

Luton Council secures £4.6 million for older people by boosting Pension Credit take up by 70%

LIFT Platform case study

Challenge

With a number of their postcodes in the most deprived areas in England, Luton Council introduced a strategy to increase benefit takeup for their lowest income households

Solution

Luton partnered with Policy to Practice to licence the LIFT Platform. Using their administrative data, the council were able to launch their Pension Credit campaign in June 2022.

Identifying 200 eligible households, and the reasons for not claiming, the team at Luton could provide tailored support to help households to claim.

Impact

Within a year, takeup of Pension Credit has increased by **70%**

In total:

- **£453,337** of Pension Credit has been awarded
- Households receive **£3,261** on average
- **£99,473** has been awarded in backdated Pension Credit
- **Nine carers** are now claiming Pension Credit, delaying or reducing future care package costs by up to **£270,000**

Luton Council used its administrative data and the Low Income Family Tracker from Policy in Practice to launch a data led Pension Credit take up campaign

Breaking down the barriers to claiming Pension Credit

In 2019 Luton harboured 13 postcodes that were among the top 10% most deprived areas in England. As such, Luton Council's number one priority is to ensure that no one is living in poverty by 2040. Luton's Welfare Support team has developed a holistic strategy to increase the financial resilience of low income households through benefits takeup.

With a focus on Pension Credit, the council wanted to understand and break down the persistent barriers of lack of awareness and assumed ineligibility to tackle the unclaimed benefits gap. They then wanted to help households to make successful Pension Credit claims.

Identifying eligible older people who were missing out on Pension Credit using data

Luton Council was keen to unlock insights from its administrative datasets so it introduced the Low Income Family Tracker (LIFT) platform from Policy in Practice. Its datasets are now combined and, using the built in expert policy engine, it can proactively identify and target support to residents who are missing out on welfare benefits. In June 2022 they launched their Pension Credit take up campaign.

Pension Credit was chosen because it is also a gateway to additional support. These include free TV licences for those over age 75, Cold Weather Payments and Cost of Living Support, all of which help to further improve pensioners' financial resilience. A successful claim to Pension Credit can be worth over £4,600 when factoring in backdated awards and Cost of Living payments, a life changing amount for households amid rising food and fuel costs.

The team identified 200 eligible households and several reasons why they did not claim Pension Credit. Reasons included a lack of awareness of entitlement to the benefit and perceptions of shame or stigma associated with claiming that prevented them from applying. Another group of residents had disabilities and could not make applications without additional support.

Pension Credit campaign sees take up increase by 70% with £740,960 claimed

The insights gathered from speaking to eligible households informed how to make it as easy as possible for these households to take up Pension Credit.

Letters were sent to these 200 households, with a resulting Pension Credit take up of 5%. Dedicated caseworkers then followed up the letters with phone calls to the remaining households. From this, a further 25% made Pension Credit claims.

Subsequent telephone or in-person support by community partner Age Concern was offered to residents who needed ongoing help in navigating the application process.

As a result of July 2023, **139 households are now claiming Pension Credit, a 70% increase** in take up. 74 of the 139 claims were from council tenants, helping them to pay back their debts and meet their rents.

In total, **£453,337** of Pension Credit has been awarded, worth an average of **£3,261** per household. In addition, these households were also awarded **£99,473** in backdated Pension Credit and **£188,150** Cost of Living payments bringing the average amount per household to **£5,331**.

The success of the campaign continues because Pension Credit take up is also predicted to reduce future care package costs for Luton. Boosting the financial strength of carers means they can care for longer and reduces costs to Luton Adult Social Care Services. This campaign saw **nine carers** now claiming Pension Credit. With the average care package costing £30,000, the council is likely to delay or reduce future care package costs **by up to £270,000**.

In total, the lifetime value of the campaign is estimated to be worth £5.8million.

Future campaigns will target low income households to reduce poverty

Following the Pension Credit campaign, Luton will continue to use LIFT, as well Policy in Practice's Better Off Calculator, to proactively target support to residents.

Luton also has plans to develop its localities approach to poverty reduction. They will use LIFT to identify ward and postcode level trends in need, poverty, debts, vulnerabilities and benefits take-up. These insights will inform where local government support and community assets should be provided to reach residents in need.

“Through this campaign, the Welfare Support Team has successfully helped vulnerable households in a vast number of ways from opening bank accounts, helping to reduce debt, accessing free travel and parking, further NHS prescriptions, free TV licences, assisting with utility bills and much, much more!

We are extremely proud of the success of this campaign and the difference we have made to these Luton households.

Over the next few years we hope to see an increase of income and support estimated at a value of £4.5 million for these households.”

Shakira Uddin,
Customer Services
Operation and Delivery
Manager, Luton Council