

8 February 2005

Coverage: Great Britain
Theme: Social and Welfare

Income Related Benefits Estimates of Take-Up in 2002/2003

The Department for Work and Pensions today published the latest estimates of the take-up of the main income related benefits in Great Britain: Income Support, Minimum Income Guarantee, Housing Benefit, Council Tax Benefit, and Jobseeker's Allowance (Income Based). The publication provides estimates for 2002/2003 and re-presents estimates for 2001/2002.

Take-up is measured in two ways: by caseload and by expenditure. **Caseload take-up** compares the *number of benefit recipients* - averaged over the year - with the number who would be receiving if everyone took up their entitlement for the full period of their entitlement. **Expenditure take-up** compares the *total amount of benefit received*, in the course of a year, with the total amount that would be received if everyone took up their entitlement for the full period of their entitlement. So take-up would reach 100% only if all those eligible claimed, and *did so for the full duration of their entitlement*.

In addition to the main take-up statistics for all income related benefits; the latest publication includes some further analysis of the characteristics of those that did not take-up their entitlements and of patterns in take-up between 1997/98 and 2002/03.

All figures in this publication exclude the full-time self-employed and relate to private households only (see note 2 in Notes for Editors). Statements on changes in take-up refer to changes in take-up **as a percentage of entitlement**, not to changes in numbers of recipients or total amounts received.

Key results are:

Income Support Take-up (non-pensioners)

Total Income Support take-up in 2002/2003 was in the range 85% to 95% (please refer to notes 4 and 5 in Notes for Editors) by caseload and 91% to 97% by expenditure.

Overall, take-up of Income Support showed little or no change between 2001/2002 and 2002/2003, on both caseload and expenditure measures.

Total amount of Income Support left unclaimed was between £270 million and £970 million. The average number of people entitled to Income Support and yet not claiming it was between 0.12 million and 0.36 million. This compares to 2.12 million people that claimed £9,620 million worth of Income Support.

By family type, take-up of Income Support appeared to be lower among non-pensioners without children and higher for non-pensioners with children, by both caseload and expenditure measures. Take-up of Income Support was probably highest among lone parents, at between 93% and 100% by caseload and between 95% and 100% by expenditure.

Patterns in take-up over time, since 1997/98, suggest that there has been no clear change in take-up overall among non-pensioners; though there may have been a fall of 1 or 2 percentage points.

Minimum Income Guarantee Take-up (pensioners)

Total Minimum Income Guarantee take-up in 2002/2003 was in the range 63% to 74% (please refer to notes 4 and 5 in Notes for Editors) by caseload and 72% to 83% by expenditure.

Take-up of Minimum Income Guarantee by pensioners appeared to be lower than take-up of Income Support by non-pensioners in 2002/2003 - see note 6 in Notes for Editors. This result stands for both caseload and expenditure measures of take-up.

Total amount of Minimum Income Guarantee left unclaimed was between £800 million and £1,520 million. The average number of pensioners entitled to Minimum Income Guarantee

Issued by:

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and yet not claiming it was between 0.57 million and 0.96 million. This compares to 1.6 million people receiving £3,850 million worth of Minimum Income Guarantee.

Comparisons between 2001/2002 and 2002/2003, for pensioners, are complicated by a rise in MIG rates, relative to Retirement Pension in April 2002. These changes significantly increased the number of pensioners entitled to Minimum Income Guarantee. Among pensioners who would have been entitled to MIG even without the April 2002 increases, caseload take-up rose, possibly by around 3 percentage points, between 2001/2002 and 2002/2003. However a lower rate of take-up among those newly entitled to MIG meant for the aggregate take-up rate there was no clear change for all pensioners.

Among pensioners judged, on an initial assessment, to be entitled to Minimum Income Guarantee in 2001/2002 or 2002/2003 but not claiming it:

- around one-third were assessed as entitled to under £10 a week, just under one-fifth to under £5 a week;
- over half were aged 75 or over;
- about three-fifths were owner occupiers and around one-quarter were renting local authority accommodation;
- around one-third reported receipt of Attendance Allowance or Disability Living Allowance;
- over three-quarters reported other income (besides Council Tax Benefit and Housing Benefit) of over £75 a week for single pensioners, two-fifths of couples reported other income of over £100; and
- just under three-fifths of all pensioners that were entitled to but were not receiving Minimum Income Guarantee lived in low-income households – below 60% of the median income of the population as a whole - on the 'income before housing costs' measure, and just over three-fifths after housing costs are deducted.

Patterns in take-up over time point to no clear change in aggregate take-up between 1997/98 and 2002/03 – though it is difficult to be certain due to changing biases. Analysis of take-up among only those pensioners who would have been entitled even if Income Support/Minimum Income Guarantee benefit rates had not been increased in real terms, between 1997/98 and 2002/03, suggests a rise, of possibly around 10 percentage points.

Housing Benefit Take-up

Total Housing Benefit take-up in 2002/2003 was in the range 84% to 90% by caseload and 88% to 93% by expenditure. These estimates may understate take-up to some degree – see notes 4, 5 and 7 in Notes for Editors.

Overall, take-up of Housing Benefit showed little or no change between 2001/2002 and 2002/2003, measured by either caseload or expenditure.

Total amount of Housing Benefit left unclaimed by entitled people was between £760 million and £1,400 million. The average number of people leaving this benefit unclaimed was in the range 0.42 million to 0.70 million. The total amount claimed was £10,320 million, claimed by 3.79 million recipients.

By family type, take-up of Housing Benefit was highest among lone parents: between 93% and 99% by caseload and 95% and 99% by expenditure.

Take-up showed little or no change for pensioners and non-pensioners between 2001/2002 and 2002/2003.

By tenure type, though we cannot be certain, take-up among local authority tenants appears to have been higher than renters of private accommodation. Between 2001/2002 and 2002/2003 take-up showed no clear change by those in local authority accommodation and by private tenants.

Entitled non-recipients tended to have smaller entitlements to Housing Benefit than recipients. It appears that take-up of Housing Benefit was higher among those who claimed other income related benefits.

Patterns in take-up over time, since 1997/98, indicate that take-up of Housing Benefit fell significantly, by 5 or 6 percentage points. Among pensioners there was a fall in take-up of up to 5 percentage points, though among the subset that were entitled in 1997/98 and would have been in 2002/03 regardless of real increases in benefit rates, take-up was little changed. Among non-pensioners, take-up fell since 1997/98 by 5-10 percentage points.

Council Tax Benefit Take-up

Total Council Tax Benefit take-up for 2002/2003 was in the range 65% to 71% by caseload and 68% to 75% by expenditure. These estimates may understate take-up to some degree – see notes 4, 5 and note 7 in Notes for Editors.

Overall, the evidence suggests little change in take-up of Council Tax Benefit take-up between 2001/2002 and 2002/2003 when measured by either caseload or expenditure.

Total amount of Council Tax Benefit left unclaimed by entitled non-recipients was in the range £880 million to £1,200 million. The average number of people entitled yet not claiming was between 1.87 million and 2.44 million. There were 4.57 million recipients accounting for £2,590 million of Council Tax Benefit.

By family type, take-up of Council Tax Benefit appeared to be lowest among pensioners: 56% to 62% by caseload and 60% to 67% by expenditure; and highest among lone parents: 90% to 98% by both caseload and expenditure measures.

There appears to have been a slight fall in take-up by non-pensioner childless families between 2001/2002 and 2002/2003.

By tenure type, take-up was highest among local authority tenants: 88% to 94% by caseload and 90% to 95% by expenditure. Take-up was lowest among owner-occupiers: 37% to 42% by caseload and 41% to 47% by expenditure.

The weekly entitlements of Council Tax Benefit were lower than those of other income related benefits, the average weekly unclaimed amount being £9.30. It appears that, among renters, recipients of Council Tax Benefit were more likely to receive Housing Benefit than were entitled non-recipients of Council Tax Benefit.

Patterns in take-up over time, show there was a fall in the overall rate of take-up, of over 5, and possibly as much as 10, percentage points between 1997/98 and 2002/03. Among pensioners there was a downward trend in take-up of close to 10 percentage points since 1997/98. Among only those pensioners who would have been entitled if Council Tax Benefit benefit rates had not been increased in real terms, between 1997/98 and 2002/03, take-up fell by a lesser extent, of up to 5 percentage points. There was a fall in take-up of 4-8 percentage points among non-pensioners, between 1997/98 and 2002/03.

Jobseeker's Allowance (Income Based) Take-up

Total Jobseeker's Allowance (Income Based) Take-up in 2002/2003 was between 55% and 70% by caseload and between 62% and 76% by expenditure- see notes 4 and 5 in Notes for Editors.

Overall, there was no clear change in take-up between 2001/2002 and 2002/2003. Take-up appeared to be lowest for single females between 41% and 56% by caseload and between 45% and 63% by expenditure.

Total amount of Jobseeker's Allowance (Income Based) left unclaimed in 2002/2003 was between £590 million and £1,170 million. The average number of people entitled yet not claiming was in the range 0.26 million to 0.48 million. There were 0.59 million recipients of Jobseeker's Allowance (Income Based), accounting for £1,900 million of benefit.

By family type, just over half of those entitled to but not claiming Jobseeker's Allowance (Income Based) were single people under the age of 25. Among single non-claimants, 73% of males and females were young (under 25) and living in someone else's household. Further analysis of these showed nearly three-quarters of single females and about two-thirds of single males were young people living with their parents. Considering all entitled non-claimants, seven in ten were in households in the bottom fifth of the income distribution.

Patterns in take-up over time, since 1997/98, show that there has been a trend fall in the overall take-up of Jobseeker's Allowance (IB) of 10 percentage points or more.

Overall take-up

Taking all five benefits together, there was between £3,300 million and £6,260 million left unclaimed in 2002/2003; this compares to £28,280 million that was claimed and represents take-up by expenditure of between about 82% and 90%. An approximate aggregate estimate of take-up by caseload would be between 72% and 80%.

Notes for editors

1. "Income Related Benefits Estimates of Take-Up in 2002/2003" is a National Statistics publication, released by the Department for Work and Pensions (DWP): ISBN [1-84388-398-8]. Questions about the figures can be referred to Rajib Majumdar (020 7962 8222) of the DWP Income Analysis Division, Department for Work and Pensions, Room 452, The Adelphi, 1-11 John Adam Street, London WC2N 6HT. Requests for copies of the publication should be directed to this address. Alternatively a copy of the publication in PDF format is available via the DWP internet site: <http://www.dwp.gov.uk/asd/irb.asp>. Questions about DWP policy should be referred to DWP press office (020 7238 0866).
2. These estimates cover only people living in private households - i.e. they do not cover people in residential care and nursing homes nor those in bed and breakfast accommodation – because the Family Resources Survey (the main source of information for estimating entitled non-recipients) is a survey of private households only. Also, the estimates do not cover full time self-employed people because information from the survey on the incomes of these people is not sufficient for an accurate assessment of their entitlement to income related benefits.
3. Counts of recipients and entitled non-recipients refer to numbers of benefit units; a benefit unit is a single adult or couple, together with any dependent children. The data used to estimate take-up comes from two main sources. Counts of the numbers of benefit recipients are taken from the DWP's own administrative records. The numbers of benefit units not taking up their entitlement to benefit are estimated using the sample of households from the Family Resources Survey - an annual survey conducted for the DWP which achieves a response from about 29,000 households. Estimates relate to financial years, i.e. years from April to the following March and to the private household (see note 2) population in Great Britain.
4. Estimates of take-up are presented as ranges within which true take-up is expected to lie. These 'ranges of true take-up' account for biases that may be present in estimates from data that is less than perfect. Initial estimates have, as far as possible, been adjusted for possible biases. The ranges also account for the effects of sampling variation or sampling error (see note 8).
5. Estimates of the total amount of benefit claimed, and the total number of benefit recipients, exclude cases of claims being processed but not yet settled. Some of these claims will result in awards of benefit. It is believed that estimates of the number recipients of all income related benefits, particularly Housing Benefit and Council Tax Benefit are understated because of a backlog of claims waiting to be processed.
6. The DWP research report No: 197 "Entitled but not claiming? Pensioners, the Minimum Income Guarantee and Pension Credit" provides evidence of significant under-reporting of capital holdings by pensioners responding to the Family Resources Survey (FRS). Estimates of Minimum Income Guarantee have been adjusted to take account of this potentially large source of bias.
7. It is possible that the problem of under-reporting of capital by pensioners (see note 6) may extend to Housing Benefit and Council Tax Benefit. If so, the estimates of take-up for Housing Benefit and Council Tax Benefit would be understated. However, there is currently no information to ascertain the extent of this effect. Therefore no adjustment for capital mis-reporting has been performed for these benefits.
8. Sampling variation or sampling error is the uncertainty in an estimate due to taking a random sample of the population that may not reflect the characteristics of the whole population. The Family Resources Survey is a random sample from the private household population which means estimates of take-up are affected by sampling variation.
9. Care should be taken when interpreting changes in take-up over time because it is not possible to identify a single estimate of true take-up. Year on year changes in the ranges do not necessarily mean that the true level of take-up has changed.
10. To allow reliable estimates to be produced, figures for 'couples with children' and 'couples' relating to Income Support and 'couples with children' for Jobseeker's Allowance have been based on a combination of two years data.
11. The main results can be found in the tables overleaf.

Income Support (non-pensioners): Take-up by Family Type in 2001/2002 & 2002/2003

Family Type	Year	Caseload	Expenditure
Non-Pensioners With Children	2001/02	(93% : 99%)	(95% : 99%)
	2002/03	(91% : 99%)	(94% : 99%)
<i>Couples With Children*</i>	2001/02	(85% : 94%)	(89% : 97%)
	2002/03	(83% : 92%)	(88% : 96%)
<i>Lone Parents</i>	2001/02	(94% : 100%)	(95% : 100%)
	2002/03	(93% : 100%)	(95% : 100%)
Non-Pensioners Without Children	2001/02	(78% : 90%)	(84% : 94%)
	2002/03	(79% : 91%)	(84% : 95%)
<i>Couples*</i>	2001/02	(84% : 96%)	(85% : 98%)
	2002/03	(81% : 93%)	(83% : 96%)
<i>Single Males</i>	2001/02	(75% : 89%)	(82% : 95%)
	2002/03	(73% : 90%)	(79% : 95%)
<i>Single Females</i>	2001/02	(77% : 91%)	(82% : 96%)
	2002/03	(82% : 93%)	(87% : 97%)
Total	2001/02	(86% : 95%)	(91% : 97%)
	2002/03	(85% : 95%)	(91% : 97%)

Note: Figures for 'couples with children' and 'couples' groups for 2001/2002 are based on combined 2000/2001 and 2001/2002 data. Figures for 'couples with children' and 'couples' groups for 2002/2003 are based on combined 2001/2002 and 2002/2003 data. 2001/2002 estimates for 'Single Females' and 'Single Males' and subsequently 'Non-Pensioners without Children' and 'Total' have been revised due to a change in methodology, for both caseload and expenditure.

Minimum Income Guarantee (pensioners): Take-up by Family Type in 2001/2002 & 2002/2003

Family Type	Year	Caseload	Expenditure
<i>Couples</i>	2001/02	(52% : 62%)	(65% : 78%)
	2002/03	(55% : 70%)	(66% : 82%)
<i>Single Males</i>	2001/02	(64% : 75%)	(75% : 88%)
	2002/03	(60% : 71%)	(69% : 83%)
<i>Single Females</i>	2001/02	(67% : 75%)	(75% : 85%)
	2002/03	(65% : 77%)	(74% : 86%)
Total	2001/02	(63% : 72%)	(73% : 83%)
	2002/03	(63% : 74%)	(72% : 83%)

Housing Benefit: Take-up by Family Type in 2001/2002 & 2002/2003

Family Type	Year	Caseload	Expenditure
Pensioners	2001/02	(83% : 90%)	(88% : 94%)
	2002/03	(84% : 90%)	(88% : 94%)
Non-Pensioners	2001/02	(86% : 92%)	(89% : 94%)
	2002/03	(84% : 90%)	(88% : 93%)
Couples With Children	2001/02	(80% : 90%)	(82% : 94%)
	2002/03	(79% : 90%)	(83% : 94%)
Lone Parents	2001/02	(96% : 100%)	(96% : 100%)
	2002/03	(93% : 99%)	(95% : 99%)
Others	2001/02	(80% : 87%)	(83% : 91%)
	2002/03	(78% : 85%)	(81% : 89%)
Total	2001/02	(85% : 91%)	(89% : 94%)
	2002/03	(84% : 90%)	(88% : 93%)

Note: 2001/2002 caseload estimates for 'Others' have been revised due to a change in methodology.
2001/2002 expenditure estimates for 'Non-pensioners' have been revised due to a change in methodology,

Housing Benefit: Take-up by Tenure Type in 2001/2002 & 2002/2003

Family Type	Year	Caseload	Expenditure
LA Tenants	2001/02	(89% : 94%)	(93% : 97%)
	2002/03	(89% : 93%)	(92% : 96%)
Private Tenants	2001/02	(80% : 88%)	(85% : 92%)
	2002/03	(79% : 87%)	(84% : 91%)
Total	2001/02	(85% : 91%)	(89% : 94%)
	2002/03	(84% : 90%)	(88% : 93%)

Note: 2001/2002 caseload estimates for 'Private Tenants' have been revised due to a change in methodology.

Council Tax Benefit: Take-up by Family Type in 2001/2002 & 2002/2003

Family Type	Year	Caseload	Expenditure
Pensioners	2001/02	(57% : 63%)	(61% : 68%)
	2002/03	(56% : 62%)	(60% : 67%)
Non-Pensioners	2001/02	(79% : 87%)	(81% : 89%)
	2002/03	(78% : 85%)	(79% : 87%)
Couples With Children	2001/02	(66% : 78%)	(69% : 83%)
	2002/03	(66% : 76%)	(69% : 81%)
Lone Parents	2001/02	(91% : 98%)	(91% : 98%)
	2002/03	(90% : 98%)	(90% : 98%)
Others	2001/02	(74% : 83%)	(75% : 85%)
	2002/03	(72% : 80%)	(72% : 82%)
Total	2001/02	(66% : 72%)	(70% : 76%)
	2002/03	(65% : 71%)	(68% : 75%)

Council Tax Benefit: Take-up by Tenure Type in 2001/2002 & 2002/2003

Tenure Type	Year	Caseload	Expenditure
LA Tenants	2001/02	(88% : 93%)	(90% : 95%)
	2002/03	(88% : 94%)	(90% : 95%)
Private Tenants	2001/02	(78% : 85%)	(78% : 87%)
	2002/03	(78% : 85%)	(78% : 86%)
Owner Occupiers	2001/02	(39% : 44%)	(43% : 50%)
	2002/03	(37% : 42%)	(41% : 47%)
Total	2001/02	(66% : 72%)	(70% : 76%)
	2002/03	(65% : 71%)	(68% : 75%)

Jobseeker's Allowance (Income Based): Take-up in 2001/2002 & 2002/2003

Family Type	Year	Caseload	Expenditure
Couples With Children*	2001/02	(70% : 81%)	(74% : 87%)
	2002/03	(67% : 79%)	(72% : 85%)
Single Males	2001/02	(55% : 67%)	(59% : 72%)
	2002/03	(58% : 76%)	(62% : 80%)
Single Females	2001/02	(34% : 47%)	(38% : 54%)
	2002/03	(41% : 56%)	(45% : 63%)
Total	2001/02	(51% : 62%)	(58% : 70%)
	2002/03	(55% : 70%)	(62% : 76%)

Note: Figures for 'couples with children' for 2001/2002 are based on combined 2000/2001 and 2001/2002 data.
 Figures for 'couples with children' for 2002/2003 are based on combined 2001/2002 and 2002/2003 data.
 2001/2002 caseload estimates for 'Single Females' have been revised due to a change in methodology.
 2001/2002 expenditure estimates for 'Single Females', 'Single Males' and 'Total' have been revised due to a change in methodology.

Amounts Claimed and Unclaimed for all Benefits in 2001/2002 & 2002/2003

	Year	Income Support (non-pensioners)	Minimum Income Guarantee (pensioners)	Housing Benefit	Council Tax Benefit	Jobseeker's Allowance (Income based)
Average Weekly Amount Claimed	2001/02	£83.90	£43.50	£49.20	£10.20	£61.30
	2002/03	£87.50	£46.10	£52.40	£10.90	£61.50
Average Weekly Amount Unclaimed	2001/02	£44.10	£25.10	£33.30	£8.50	£44.60
	2002/03	£47.20	£28.80	£36.50	£9.30	£45.60
Median Weekly Amount Unclaimed	2001/02	£34.00	£17.00	£31.30	£8.50	£42.00
	2002/03	£40.80	£19.10	£34.60	£9.40	£42.70
Recipients (Thousands)	2001/02	2,100	1,520	3,830	4,610	640
	2002/03	2,120	1,600	3,790	4,570	590
Range of Entitled Non- Recipients (Thousands)	2001/02	(120 : 350)*	(600 : 870)	(390 : 680)*	(1,760 : 2,340)	(390 : 600)
	2002/03	(120 : 360)	(570 : 960)	(420 : 700)	(1,870 : 2,440)	(260 : 480)
Total Claimed (£ millions)	2001/02	£9,150	£3,430	£9,790	£2,450	£2,020
	2002/03	£9,620	£3,850	£10,320	£2,590	£1,900
Range Estimate of Total Unclaimed (£ millions)	2001/02	(£250 : £880)*	(£730 : £1,260)	(£630 : £1,230)*	(£760 : £1,060)	(£880 : £1,440)*
	2002/03	(£270 : £970)	(£800 : £1,520)	(£760 : £1,400)	(£880 : £1,200)	(£590 : £1,170)

Note:

*2001/2002 estimates that have been revised due to a change in methodology.