

Non-take-up of the IGO: a Belgian social assistance scheme for the elderly

A qualitative research of the experiences of administrators and social workers

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Introduction in non-take-up

- Non-take-up (or underuse) is the phenomenon whereby people do not receive the benefits to which they are legally entitled
 - Primary non-take-up: not receiving a benefit as a consequence of not applying for it
 - Secondary non-take-up: applying for a benefit and not receiving it

<-> Overuse or fraud

Introduction in non-take-up

- Causes of non-take-up:
 - Legislation/scheme
 - Administration
 - Client
- Interacting causes

Introduction in non-take-up

Causes on the level of the legislation/scheme:

- A large number of rules
- Complicated rules
- Vague, imprecise entitlement criteria
- Contains a means-test: an examination into the financial state of an applicant to determine eligibility

Introduction in non-take-up

Causes at the level of the administrators:

- Combining a 'service' and a 'fraud' control function
- Complex application forms
- Poor quality of decision making: taking decisions on the basis of insufficient information or on the basis of stereotypes
- Poor quality of administrative procedures
- Wrong interpretation of rules/legislation

→ Street-level Bureaucrats: discretion – workload (*Lispky, 1980*)

Introduction in non-take-up

Causes on the level of clients:

- Insufficient knowledge
- Wrong perception of eligibility
- Fear of stigmatization

Wim van Oorschot (1995). Realizing Rights.

Problem statement

Belgium:

- little research on non-take-up of the IGO
 - Identification problem
 - Different sources of income (pension income, savings, investments, home ownership) taken into account for the means-test of the IGO
 - Government does not have information on all individual assets

Relevance?

- Non-take-up → risk of poverty, especially in social assistance
- Indication of ineffective implementation of social policy
 - Mistargeting: the actual target group of the policy is not reached (*van Oorschot, 1995*)

The IGO

- Social assistance scheme for elderly (65+)
- Supplementary to the pension
- Low income

The IGO

- Means-tested:
 - Declaration of income via a 7 page letter
 - Evidence of income
 - Submitted to the pension agency
- Application process:
 - Automatic: in case pension income is below certain threshold
→ declaration form sent automatic at legal (early) retirement
 - Own initiative when change in income/delayed retirement

Methodology

- 20 qualitative in-depth interviews with administrators
- RQ1: Does non-take-up of the IGO occur?
- RQ2: What are the causes of non-take-up of the IGO?

Results

- All respondents have come across cases of non-take-up
- Overuse or fraud is the biggest issue
- Focus on overuse → decreasing attention for non-take-up
- Interacting causes on all three levels

Results

- Means-test (declaration form):
 - Complex legislation and complex procedures
 - Mistakes by administrators
 - Not adjusted to the target group (65+) – difficult terminology
 - Mistakes by clients: wrong information leads to refusal
 - Initiative and knowledge of clients is requested
 - One-off investigation

Conclusions

- Non-take-up is an existing problem
 - Overuse is more common
 - Reflection: non-take-up is often underestimated by administrators (*Van Oorschot & Kolkhuis Tanke, 1989*)
- Focus on overuse (legislation, administration) > focus on non-take up
- Low income → real danger of poverty (IGO benefit below poverty threshold)