housing Benefit] ... and, "You're entitled to whatever, so we've sent this letter but please ignore it because you will get another letter telling you what your entitlement is". ... and ... you know the leaflets you get on what your council tax pays for, the police and the ambulance, all that was in with it. So when the next letter came ALL that was in with it again, plus I had all like the monthly Giros then that I could fill in and take down, and it had got all the dates wrong on that, but they knew: "We will be sending you some more," so they send another lot and, "Will you start paying on such and such a date," which I did. But then I got another lot because they'd calculated it wrong, I was paying too much, £2 too much. ... [But] ... in my calculations I'm [now] paying £3.43 too much council tax.'

(C26, Lone Parent, Successful, Midlands)

Yet a short delay over another lone parent's claim for in-work Housing Benefit and Council Tax Benefit led to her just meeting the eight-day deadline for Extended Payments:

'All my forms were in for my [in-work] rebate and they were taking so long to come back to me I went in on that date to find out about it, and that's when he says I was entitled to a four-week extension ... so I mean if I hadn't gone in to find out about my form I wouldn't have known anything about it ...'

(C4, Lone Parent, Successful, Scotland)

Two people felt the processing of their Family Credit claims had been much more efficient and straightforward than the processing of their claims for in-work Housing Benefit and Council Tax Benefit:

'Family Credit was more efficient ... yes, it seemed to come through a lot quicker. I thought it would be longer. I think it was only about a week at the most before the book came through, whereas Housing Benefit and council tax I think that ... did take longer.'

(C14, Lone Parent, Unsuccessful, Midlands - ineligible for the Fast-track Scheme)
7.2.2 The Fast-track Scheme

Nineteen respondents had received in-work Housing Benefit; most of these also received Council Tax Benefit. We estimate that nine had been potentially eligible for fast-tracking (by virtue of their having applied for Extended Payments within the eight-day deadline). One of these claims was known by the respondent to have been fast-tracked. There is no evidence to suggest that any of the other eight was: for example, one lone parent’s claim took about six weeks to come through and another women’s about seven weeks (although her Family Credit claim was fast-tracked) (see also Section 6.1.2).

7.2.3 In-work benefits outcomes and problems

For most people the transition from Extended Payments into in-work benefits was smooth and straightforward. They received a ‘seamless’ service.

However, five respondents encountered significant problems in the processing of their claims for in-work Housing Benefit.

The first, an ex-unemployed man, experienced considerable difficulties which resulted in a build-up of three months’ rent arrears which he was contesting. This man had begun work on 2nd January, signing off the week before, and was awarded Extended Payments. In the third week of January he said the Jobcentre sent him a form for in-work Housing and Council Tax Benefit, which he completed and returned on 30th January. Then:

‘At the end of February I hadn’t heard anything so I gave [the Jobcentre] a ring and they said, “Oh, we’ll look into it and let you know.” Then at the end of March I gave them a ring again and also the rent office to tell them that the arrears were building up … and then eventually, when they decided to do something, they gave me benefit from 30th April. So there you’ve got February, March, April rent that I had to pay off in arrears [about £800] … But now I had to appeal … that my claim should be backdated to 1st February. And that’s all going through and it takes time”.

(C37, (ex-)Unemployed, Successful, South Western England)

The problem appears to have arisen from the loss of his original form by the local authority:

“They’re making enquiries to see if they can find it. Luckily I took photocopies of every bit of that form and also the letter that the chairman of my work … I’ve sent them that. They then wanted bank statement copies and more wage slips, and then they sent me a new form to complete … By now I had got the right amount of payment slips so I could send those on. And then they came back to say I hadn’t
included any payment slips. I had photocopied those and had to send those all over again ...

(C37, (ex-)Unemployed, Successful, South Western England)

He commented that in his case:

'The original excuse was that they changed the computer system. [This could be true] because it appeared in the local press that they paid all these thousands of pounds for this new system but nobody knew how to operate it!'

(C37, (ex-)Unemployed, Successful, South Western England)

Another household, which might have been eligible for the Fast-track Incentive Scheme, fell into arrears because of delays in the processing of their claim:

'It took a couple of weeks for Housing Benefit to come through, our rent book to come through and everything; so the rent arrears it got us in, we're still paying them ... we got onto a Mr. X and said, “It's your fault, you didn't send our book through in time,” and he said, “But we're backlogged” ... “But that's not our fault,” we said, “you put us in rent arrears,” and they say, “Oh, we'll put you through to somebody else” and the 'phone goes dead.'

(C35, (ex-)Unemployed, Successful, South Western England)

The third person's fall into arrears appeared to stem from the transition from Extended Payments to in-work Housing Benefit:

'We missed one week because the way they pay their rent they send it off every 13 weeks, so it pays for 13 weeks and then the 14th week, if you've got a job, you've got to pay that 14th week. And that's what we're behind on. Now we've got to pay that £3 ... a fortnight.'

(C33, (ex-)Unemployed, Successful, South Western England)

She first heard of the rent arrears when a letter arrived to announce the debt, but without any explanation as to how it had occurred:

'They sent me a letter saying you owe me this much. Where did that come from, £57? ... You don't realise until they send you the letter saying, “You owe this,” and [you] think, “Where did that come from?”'

(C33, (ex-)Unemployed, Successful, South Western England)

Another ex-unemployed woman was assured by the Benefits Agency that she would be awarded full Housing Benefit after her Extended Payments finished. This was initially confirmed in a letter from the local authority. However, she was later told by the local authority that her wages were such that she had to make a contribution. She was clearly angry at being wrongly informed, and needing to adjust her budget to pay £3 a week towards the arrears:

'That's another thing that annoyed me, the rent people, they only told me in May that I've got to pay rent and I've been on Family Credit since March so ... I'm
£92.29 in arrears with them now, so I have to pay them extra a week ... They
sent the forms out to say, "This is your rent per week ... and your rent due is
none," and the next minute they're telling me I've got to pay rent ... I'd never
have left it. If they had said to me, "You might have to pay rent so, if you want
to, pay a bit now," I'd have done so, but then all of a sudden I just get a letter
saying ... "You owe rent now".'

(C17, (ex-)Unemployed, Successful, Midlands)

The fifth respondent explained how there was a gap between his claiming
in-work Housing Benefit and his rent being paid to the housing association.
He had a letter from the association to say that he was in arrears, but almost
immediately he also received a letter from the local authority confirming that
they would be paying £15 a week to the housing association towards the
cost of his rent.

For these respondents, therefore, the service delivery was not 'seamless'.
Problems appear to relate to the move from Extended Payments into in-
work benefits, and to be linked to the need to submit a fresh claim.

7.2.4 Respondents' suggestions
for improvements to in-work
Housing Benefit and
Council Tax Benefit

Three respondents mentioned the need for more publicity about in-work
Housing and Council Tax Benefits:

'There is not enough booklets and there's not enough posters saying ... "People in
low-paid jobs can get this," ... There's enough advertised about Family Credit,
but there's nothing else. Like the Extended Payments on your rent and council
tax, they keep it very close.'

(C36, (ex-)Unemployed, Successful, South Western England)

Another re-emphasised the need for the direct personal approach, whereby
people are individually told by Benefits Agency and Employment Service
staff. This woman had not been given any advice about in-work benefits
when she signed off by writing to the Employment Service:

'I don't think you're given very much information at all either way. I think you
only receive information if you ask, if you know about it beforehand, but most
people don't actually realise what they're entitled to. They know what they're not
entitled to, they basically know that you can't apply for this, but they don't
actually know what they're entitled to ...'

(C13, Lone Parent, Eligible non-claimant, Midlands)

Two respondents queried the need to complete fresh claims for both
Extended Payments and in-work Housing and Council Tax Benefit:

'To me I was filling the same form in over and over again. They'd got all the
information, but that doesn't matter; once something stops, you've got to reapply.'

(C26, Lone Parent, Successful, Midlands)
'I ... completed a Housing and council tax form [at the Jobcentre] ... I can’t see why that Housing Benefit form can’t continue. The argument is that you’re getting four free weeks and after those four weeks you may not be entitled to it [so] they need new details fresh. But I wish they’d get their act together because there is no end of people that are being taken to court because of arrears that mount caused by either them not informing the Housing Benefits or the benefit section saying it’s not received the forms.’

(C37, (ex-)Unemployed, Successful, South Western England)

This man was talking both from his own personal experience, and his experience as a volunteer within a Citizens Advice Bureau.

The need to wait for the availability of up to five payslips, before the actual amount of Housing Benefit could be assessed, was unpopular with three respondents (see also Section 3.4). One, whose claim was not fast-tracked despite her eligibility, said:

‘Family Credit got around that ... they can write to your employers, “We know you’ve not got five pay slips here but project their income for us,” and they will adjust, but Housing Benefit [it] seems they don’t do that ... I’ve got to wait until I’ve got five payslips.’

(C10, Lone Parent, Successful, Scotland)

Another pointed out that it would clearly save claimants’ (and presumably administrative) time if they were allowed to collect their weekly wage slips and deliver them all together on one visit at the end of the designated period.

Additional suggestions from individuals included:

- Housing Benefit rates should be higher for those only working part-time;
- Housing Benefit should be extended to people with mortgages; and
- the upper earnings limit should be raised.

7.3 Conclusions Most of the respondents found obtaining, completing and submitting the NHB 1EP application forms for Extended Payments straightforward, albeit some did experience problems in locating a form, completing it and submitting it within the eight-day time limit.

Twenty-one respondents in our sample made successful claims for Extended Payments. In most cases the processing of their claims was non-problematic and sufficiently quick for people to have had continuity in the payment of their rent and council tax.

Some successful claimants had difficulty recalling making their claim and its outcome.
There were six respondents in the sample whose claim for Extended Payments was unsuccessful. Four were turned down because they were too late in claiming, including one woman’s application form that was reportedly lost in the post. Two people were rejected because they did not fulfil the 26-week condition; and one of these was also a homeowner.

Most of the 13 eligible non-claimants did not claim because they were unaware that they could have claimed.

At the time of interview, a total of 25 respondents were receiving (or, in one case, hoping to receive) at least one in-work benefit. Twenty of these had claimed Housing Benefit, together with Council Tax Benefit in 17 cases.

Two respondents clearly did not realise that it was necessary to make a fresh claim for in-work Housing Benefit in order for it to continue beyond their Extended Payments. Another couple were uncertain whether their Family Credit would prohibit them from receiving in-work Housing Benefit. These examples suggest that there may be some general confusion about how in-work benefits inter-relate.

Nineteen respondents received in-work Housing Benefit; most of these also received Council Tax Benefit. Nine might have been eligible for fast-tracking. One of these claims was fast-tracked; but there is no evidence to suggest that the other eight were.

Most of the people who claimed in-work Housing Benefit and Council Tax Benefit experienced a straightforward transition from out-of-work benefits through Extended Payments and into in-work benefits. There was continuity in the payment of their rent and no arrears occurred.

A few people, however, experienced significant problems which resulted in rent arrears (a source of some shock and worry). There was also the requirement to pay off these arrears over an extended period, often still without knowing how they had occurred or the precise period to which they related. These problems appeared to stem more from the move from Extended Payments to in-work benefits rather than from out-of-work benefits to Extended Payments, and also to be related to the need to make a fresh claim for in-work Housing Benefit and Council Tax Benefit.

The respondents wanted more information and publicity about both the Extended Payments Scheme and in-work Housing Benefit and Council Tax Benefit.
8 CONCLUSIONS

Overview
The purpose of this chapter is to bring together the staff, claimants' and eligible non-claimants' accounts of the Housing Benefit and Council Tax Benefit Extended Payments and Fast-track Incentive Schemes.

8.1 Synthesis
The research reported here has drawn upon the descriptions and views of 170 respondents. Most of these were staff from the Benefits Agency, Employment Service and local authorities. Forty were claimants or eligible non-claimants. This section attempts to integrate their accounts with respect to the extent to which the two schemes were work incentives (Section 8.1.1) and the degree to which service delivery was co-ordinated and owned by all three organisations at local level (Section 8.1.2). Both of these issues are central to any evaluation of the Housing Benefit and Council Tax Benefit Extended Payments and Fast-track Incentive Schemes.

8.1.1 Work incentive?
The Extended Payments and Fast-track Incentive Schemes were designed to be work incentives. Previous research has shown that for some claimants the financial uncertainty about paying rent and council tax over the period between leaving out-of-work benefits and receipt of first wage is likely to be a barrier to participating in the labour market. The research reported here adds to our understanding of whether or not the Extended Payments and Fast-track Incentive Schemes bridge this particular barrier.

With regard to the schemes' work incentive effects, there is a high degree of congruence between staff and claimants' accounts of the operation of the two schemes. Moreover, their attitudes and views about Extended Payments as a work incentive, typically, matched their descriptions of their experiences of the claiming process.

Staff and claimant respondents generally perceived Extended Payments as a work incentive, because it facilitated the transition from out-of-work benefits to work. (Although for some staff it was only effective when packaged or combined with other Back-to-Work schemes and initiatives.) It provided a financial bridge between leaving benefit and the receipt of the first payslip. To the extent that the scheme assisted in the transition from benefit to work, it can be judged a success. For many the scheme was perceived as a 'bonus' which supported the movement of claimants into work, and reduced some of the financial stress that this could entail. Indeed, for some the transition would have been impossible without the scheme.

However, Extended Payments had little, or no, bearing on either decisions made, or behaviour, before the claimants or eligible non-claimants had
arranged job interviews or had accepted offers of employment. There are three main reasons for this:

- the Extended Payments Scheme was not sufficiently publicised for most claimants to be aware of it when looking for work;
- some staff respondents maintained that staff in the Benefits Agency and Employment Service did not inform potential eligible claimants of the scheme because the staff themselves were not sufficiently aware or knowledgeable about the scheme; and
- many eligible claimants were informed only when they signed off Income Support or Jobseeker’s Allowance.

Only three out of 40 claimant and eligible non-claimant respondents both knew about Extended Payments before they had taken the decision to return to work and said that it had been a factor which influenced their decision. Several other respondents knew of the scheme in advance of signing off, but it did not affect their decision to return to work.

In addition, claimants could encounter a number of problems or difficulties in moving into work and claiming Extended Payments. They could find that performing accurate better-off calculations was problematic. Those attempting more detailed formal calculations often did not have reliable information on their future income, in particular the contribution they could expect from in-work benefits.

Many staff also believed that the eight-day rule (c.f. Section 1.1.2) led to some ineligible claims for Extended Payments. However, for most of the claimant respondents this deadline was not a problem. This might be because most were informed of the scheme when they signed off, and they completed the Extended Payments application form (NHB 1EP) relatively quickly.

Although this is a qualitative study, the above does suggest that the deadweight costs of the scheme may be relatively high. That is, the majority of the beneficiaries of the Extended Payments Scheme would have entered the labour market anyway. There were other pressures which led them to find and take work.

The Fast-track Incentive Scheme was not seen as a work incentive. The scheme was not promoted by Benefits Agency or Employment Service staff, mainly because they were unaware of it. Consequently few claimants knew that their in-work Housing Benefit and Council Tax Benefit could be fast-tracked.

Furthermore, some local authorities appear to be able to process fast-tracked claims without having to give them a priority over and above other claims. This was because of the low take-up of the Fast-track Incentive Scheme. A
few respondents also suggested that in order to earn extra subsidy the scheme led to interim awards being made because staff could not obtain all the relevant documentation needed to determine a claim.

8.1.2 Limited local co-ordination

The Extended Payments Scheme required local Benefits Agency offices, Employment Service Jobcentres and local authorities to work together to ensure a 'seamless' service to claimants. Local authorities, in particular, were dependent upon the quality of the service they received from the two agencies. Despite this, there was relatively little liaison on the Extended Payments Scheme between the three organisations.

Moreover, there was no sense of common ownership of the scheme(s) at local level. It is possible that more co-ordination at local level would have addressed some of the publicity and staff awareness problems highlighted in this report.
REFERENCES


Housing Benefit and Council Tax Benefit extended payments

About you

Before you fill in this form, please read NHB 1EP Notes Notes about Housing Benefit and Council Tax Benefit extended payments. It gives you more information about Housing Benefit and Council Tax Benefit extended payments.

Surname

Other names

Title

Mr Mrs Miss Ms

National insurance (NI) number

Address

If you have just moved or you will move soon, please give your old address.

Daytime phone number

Date of birth

Why are you claiming extended payments?

I am starting work and my income-based Jobseeker's Allowance or Income Support has stopped or will stop

I am starting to work more hours and my income-based Jobseeker's Allowance or Income Support has stopped or will stop

I am starting to earn more money and my income-based Jobseeker's Allowance or Income Support has stopped or will stop

My partner is starting work and my income-based Jobseeker's Allowance or Income Support has stopped or will stop

My partner is starting to work more hours and my income-based Jobseeker's Allowance or Income Support has stopped or will stop

My partner is starting to earn more money and my income-based Jobseeker's Allowance or Income Support has stopped or will stop

Go to About your council tax below.

Go to About your rent on page 2.

Go to About your rent on page 2.

Go to About your rent on page 2.

Go to About your partner on page 2.

Go to About your partner on page 2.
About your partner

Surname
Other names
Title
National Insurance (NI) number
Date of birth

About your rent

Do you pay rent for the place where you live? No
Tick Yes, if you are already getting Housing Benefit. Yes
Also tick Yes if you just pay rent for the place where you live, or you pay for meals as well, or you live in a hostel, guest house or somewhere like this.

Who is the rent paid to? Local council
Housing association
Landlady or landlord
Other

Do you get Housing Benefit? No

About your council tax

Do you pay council tax? No
Tick Yes, if you are already getting Council Tax Benefit. Yes

What is the name and address of the council you pay it to?

What date did or will you or your partner start work, or start working more hours, or start earning more money?

About work

No

Yes
### About work – continued

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<td>Is your or your partner's new job, or extra hours, or extra money expected to last for 5 weeks or more?</td>
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### About moving to a new address

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<td>What date did you or will you move to your new address?</td>
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<td>What is your new address?</td>
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<td>What is the name and address of your new local council?</td>
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<tr>
<td>Will you have to pay rent at your new address?</td>
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<td>Yes</td>
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<tr>
<td>Who will you pay rent to at your new address?</td>
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<tr>
<td>Local council</td>
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<td>Housing association</td>
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<td>Landlady or landlord</td>
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<td>Other</td>
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<td>Please say who</td>
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<tr>
<td>What is the name and address of the person or place you pay your rent to?</td>
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<tr>
<td>Will you have to pay council tax at your new address?</td>
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<td>Yes</td>
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</table>
Declaration

I understand that if I give information that is incorrect or incomplete, action may be taken against me.

I understand that the council may make any enquiries necessary to check the information I have given on this form and may require further information from me.

I understand that my or my partner's new job, extra hours or extra money will mean that I no longer receive income-based Jobseeker's Allowance or Income Support.

I understand that I must hand in or send this claim form within 8 days of my income-based Jobseeker's Allowance or Income Support stopping, or I will not be entitled to extended payments.

I declare that I have read, or had read to me, and understand the information given with this form.

I declare that I will continue to be liable to pay rent or council tax for 5 weeks or more after I or my partner start work, start working more hours or start earning extra money.

I declare that I am not claiming extended payments for any other home.

I declare that the information I have given on this form is correct and complete.

This is my claim for Housing Benefit and Council Tax Benefit extended payments.

Signature

Date

Important - your local council has a duty to protect the public funds it administers.
To do this, it may use the information you have given on this form to help prevent and detect fraud. It may also give the information to other bodies administering public funds to help prevent and detect fraud.

What to do now

Do you want to claim Housing Benefit or Council Tax Benefit after any extended payments stop?

No

Yes: Your local council will send you a claim form.

Please tick the box that applies

I rent my home from the local council

I rent my home privately

I own my home

Check that you have filled in all the parts of this form that apply to you and your partner, if you have one.

Check that you have signed and dated this form.

The Benefits Agency certificate

This is to certify that this person

☐ has satisfied the 26 week condition for Jobseeker's Allowance or Income Support to claim Housing Benefit and Council Tax Benefit extended payments.

☐ has not satisfied the 26 week condition for Jobseeker's Allowance or Income Support to claim Housing Benefit and Council Tax Benefit extended payments.

When income-based Jobseeker's Allowance or Income Support stopped, this person was

☐ unemployed

☐ a lone parent getting the lone parent premium

☐ a carer getting the carer premium

☐ on a government training scheme

Signature

Date

Name in BLOCK CAPITALS

for official use only

Office stamp
**Fast-track Housing Benefit/Council Tax Benefit Claims**

**Set time limits for claimant**

1. **START**

   - Claim for extended payments made within eight days of Income Support ceasing
     - **NO**
       - In-work claim not for fast-tracking
     - **YES**
       - Claim for in-work benefit made within 15 days of Income Support ceasing
         - **NO**
           - Fast-track 'in-work' claim
         - **YES**
           - Claim determined within 14 days of date of extended payments claim or 'in-work' claim being made (whichever is the later)

**Set time limits for local authority**

- Claim determined within four-week extended payments period
  - **YES**
    - Extra subsidy payable
    - No subsidy penalty
  - **NO**
    - No extra subsidy, no penalty

- Claim determined within four-week extended payments period
  - **YES**
    - Claim determined within seven days of receiving all relevant information needed to make a decision.
  - **NO**

Based on DSS (1996a), Circular A6/96, Annex B.
C.1 Case Studies  Details of the in-depth interviews with Benefits Agency, Employment Service and local authority staff from the three districts are as follows:

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<th>South Western England</th>
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| Total               | 14       | 11       | 12                    | 37    |

Details of the welfare rights officers interviewed by telephone are as follows:

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<td>43</td>
<td>Manager</td>
</tr>
<tr>
<td>44</td>
<td>Client Adviser</td>
</tr>
<tr>
<td>45</td>
<td>Interventionist</td>
</tr>
<tr>
<td>ID</td>
<td>Grade</td>
</tr>
<tr>
<td>----</td>
<td>----------------</td>
</tr>
<tr>
<td>46</td>
<td>Receptionist</td>
</tr>
<tr>
<td>47</td>
<td>Manager</td>
</tr>
<tr>
<td>48</td>
<td>Processor</td>
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<tr>
<td>49</td>
<td>Receptionist</td>
</tr>
<tr>
<td>50</td>
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</tr>
<tr>
<td>51</td>
<td>Processor</td>
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<tr>
<td>52</td>
<td>Receptionist</td>
</tr>
<tr>
<td>53</td>
<td>Manager</td>
</tr>
<tr>
<td>54</td>
<td>Client Adviser</td>
</tr>
<tr>
<td>55</td>
<td>Interventionist</td>
</tr>
<tr>
<td>56</td>
<td>Manager</td>
</tr>
<tr>
<td>57</td>
<td>Processor</td>
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<tr>
<td>58</td>
<td>Receptionist</td>
</tr>
<tr>
<td>59</td>
<td>Manager</td>
</tr>
<tr>
<td>60</td>
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</tr>
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<td>61</td>
<td>Interventionist</td>
</tr>
<tr>
<td>62</td>
<td>Receptionist</td>
</tr>
<tr>
<td>63</td>
<td>Manager</td>
</tr>
<tr>
<td>64</td>
<td>Processor</td>
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<tr>
<td>65</td>
<td>Receptionist</td>
</tr>
<tr>
<td>66</td>
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</tr>
<tr>
<td>67</td>
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<tr>
<td>68</td>
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</tr>
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<td>69</td>
<td>Receptionist</td>
</tr>
<tr>
<td>70</td>
<td>Manager</td>
</tr>
<tr>
<td>71</td>
<td>Client Adviser</td>
</tr>
<tr>
<td>72</td>
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</tr>
<tr>
<td>73</td>
<td>Receptionist</td>
</tr>
<tr>
<td>74</td>
<td>Manager</td>
</tr>
<tr>
<td>75</td>
<td>Processor</td>
</tr>
<tr>
<td>76</td>
<td>Receptionist</td>
</tr>
<tr>
<td>77</td>
<td>Manager</td>
</tr>
<tr>
<td>78</td>
<td>Processor</td>
</tr>
<tr>
<td>79</td>
<td>Receptionist</td>
</tr>
<tr>
<td>80</td>
<td>Manager</td>
</tr>
<tr>
<td>81</td>
<td>Client Adviser</td>
</tr>
<tr>
<td>82</td>
<td>Interventionist</td>
</tr>
<tr>
<td>83</td>
<td>Receptionist</td>
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### C.3 Staff Group Discussions

<table>
<thead>
<tr>
<th>ID</th>
<th>Grade</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G2</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G3</td>
<td>Manager</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G4</td>
<td>Manager</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G5</td>
<td>Receptionist</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G6</td>
<td>Processor</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G7</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G8</td>
<td>Processor</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G9</td>
<td>Client Adviser</td>
<td>Employment Service</td>
</tr>
<tr>
<td>G10</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G11</td>
<td>Processor</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G12</td>
<td>Manager</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G13</td>
<td>Manager</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G14</td>
<td>Manager</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G15</td>
<td>Processor</td>
<td>Benefits Agency</td>
</tr>
<tr>
<td>G16</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G17</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G18</td>
<td>Intervention</td>
<td>Employment Service</td>
</tr>
<tr>
<td>G19</td>
<td>Processor</td>
<td>Local Authority</td>
</tr>
<tr>
<td>G20</td>
<td>Receptionist</td>
<td>Benefits Agency</td>
</tr>
</tbody>
</table>

### C.4 Claimants and Eligible Demographics: gender, household and claimant type

The sample comprised 21 females and 19 males. The respondents can be classified into three distinct types of household. Nine respondents, of whom only one was female, lived alone. Twelve of the sample were lone parents (all mothers) and this includes one respondent who acted as a guardian to her niece. The remaining 19 respondents were either married or lived with a partner. None of the sample lived at home with their parents.

Within the lone parent sample, six respondents had only one child and six had two children. Of those who were married or lived with a partner, seven had one child, six had two children, three had three children and one couple had six children.
Household structure by claim type

<table>
<thead>
<tr>
<th></th>
<th>Successful</th>
<th>Unsuccessful</th>
<th>Eligible non-claimant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lives alone</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Lone parent</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Married/lives with partner</td>
<td>12</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>21</td>
<td>6</td>
<td>13</td>
</tr>
</tbody>
</table>

Housing  Twenty-one respondents lived in homes rented from the local authority, five respondents rented from a Housing Association and a further 13 rented from private landlords. The remaining person in the sample had a mortgage.

Length of tenancy

<table>
<thead>
<tr>
<th>Number of respondents</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>7</td>
</tr>
<tr>
<td>Between one and three years</td>
<td>11</td>
</tr>
<tr>
<td>Between four and eight years</td>
<td>11</td>
</tr>
<tr>
<td>Over nine years</td>
<td>6</td>
</tr>
<tr>
<td>Unknown</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
<tr>
<td>New ID</td>
<td>Client Type&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>C1</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C2</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C3</td>
<td>Unemployed</td>
</tr>
<tr>
<td>C4</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C5</td>
<td>Unemployed</td>
</tr>
<tr>
<td>C6</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C7</td>
<td>Unemployed</td>
</tr>
<tr>
<td>C8</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C9</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C10</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C11</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C12</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C13</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C14</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C15</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C16</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C17</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C18</td>
<td>Unemployed</td>
</tr>
<tr>
<td>C19</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C20</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C21</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C22</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C23</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C24</td>
<td>(ex-)Lone parent</td>
</tr>
<tr>
<td>C25</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C26</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C27</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C28</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C29</td>
<td>Lone parent</td>
</tr>
<tr>
<td>C30</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C31</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C32</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C33</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C34</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C35</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C36</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C37</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C38</td>
<td>Trainee</td>
</tr>
<tr>
<td>C39</td>
<td>(ex-)Unemployed</td>
</tr>
<tr>
<td>C40</td>
<td>Lone parent</td>
</tr>
</tbody>
</table>

Note: <sup>(1)</sup> At the time of the interview
ANNEX D  RESEARCH DESIGN

D.1 Introduction  The research design comprised four main strands and these, together with the sampling design, are outlined in this Annex.

D.2 The Four Strands to the Research  The four strands to the research were as follows:

   a) three case study districts;
   b) in-depth telephone interviews with staff in nine districts;
   c) group discussions with staff; and
   d) in-depth interviews with claimants and eligible non-claimants.

   a) The three case study districts  Three case study districts acted as pilots for the research. They were used to:

   • map how each organisation implemented and operated the Extended Payments and Fast-track Incentive Schemes;
   • help identify the number and grade(s) of staff to be interviewed in the remaining nine districts (see sub-section b) below); and
   • inform the design of the topic guides for use with staff, claimants and eligible non-claimants.

   The criteria used to select the three case study districts were that:

   • one district was located in each of the following areas: Scotland, the Midlands and South Western England;
   • they represented different types and sizes of district, so one was a metropolitan authority, another a town with a rural hinterland and the last a small town;
   • the districts’ level of unemployment was ‘medium’ to ‘high’;
   • the Housing Benefit caseload was reasonably high for the type and size of authority; and
   • in at least one local authority Extended Payments were administered in the Housing Department and in another by the Finance or Treasurer’s Department.

   The case studies involved face-to-face interviews with between three and six members of staff in each of the three local authorities and in the principal local Benefits Agency office and Employment Service Jobcentre serving each local authority. Interviews were held with both managers and front-line staff.
(that is, processing staff, Client Advisers, Interventionists\textsuperscript{15} and receptionists). A total of 37 respondents were interviewed (see Table D.1).

Table D.1 Case Studies: Sample Details

<table>
<thead>
<tr>
<th>Grade</th>
<th>Benefits Agency</th>
<th>Employment Service</th>
<th>Local Authority</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Front-line</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>29</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Area</th>
<th>Benefits Agency</th>
<th>Employment Service</th>
<th>Local Authority</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>4</td>
<td>4</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>The Midlands</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>11</td>
</tr>
<tr>
<td>South Western England</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>12</td>
</tr>
</tbody>
</table>

| Total | 12 | 12 | 13 | 37 |

The fieldwork was carried out between mid-February and mid-March 1997.

In addition, telephone interviews were held with two welfare rights officers from independent advice agencies in two districts and with one officer in the third district.

These telephone interviews lasted between 20 and 30 minutes and were conducted between mid-March and the end of April 1997.

\textit{b) Telephone interviews with staff in nine districts} To test the case study findings in a wider setting, depth interviews with Benefits Agency, Employment Service and local authority staff in nine other districts were conducted.

The case studies showed that within each organisation, staff awareness and knowledge of the implementation and operation of the schemes varied by grade of staff. They also showed that the proposed interviews with staff in the other nine districts could be focused on specific topics. Accordingly, telephone interviews were held with a sample of managers and front-line staff from all three organisations in the nine districts. Specifically, the intention was to interview the following grades of staff in each district:

\textsuperscript{15} Both Client Advisers and Interventionists were Employment Service front-line positions. Client Advisers held six monthly and \textit{ad hoc} reviews with jobseekers, whilst Interventionists administered the, normally, fortnightly signing-on process.
Across the nine districts this would have given 90 interviews. The achieved number of interviews was 83 (see Table D.2 and Annex C). With one exception, interviews were held with at least two members of staff from each of the sampled organisations. The exception was a London Borough Council with whom no interviews were conducted, despite staff initially agreeing to take part in the research and appointments for interviews being organised.

Table D.2 Achieved Telephone Interviews with Staff by Grade and Area

<table>
<thead>
<tr>
<th>Grade</th>
<th>Scotland</th>
<th>The Midlands</th>
<th>South Western England</th>
<th>London</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td>25</td>
</tr>
<tr>
<td>Processors</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>6</td>
<td>18</td>
</tr>
<tr>
<td>Client Advisers</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Interventionists</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Receptionists</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>8</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>17</td>
<td>19</td>
<td>19</td>
<td>28</td>
<td>83</td>
</tr>
</tbody>
</table>

The fieldwork was carried out between mid-March and mid-April 1997. The interviews, which lasted on average 20 minutes, were, with the respondents’ permission, taped.

4) Group discussions with staff

After the completion of the case studies, staff telephone interviews and interviews with claimants (see d) below) the intention was to hold six group discussions with staff who had previously been involved in the case study or telephone interviews.

The groups would cover all 12 districts and each group would comprise an equal number of Benefits Agency, Employment Service and local authority staff. Two of the areas would host two groups and the other two areas one group each. Each group would consist of nine members, that is, one member of staff from the Benefits Agency, Employment Service and local authority from each of the three districts within each area.

To facilitate the discussion, so that staff could share similar experiences of the implementation and operation of the two schemes, separate groups were to
be held for managers and front-line staff. Two managers’ groups were to be held and four front-line groups.

In fact, four group discussions were held, comprising one management and three front-line groups. It was decided not to proceed with the other two groups mainly because there was little variation between the groups in the information they were providing. What differences they were highlighting could be accounted for by the composition of the groups (staff from the Employment Service in particular were under-represented) or had already come to light through the telephone interviews. The groups revealed relatively little new information.

Nevertheless, the groups were informed by the interim findings from the earlier fieldwork and provided a useful check on these findings and helped to place them within a wider policy context.

A total of 20 respondents participated in the group discussions which were held in Scotland, the Midlands and London. Of these a half had previously taken part in a telephone interview. The fieldwork for the groups was conducted during June 1997.

The group discussions were recorded by tape cassette.

d) Interviews with claimants and eligible non-claimants

To explore claimants’ understanding and experiences of claiming Extended Payments and their impact, if any, on people’s decisions to return to work, 40 in-depth interviews were held with (potential) recipients. An individual’s views about the scheme might depend upon whether or not any claim they made was successful or unsuccessful. Awareness of the scheme amongst those eligible for the benefit but not claiming it might also be very different from that of actual claimants. Consequently, the sample was stratified by: successful claimants; unsuccessful claimants; and eligible non-claimants.

The number of respondents in each area by claim type is as follows:

<table>
<thead>
<tr>
<th>Claim type</th>
<th>Scotland</th>
<th>The Midlands</th>
<th>England</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful Claimants</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td>Unsuccessful Claimants</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Eligible Non-claimants</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>15</td>
<td>13</td>
<td>40</td>
</tr>
</tbody>
</table>

The achieved number of interviews with unsuccessful claimants (six) is relatively low and is partly because the sample frame for this sub-group was small. The sample for unsuccessful claimants in Scotland was seven and in South Western England it was six.

In addition, (potential) claimants’ perceptions might vary by personal circumstances, for instance, whether or not they were a lone parent.
Administratively, Extended Payments claimants were classified as either unemployed, lone parents, carers or attending a training scheme. The sample for this survey included a mix of 12 (ex-) lone parents, 27 (ex-) unemployed respondents and one trainee.

The interviews were conducted between mid-May and mid-June 1997. Except for one interview where notes were taken, the interviews were, with the respondents’ permission, recorded by tape cassette.

D.3 Sampling Two samples were drawn: first, a sample of 12 districts; and secondly, a sample of claimants and eligible non-claimants from the three local authority case studies.

a) The selection of the 12 districts

- geographical area -
  The 12 districts were grouped into four areas. The areas were chosen with the following considerations in mind: the need to select London because it might in certain respects differ significantly from other parts of the country, and either Wales or Scotland because local government had recently been reorganised in these two countries; and the desirability of avoiding certain areas, such as the Earnings Top-Up pilot areas, where other studies might ‘contaminate’ the findings from this study. As already mentioned the four selected areas were: Scotland; the Midlands; South Western England; and London;

- urban or rural status -
  Population size and council type were used to obtain: a large city or metropolitan district, a town with a rural hinterland and a small town in each of the non-London areas;

- level of unemployment -
  As the schemes being evaluated were designed to encourage and facilitate the movement of claimants off benefit into work, a range of local labour market conditions was sought. The rate of unemployment, although a relatively crude measure for characterising labour markets, was used as an indicator to ensure a mix of labour markets;

- administration of Housing Benefit -
  Extended Payments could be administered by local authorities’ Housing Departments and Finance Departments/Treasurers or it could be contracted out to a third party. The sample contained a mixture of these types;

- number of Extended Payments applications and awards -
  A mix of local authorities with ‘low’ through to ‘high’ numbers of Extended Payments applications and awards were included in the sample. This was based on information provided to the researchers by the Department of Social Security.
Brief details about the selected 12 districts are given in Table D.3.

Table D.3 The 12 Districts

<table>
<thead>
<tr>
<th>Area/District</th>
<th>Status</th>
<th>Administration</th>
<th>Extended Payments</th>
<th>Rate of Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A(*)</td>
<td>Small town</td>
<td>Housing</td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>B</td>
<td>City/metropolitan</td>
<td>Housing</td>
<td>-</td>
<td>High</td>
</tr>
<tr>
<td>C</td>
<td>Free-standing town</td>
<td>Finance</td>
<td>-</td>
<td>High</td>
</tr>
<tr>
<td>The Midlands:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D(*)</td>
<td>City/metropolitan</td>
<td>Housing</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>E</td>
<td>Free-standing town</td>
<td>Housing</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>F</td>
<td>Small town</td>
<td>Finance</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>South Western England:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G(*)</td>
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Notes:

(*) Case study districts

(+) Details are not given so that the district cannot be identified.

- Missing data.

b) The selection of the claimants and eligible non-claimants

The sample of claimants and eligible non-claimants was drawn from the Housing Benefit records of the case study local authorities. In some instances, the sample for a sub-group, such as the unsuccessful claimants, comprised all of the relevant cases in a district.

The eligible non-claimant sub-sample was taken by local authorities identifying those that had left Income Support or income-based Jobseeker’s Allowance and for whom there was no corresponding application for Extended Payments. As these people might not be eligible for Extended Payments, details were passed to the Benefits Agency’s Business Support Branch at Leeds to check their eligibility.

The respondents were given the opportunity to opt out of the research. To allow for respondents opting out and possible non-response, it was decided to sample three times as many successful and unsuccessful claimants as were needed for interview. It was also anticipated that the non-response rate for the eligible non-claimants might be higher and consequently a larger sub-sample was used. The final number of opt-out letters sent, during early May 1997, was 159.
The interviewers in the field ensured that there was a mix of the two main administrative categories used, namely, lone parents and the unemployed.

Most of the claimants and eligible non-claimants had left benefit three to four months before they were interviewed. Indeed, two respondents had claimed Extended Payments only a month before their interviews. Only a few respondents had made their claims six or more months before the fieldwork commenced. This suggests that the issues the claimants and eligible non-claimants raised did not relate to 'teething' problems, but to ongoing difficulties with the schemes.
1. Summary of topics in Agency profiling methodology pro forma
2. Welfare rights officers' topic guide
3. Staff telephone survey topic guide
4. Staff group discussions topic guide
5. Claimant and eligible non-claimant topic guide
Summary of Topics Covered in the Agency Profiling Methodology Pro Forma Used in the Case Studies

- Personal details and job description
- Organisation and numbers
- Local office caseload
- Eligibility criteria
- How do claimants find out about scheme
- Claims Process:  (a) Reception  
  (b) Applications
- Description of process
- Advantages and disadvantages for claimants
- Implementation/Operational problems for officers
- Liaison arrangements
- Suggestions for improvement
- Applicants' characteristics
- Management information
- Post-interview questions
Housing Benefit and Council Tax Benefit Extended Payments and Fast-track Schemes

WELFARE RIGHTS OFFICER
TOPIC GUIDE

Introduction
• Introduce self and provide outline of study
• Stress confidentiality of the research/interview
• Record area of C.A.B.

Details/Job Description
• Background of organisation
• Respondent's role

Knowledge and understanding of HB and CTB extended payments and Fast-track incentive schemes - Objective: to establish whether the Welfare Rights Officers are familiar with this scheme.
• Establish Welfare Officers awareness of the scheme: when did they first hear about it?
• Awareness of the aims of the scheme
• Are they aware of any media publicity?
• Probe for detail, explanation of sequence of events, an explanation of the process of claiming for the scheme and the process of an application
• Awareness of who is eligible for the scheme
• Are they aware of the time limits for claims?
• Understanding that there are three agencies involved

Experience
• Cases dealt with; amount.
• Clients feelings about the scheme: what have clients claiming for the scheme experienced? How favourably do clients view the scheme?

Advisers' views of this scheme in terms of:
• Operation: probe - How aware are your clients of the scheme? Is the scheme available to all of those it should be? Is the scheme effective in principle/practice? Are its aims achieved?
• Are you aware of/ have there been any problems brought about by the scheme? Are these problems important/can they easily be overcome and how?
• If there are some problems specific to this scheme how do they compare to problems with HB and CTB in general?
• Are you aware of any problems encountered by LA staff when implementing this scheme?
• Liaison: probe - Who do you liaise with? About what? Any specific liaison on this scheme? Has this been useful?
Information and Training

- What information have you received on this scheme? Any training material?
- What role do you see yourself having in this scheme?
- Do you feel you should promote the scheme/encourage eligible claimants to apply?
- Have you promoted take-up of the scheme? In what way?

THANK RESPONDENTS AND RE-EMPHASISE CONFIDENTIALITY
Housing Benefit And Council Tax Benefit Extended Payments And Fast-Track Incentive Schemes

QUALITATIVE INTERVIEWS WITH STAFF

TOPIC GUIDE

Tailor Interview To Organisation And Grade of Staff.

Stress confidentiality and obtain permission to tape-record interview.

LA: check name of relevant BA/ESJ offices

1. Respondents Details (To all)
   - Respondent’s name.
   - Respondent’s position/job title.
   - Organisation.
   - Outline of respondent’s job description.

2. Actual/Estimated caseload (To all)
   LA - HB/CTB live load and E.P./F.T.
   ES - JSA (IB) live load and estimated E.P.
   BA - IS live load and estimated E.P.
   - Explanation for take-up rate.

3. Publicity/Promotion (To all)
   - Have there been any local publicity initiatives?
   - When and for how long? What form did they take e.g. posters? leaflets?
   - Were these schemes useful/successful? Is the respondent happy with the publicity/promotion that was carried out?

4. Eligibility (Front-line staff only)
   - Who is eligible?
   - How would a client find out about the scheme? Where are application forms obtained?
   - Reception: Is advice given to explain the schemes? When, and what advice is given?

5. Process (Front-line staff only)
   - How are applications processed?
   - How often is additional information needed to support an application? How is this obtained?
   - Do claimants appear to understand the scheme/claiming process?
   - How long does the process take? Is it efficient?
6. Implementation and Operation *(To all)*

- **Implementation**: Were any difficulties encountered in the introduction of:
  
  a) extended payments?
  
  b) fast-track *(LA)*?

- **Training**: What training did the respondent receive for:
  
  a) extended payments?
  
  b) fast-track *(LA)*?

- **Operation**: Have there been any problems since the scheme was introduced with:
  
  a) extended payments?
  
  b) fast-track *(LA)*?

Eight-day rule: Any problems (e.g. weekends)?

What type of computer system is used? *(LA)*

Any problems with the computer system? *(All)*

If using proprietary system have they had any particular problems? *(LA)*

Any add-ins/revisions so the computer can process the claims? *(LA)*

Are claims processed on the computer or manually? *(LA)*

7. Liaison *(To all)*

- Could you tell me about any contacts you had with other offices during the introduction of the scheme(s)?

  And since?

- Are there particular difficulties about which you need to contact other offices?

- Who is involved in these contacts (what level? are the contacts always with the same person/people?)

- Are there any Service Level Agreements? *(Management staff)*

8. Respondents’ Perceptions of the Scheme(s).

- What are the good points in the operation of the scheme?

- What are the bad points about the operation of the scheme?

- What does the respondent perceive as the advantages of the scheme(s) to claimants?

- What does the respondent perceive as the disadvantages of the scheme(s) to claimants?

9. Suggested Improvements

- What could be done to improve the design and operation of the scheme(s)?

- What suggested improvements, if any, have claimants made?

  *Thank respondent and re-emphasise confidentiality*
Outline research objectives. Emphasise evaluation is of schemes and not of staff/individual offices. Stress confidentiality and independence of researchers. Obtain permission to tape-record discussion.

N.B. Neither Benefits Agency nor Employment Service respondents are likely to know the details of the Fast-track Scheme.

Introductions/Warm-up
- Outline the key stages to the research.
- Introduction to include name of respondent, job title, organisation and area.
- Establish commonalties - all have a role in schemes and most should have previously participated in the research.
- Explore how far they already know each other because of extended payments (face-to-face/over the telephone).

Implementation issues
- How prepared were they? Is this typical or unusual? What were the main implementation issues for each organisation?
- How important a priority were the two schemes? Whose priority was this? Should the schemes have been given a higher priority? How?
- The research shows that the type of training varied (i.e. self-taught/course/cascade) - Was the type of training given typical or unusual? What do they do for new staff in the context of extended payments, and how does that differ for other schemes? Explore differences amongst the organisations.
- What is the ‘best’ type of training? Respondents views on the ‘good’/’bad’ points about each type of training.
- What lessons, if any, could their respective organisations learn from the implementation of the two schemes? What could be done in future to improve the introduction of schemes such as these?

Publicity
- What publicity have they seen? When did they see it? What is their assessment of this publicity?
- The research shows that there is some agreement amongst staff that the schemes were not fully publicised - Is this typical or unusual? (Differentiate between clients, public and staff).
- Who has responsibility for promoting the schemes? What type/levels of liaison, if any, does this require?
- What should have been done to promote the schemes? What works? (Differentiate between clients, public and staff).
• What lessons, if any, could their respective organisations learn from the publicity campaign/promotion of the two schemes? What could be done now to improve the promotion of the schemes?

Operational issues
• Establish recent trends in HB/CTB Extended Payment and Fast-track claims. Reasons for any changes noted.
• Most of the respondents in the research identified a number of operational problems, e.g., missing information from claim form, delays in forms arriving at local authorities - Is this the respondents’ experience? Is this typical or unusual? Why do these problems arise? What can be done about them? Who is responsible for sorting them out?
• The research shows that staff perceive the take-up of the two schemes to be low for four main reasons (lack of promotion; low staff awareness; one of many schemes; unfavourable labour market conditions) - Do the respondents share this view? What can be done to increase the take-up rate? Explore differences amongst the organisations.

Staff awareness
• How well do other staff in the respective organisations understand the rules/processes for these two schemes relative to other schemes?
• If gaps identified - What do the respondents believe are the areas where staff know least? Why might staff know some details about the schemes and not others? What could be done to raise staff awareness? (Explore who needs to know and why).
• Has staff awareness improved? If yes - What caused this?

Liaison
• The research suggests that sometimes there was relatively little liaison between the three organisations with respect to the implementation and operation of the two schemes - Do the respondents share this view? Is this level of liaison typical or unusual? How would they assess the liaison in their area?
• How useful would further liaison be? What ‘extra’ could be achieved? How might such liaison be organised, and how would it fit in with existing arrangements?

Scheme advantages and disadvantages
• HB/CTB Extended Payments - What are the scheme’s ‘good’ points? What are the scheme’s ‘bad’ points?
• Fast-tracking - What are the scheme’s ‘good’ points? What are the scheme’s ‘bad’ points?
• Do the schemes act as work incentives?
Customers’ comments
• Do customers/clients comment on the two schemes? What do they identify as the ‘good’/‘bad’ points of the schemes?

Respondents’ suggestions for improvements
• Respondents have mentioned some suggestions for improvement e.g. on publicity: are there any others?
• Respondents’ views on one organisation taking the lead responsibility at local level for the scheme. Which organisation and why?

Thank respondents
Introduce research - do not specifically mention HB/CTB or extended payments. Stress confidentiality. Obtain permission to tape-record interview.

**Current respondent/household details**
- Economic activity: Nature of employment (e.g. full/part-time, job title, is it a temporary/permanent position, etc.), and when started/finished. Usual occupation.
- Household structure: Establish if any partner and/or dependent children reside in household. Are any other adults in the household in work?
- Housing: Establish tenure and whether or not in receipt of HB/CTB. Length of residency.

*(N.B. If eligible non-claimant and in receipt of HB/CTB, thank respondent and terminate interview)*

**Benefit/employment history**
- Details of last spell of unemployment (duration, any part-time work, and whether first-time claimant or repeater)
- Benefits claimed and awarded, and experience of making a claim for benefit. Any problems/difficulties?

**Moving off benefit**
- Job-search: How was (current) job found? When?
- Decision to take job: What factors did the respondent take into account when deciding whether or not to take this job? How certain/uncertain was the respondent of his/her post-benefit income? Did the respondent (or someone else) carry out a ‘better-off’ calculation? Type of better-off calculation (informal/rule of thumb vs. formal/budget). What costs were included in any such calculation (e.g. housing, travel, child care, etc.)?
- Did the respondent talk the decision over with anyone (partner, advice agency, ES/BA staff or friends/relatives)?
- What worries, if any, did the respondent have about taking the job? Was loss of (which) passported benefits a concern?
- Having taken the job, what actual problems did the respondent encounter?
- If not mentioned above
  - Respondent's awareness of in-work benefits/extended payments scheme: Did anyone inform the respondent about possible in-work benefits or the extended payments scheme? Who? When? Was the respondent informed about in-work benefits/other schemes at a review interview or when signing on/off? Availability of publicity materials. Any use of advice agencies?
  - Did the possibility of an HB/CTB extended payment affect the decision to accept a job offer?
• Did the possibility of in-work HB/CTB affect the decision to accept a job offer?
• Whom did the respondent inform that they were starting work? How did they inform BA/ES/LA (in person/by post)?

HB/CTB Extended payments
• Did the claimant make a claim for an HB/CTB extended payment? If not, why not?
• Claiming process: Where was the claim made? How easy was it to make the claim? How was the respondent informed of the outcome? Did they realise there was a time limit? Was submitting the claim within eight days a problem?
• Was the claim un/successful?
• If unsuccessful: were they given a reason? Was this fair? What did the respondent do? And is the matter now resolved?
• Respondent’s views on the good/bad points about the claim process. Respondent’s views on the speed and efficiency of the claiming process. Did the timing of any payment cause a problem?
• How effective was the HB/CTB extended payment in alleviating any financial worries?

In-work benefits
• How did the respondent find out about in-work HB/CTB?
• Did the claimant make a claim for in-work HB/CTB? If not, why not?
• Application: Which in-work benefits had the respondent applied for and why? Had the respondent decided not to apply for some in-work benefits? Why?
• Claiming process: How easy was it to make the claim and how was the respondent informed of the outcome? Was the respondent aware of any time limits? Was submitting the claim within fifteen days a problem?
• What was the outcome of the claim? How quickly was the benefit paid after the claim was made?
• Respondent’s views on the good/bad points about the in-work HB/CTB claims process.
• Respondent’s views on the speed and efficiency of the claiming process. Did the timing of any payment cause a problem?

Future
• If applied for extended payments: Would the respondent do it again/was it worth it?
  If eligible non-claimant: If the respondent became unemployed again, would s/he apply for HB/CTB extended payments after accepting a new job? Reasons for this?

Suggested improvements
• Respondent’s suggested improvements to the extended payment scheme and in-work HB/CTB.

Thank respondent
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