



National Audit Office

DEPARTMENT FOR WORK AND PENSIONS
Communicating with customers

LONDON: The Stationery Office
£14.35

Ordered by the
House of Commons
to be printed on 5 May 2009



SUMMARY

1 Exchanges of information between the Department for Work and Pensions (the Department) and the public lie at the heart of the UK social security system, and they account for a large part of the administrative operations and consequent running costs involved. The increase in the number of applications for benefits, which has been particularly rapid for working age people in recent months, makes the efficiency and effectiveness of these processes increasingly important. The Department and its agencies, Jobcentre Plus (for working age people) and the Pension, Disability and Carers Service (for retired people and disabled children, adults and carers) are together responsible for managing applications for

12 major State benefits. There are a further 17 linked benefits that do not have a distinct application process of their own.

2 The Committee of Public Accounts last reported on government forms in 2004, and recommended changes that Departments should make to reduce the burden their forms impose on citizens: keeping forms as short as possible and redesigning them where problems become evident; providing concise guidance notes; ensuring that the requirements of customers with specific needs are met; and making a commitment to the Government's then 2005 deadline for the online provision of all forms.¹

¹ *Difficult Forms: How government departments interact with citizens*, Committee of Public Accounts' 26th Report of Session 2003-04, HC 255, 29 June 2004.

3 The Committee of Public Accounts reported on the Department's use of leaflets in 2007, and highlighted the large number of separate leaflets the Department maintained, many of which could not be supplied by the Department's offices. Some of the leaflets had a Plain English Campaign 'Crystal Mark', but all required a reading age higher than the national average. The Department has made substantial progress since then in reviewing its leaflets, has cut the number of pre-printed leaflets from 208 at a cost of £10.3 million in April 2005 to 53 at a cost of £1.7 million in December 2008, and has put in place a new contract for printing and distribution.² The Department has implemented a Content Management System to store information used in all its leaflets, and is strengthening internal governance and ownership of content published through all channels, to reduce the risk of incorrect information being given to customers.

4 The Department distributes leaflets through its offices, 120 local government offices and through non-government outlets such as citizens' advice bureaux. The Department has also moved to a much more phone-based marketing of leaflets in which customers are encouraged to ring a contact centre and talk to staff, who can then arrange for them to be sent leaflets in the mail that are up-to-date and are often printed on demand from electronic templates.

5 This report looks at the information exchanges between citizens and the Department that underpin applications for social security benefits and assesses:

- how easy it is for the Department's customers to find out how and where to claim benefits and what information they will be required to submit;
- how straightforward it is for citizens to submit information to the Department by their preferred channel (face-to-face, telephone, paper forms or online);
- what quality of information provision the Department makes both during and after application; and
- whether the Department makes maximum use of the information provided by benefit applications to make subsequent contacts easier for customers.

We do not consider in this study the efficiency or accuracy of the Department's decision-making, the detailed operation of call centres and Jobcentre Plus offices, the adequacy of its computer systems or other aspects not related to information exchange.

6 We looked in detail at Jobseeker's Allowance, the key benefit for working age people, and two benefits for people over 60: Pension Credit, which guarantees a minimum income for people over 60; and Attendance Allowance, which is a non means tested benefit for older people with care needs due to physical or mental disabilities. In total, the three benefits examined in this report entail processing nearly 3.7 million new applications each year, are paid to 5.5 million ongoing customers, and account for £13.7 billion in annual payments. Applicants for Jobseeker's Allowance will all have a face-to-face interview where their information is verified and they are offered advice on looking for work. While the majority of applications for Pension Credit and Attendance Allowance are dealt with by telephone or post, in 2008 167,048 applications for Pension Credit and 108,002 applications for Attendance Allowance were completed face-to-face in customers' homes with the help of the Local Service.

Key findings

7 Since the National Audit Office last reported on the Department's use of forms and leaflets, much progress has been made in rationalising the Department's leaflets, and in response to our previous recommendations it has taken action to make its forms easier to use. The Department has significantly changed the way in which it provides information in recent years, with a reducing emphasis on issuing leaflets and a significant growth in telephone enquiries and in online information provision about benefits on the internet. These are changes which help the Department to provide a more responsive service to customers. The Department is now undertaking a major change programme, part of which, the Self-Service project, aims to increase the amount customers who have access to the internet can do for themselves online if appropriate for them. The Department has a related Service Delivery strategy, which points the way to shifting more transactions online, and improving other customer contacts. These changes are all in line with the conclusions of the 2006 review of service transformation carried out by Sir David Varney,³ as well as recommendations previously made by both the National Audit Office and the Committee of Public Accounts. Many customers use the Department's websites and Directgov to look for information, but the number of electronic contacts, such as enquiries by email, is low. The Department's contacts research notes that: 'despite a 111 per cent increase in the use of online channels from 2005-2008, the overall level of e-contacts remains tiny'.⁴

² *Department for Work and Pensions: Using leaflets to communicate with the public about services and entitlements*, Committee of Public Accounts' Seventh Report of Session 2006-07, HC 133, 23 January 2007. The figures for the number of leaflets exclude those issued by the Child Maintenance and Enforcement Commission (formerly the Child Support Agency).

³ *Service transformation: A better service for citizens and businesses, a better deal for the taxpayer*, HM Treasury, December 2006.

⁴ Department for Work and Pensions Customer Contact Survey - Executive Team Overview, April 2008, p18.

The design of forms

8 In general, since 2002 the Department has shortened its forms, made them easier to read and made the sequence of questions more logical for the customer.

Many of the benefits the Department manages are complex, however, and our census of the Department's main forms found that some of them still have lengthy and complicated claim forms. There are also different versions of some of the forms still in circulation, and citizens using paper forms still have to grapple with very large, complex and comprehensive guidance notes. The Department is now working with the Plain Language Commission, and will ensure that all new revisions of its forms reach the standards for accreditation used by its new supplier. The current claim packs for Attendance Allowance and Jobseeker's Allowance carry the Plain English Campaign's 'Crystal Mark' award for clarity of language. Charities working with benefit applicants told us that simplified getting started guides showing step by step 'how to complete this form' information were not yet available for most forms and would go a long way to helping people understand the information they needed to provide. As a result of customer and representative feedback, consistent with the recommendation made by the Committee for Public Accounts in their 2004 report that guidance notes should be designed to help people complete forms quickly and with minimum effort, the Department has introduced a tear off page to the forms for Attendance Allowance and adult Disability Living Allowance. This page tells the customer where to get help; what information they need before they start to fill in the form; how to fill in the form; and what happens next. The Department has also changed its approach to communicating with the public, heavily promoting the use of phone calls for both enquiries about and applications for State benefits so as to reduce dependence on paper forms and leaflets.

Keeping a joined-up view of the whole customer experience

9 The central Communications Directorate is not involved to the same extent in all communications with people applying for benefits. This lack of consistency means that the Communications Directorate is missing opportunities for greater insight into the customer experience and the agencies are not benefiting from the Directorate's expertise and advice to the extent that they could. The Department's central Communications Directorate contributes specialist communications and marketing skills, and manages centrally the key risk of inaccurate information being given to customers. It works with the agencies in developing leaflets, design of forms, web content and marketing campaigns. However, it has much less advisory input to customer letters, changes to contact centre scripts, and training staff to respond to queries face-to-face or with phone enquiries.

10 The Department has made progress in developing procedures to link benefits and reduce the administration burden on the customer. Customers can apply for State Pension, Pension Credit, Council Tax Benefit and Housing Benefit all in one phone call. Payments for these benefits are also rolled up into a consolidated single payment, which is convenient for the customer and reduces transaction costs for the Department. To improve the quality of information it provides, with effect from April 2009 the Department is rolling out a new customer statement (the Pension Credit Award Notice and Statement of Details), which it designed with input from pensioner customers and third party organisations, and which will show a financial breakdown across a customer's benefits. Jobcentre Plus fosters the automatic 'passporting' of working age customers applying for Jobseeker's Allowance on to other benefits (such as Housing Benefit and Council Tax Benefit). If, however, their Jobseeker's Allowance is subsequently withdrawn, because the customer has failed to attend interviews or job search reviews and has not informed the Agency of their circumstances, it is likely that the local authority will suspend Housing Benefit and Council Tax Benefit payments pending investigation. Low income customers may, nonetheless, still be eligible for these other benefits. Jobcentre Plus writes to customers when their Jobseekers' Allowance is stopped advising them to get in touch with their local authority as soon as possible, but it does not warn them that they are at risk of losing their other benefits if they do not do so.

11 Job Point kiosks in Jobcentre Plus offices give customers access to the job vacancies listed on the Jobcentre Plus website, although they do not allow the same facilities for online job searches or making online job applications as internet access. Jobcentre Plus local office staff have the opportunity to induct customers into their job-seeking responsibilities and monitor and assist customers' job-seeking activities. Most job advertising, most job searches and many full job applications nationwide now take place online. Applications for jobs for some major employers such as the National Health Service must now be made online. The current generation of Job Point kiosks allow customers to access Jobcentre Plus' large database of vacancies, which gives access to the same vacancies as are available through the Jobcentre Plus website and Directgov, but do not allow them to access jobs on the internet or make online applications this way. Facilities for less restricted access to the internet are made available by other providers, in places such as public libraries, UK Online centres and community centres. The Department is considering options to replace the kiosks.

Using the internet to find out about benefits

12 Across all benefits, broadly five sixths of users of official websites were likely to find correct answers to typical queries about their potential eligibility for benefit. The Department has recently taken over responsibility for running www.direct.gov.uk, one of two main supersites (the other being NHS Choices) that the government intends should progressively take over all citizen-facing information provision online.⁵ The Department has now consolidated content from the older websites for Jobcentre Plus, the Pension, Disability and Carers Service and the Department headquarters onto the Directgov website, although there is still work to do to make material from the different websites consistent with Directgov's standards. While the Jobcentre Plus website will remain open until 2010, the Department is in the process of adopting the Directgov pages and directing customers to use these in the first instance. In the transition period there is a mix of different pages, and our experiments show that finding information in some important areas can be difficult.

13 Users participating in our experiments found that, when using the Directgov's search engine to answer questions such as what unemployment benefit they were entitled to, their searches generated some 500 results, and the most useful pages were not the first listed. Users commented that this presentation was confusing and frustrating. Directgov recognises the need to improve the search engine and monitors the most frequently used search terms. Since we carried out our fieldwork, Directgov has made changes to the search engine as part of its ongoing review of commonly used search terms.

Providing information in support of a benefit application

14 At present applications for Jobseeker's Allowance can be set in motion online, and all online applicants will then be called back two or three days later to provide more information before they have a face-to-face interview at a Jobcentre Plus office. The Department has recently accelerated plans to allow customers to complete a full online application without a separate telephone call. The law requires all applicants for working age benefits to be seen in person at Jobcentre Plus local offices, which by establishing the claimant's identity face-to-face helps overcome a common obstacle to implementing secure online applications. The Department now plans to implement full online applications as an alternative

to the paper form or telephone interview, initially for contributory Jobseeker's Allowance, from summer 2009 rather than February 2010 as originally planned. For those who apply by telephone, Jobcentre Plus estimates that the average length of a call is 29 minutes. Calls are free from landlines, and the Department offers to call back customers using mobile telephones. If they do not ask to be called back a customer using a pay-as-you-go mobile phone could pay up to £11.60 for a typical application.

15 At present it is possible to claim Attendance Allowance online, but not Pension Credit. At the moment, the primary route for Pension Credit applications is by telephone to contact centres. Call centre staff can complete most of the steps in the application process in a single phone call averaging 19 minutes, and are also able to help customers apply for State Pension, Housing Benefit and Council Tax Benefit at the same time. The Department offers a freephone telephone number to claim Pension Credit. Most customers will not have to pay for these calls, but 6.8 per cent of the total calls are made from mobile telephones and, for these people, calls could cost up to 40 pence per minute, equivalent to £7.60 for an average call. The Department therefore offers a free call back service so that vulnerable customers who might not otherwise be able to afford the cost of contacting the Department are supported.

16 Around a fifth of applications for Pension Credit can be approved immediately without the need to submit further details. Four fifths of customers need to provide additional documentation to verify that they qualify for the benefit. We found that system-generated letters requesting additional information can be overly long and poorly laid out. For example, a simple letter asking for three additional pieces of information is 16 sides long and the signature box, confusingly, appears on page six of the letter. This means that, for some customers, the way in which the Department asks for information results in confusion and delay. The Department has made amendments to the system generated letters as part as an ongoing review, to address additional problems it had already identified with placement of the 'what to do next' section, clarity of requests for additional information, and customer misunderstanding of instructions for how to return the form. It started to issue revised letters with effect from 26 January 2009 after we had completed our fieldwork. The issues we identified relating to the length of the letters and the placing of the signature box have still to be addressed.

⁵ The Comptroller and Auditor General reported on this issue in his report *Government on the internet: progress in delivering information and services online*, HC 529 Session 2006-07, July 2007.

17 Decision-makers process claims for Attendance Allowance using paper forms and enter few details on the computer system, which means officials have access only to minimal case details in the event of telephone queries. Very few details of applications are computerised. A small number of application forms are submitted electronically, but all of them are printed out and limited details keyed into the Department's computer systems as if they were paper applications. Staff handling telephone queries have access to the computer system, but without sight of the original paper forms will be aware only of limited details of the case.

18 Elderly people can be reluctant to send valuable documents to the Department through the post, but awareness of the alternative local verification service is low. There is a network of 400 local charity and public sector offices willing to check documents free of charge, but it is not the Pension, Disability and Carers Service's policy to refer customers to these offices when they telephone to make a claim so as to avoid overburdening what is an essentially voluntary service. For Pension Credit and Attendance Allowance, visitors from the Local Service provide a valuable service both for vulnerable people needing help with their applications and for customers whose relatively complex financial affairs or self-employment require a home visit. Information collected by visitors on paper forms subsequently has to be captured again by keying into the Department's computer systems. As a way of streamlining the process the Department is piloting plans for details to be phoned in during the visit.

Informing vulnerable people of the benefits which could help them

19 Attendance Allowance is not universally understood, which may mean it is not reaching some of the people who need it. Take-up of Attendance Allowance is lower than for other benefits, last estimated in 2003 by the Commission for Social Care Inspection at around 40-60 per cent of those eligible. The Department does not have an accurate measure of take-up so has not set a target for what the take-up rate should be, or used specific communications campaigns to actively drive take-up. The Department recently commissioned independent research into issues affecting take-up of Disability Living Allowance, and has now established the feasibility of extending this work to cover Attendance Allowance. Other steps it has taken to ensure the most vulnerable audiences are aware of the benefit include revisions to the main leaflet in consultation with

representative groups. Local Service representatives who visit customers in the target audience check eligibility for all the benefits a customer may be entitled to, including Attendance Allowance. The number of claims for Attendance Allowance taken by the Local Service increased from 72,000 in 2005-06 to 108,000 in 2007-08. However, charities and non-governmental organisations representing older people believe that the benefit is not well understood by citizens, partly because of its misleading name. Our focus groups found that the name is widely misunderstood by older people as requiring them to attend an old people's centre. In our experiments, we found that 42 per cent of people were unable to find out from official websites what the eligibility criteria for Attendance Allowance are, and it took those users who found them a long time to do so.

Conclusion on value for money

20 The Department has improved the efficiency of its communications with customers by reducing reliance on paper communications such as leaflets, increasing telephone contacts and online information provision and, for those who need more help, by providing face-to-face support through the Local Service visits to customers. These changes in approach have enabled the Department to reduce or eliminate unnecessary communications. Further efficiency gains will be possible from increasing online provision, particularly the facility to make online applications. The investment in new systems needed to support such provision fully is expected to take a number of years.

21 Since the Committee of Public Accounts last reported on government forms, the Department has made progress in making its forms shorter and easier to read, and promoting telephone enquiry services has reduced the reliance on paper forms for many customers. Linking some benefits so they can all be claimed in one telephone call has also, for some customers, enhanced the effectiveness of the Department's communications. For those who rely on paper forms, however, some forms are still lengthy, and accompanied by long and over complex guidance notes. The effectiveness of communications is also hampered by system-generated letters which are long, complex and difficult for customers to understand. It can be challenging for customers to find answers to some of their queries using the Directgov website, because there is a mix of different pages as content is transferred from other websites, and because the internal search engine needs further ongoing improvement.

22 The Department has already realised substantial cost savings by reducing the number of pre-printed leaflets by almost three quarters, and by putting in place a new contract for printing and distribution. For other communications activities the Department cannot currently identify the full cost of managing communications for specific benefits or communication channels. Cost efficiencies from online provision have also still to be fully realised. For example, though forms can be downloaded from the internet, it is not yet possible to apply for most benefits online. Lengthy engagement of staff and customer time is required in handling the claim by telephone or face-to-face.

Recommendations

23 Our recommendations are focused on the case study benefits we looked at in detail for this study – Jobseeker’s Allowance, Pension Credit and Attendance Allowance – but the Department should consider whether the principles highlighted here have wider application to other benefits.

- a** **Much progress has been made in rationalising the Department’s leaflets, but many forms are still long and complex, and the majority lack simple getting started guides.** As the application process for each benefit is increasingly made available online, and as the Department expands take-up of the online route, it should review the need for the paper form and supplementary printed guidance. It also needs to ask for the required information as simply as possible, and in the same way as the online process. Consistency is needed both in terms of the supporting guidance and information, and in the structure and sequencing of questions, so as to direct applicants only to the questions they need to answer. For many benefits, paper forms are likely to remain the main means of communication for many years, and the Department should review these forms by considering what questions are irrelevant for the majority of claimants, and separate these questions into supplementary sub-forms issued only where individual’s circumstances require it. This model has already been adopted for Pension Credit paper forms, and is used by HM Revenue and Customs for Income Tax returns. Customers still need simple ‘how to get started’ guides to completing many forms, and better highlighted internet or phone-based help processes on points where they are unsure what to do.
- b** **The Department does not currently use the Communications Directorate to advise on all stages of information exchange for all benefits.** As a result, it is missing opportunities to achieve a complete view of the customer experience and is not making the best use of its corporate knowledge to mitigate the risk of inadequate or inaccurate advice being given to customers. While retaining operational responsibility within the Pension, Disability and Carers Service and Jobcentre Plus, the Department should strengthen the Communications Directorate’s formal advisory role. The Directorate should oversee the consistent application of standards; and the consistency, accuracy and usability of forms, guidance notes, pro-forma letters, and contact centre scripts. By thus engaging the specialist skills, expertise and knowledge of the central Communications Directorate, as well as the Pension, Disability and Carers Service and Jobcentre Plus, the Department should be able to join up information exchange from start to finish of a customer’s contact with the Department.
- c** **The Department has not yet realised the substantial processing efficiencies and customer service improvements that could be realised by exchanging information with customers online.** For Jobseeker’s Allowance, once the system is operational and has been tested to ensure it is sufficiently robust to handle potential demand, the Department should market vigorously the facility to submit full online applications currently planned for summer 2009, seeking at least to meet its own assessment that a rate of around 40 per cent online applications should be achievable by 2011. In evaluating progress in increasing take-up of online services, the Department should consider whether a shorter time-horizon is achievable for the full Self-Service project for information exchange, currently due for completion in 2014, and set targets in the interim for incremental take-up of online services for other benefits.
- d** **The Directgov website is becoming the primary online source of information about benefits, but our testing found it difficult to use in some areas.** As the volume of materials on Directgov grows rapidly the internal search engine needs further improvement, which has already started in response to the recommendations previously made by the Committee of Public Accounts. As use of the Directgov site increases, the Department will need to keep under review the way information about benefits is presented so that it meets both its own needs and those of its customers.

- e System-generated letters sent to older customers requesting additional information in support of Pension Credit applications are long and confusing.** The Department has introduced some amendments to these pro forma letters in January 2009 under an initiative called 'Transforming Letters'. It should remain a priority to review what further changes are necessary in the light of our review, for example by signposting the signature box more clearly and reducing the overall length of the letter. The Department should examine system generated letters for other benefits to test whether similar improvements can also be made elsewhere.
- f Four fifths of applicants for Pension Credit are asked to mail valuable original documents to the Department, which can introduce delays and may discourage some elderly people from applying.** There is a network of local charity and public sector offices willing to check documents but customer awareness of this service is low. The Department should investigate the extent of demand for this service, and whether investing in this network to increase capacity would offer value for money. Depending on the outcome of this research, consequential changes would be needed to telephone call centre scripts to ensure vulnerable customers in need of this service are made aware that there is an alternative network of local offices able to validate documents in person.
- g Attendance Allowance is not well understood, which has contributed to its not being claimed by all those eligible.** The Department plans to carry out further research on awareness of Attendance Allowance, which it should also use to identify what problems customers have in understanding it, including whether the name of the benefit is a source of confusion. It should then test solutions to make the benefit more intuitive and comprehensible. The Department also needs to clarify the guidance explaining the eligibility rules, and should use analytical information from Attendance Allowance applications, combined with its research on take-up rates, to test awareness of the benefit among vulnerable customers.