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Child and Working Tax Credits Error and Fraud Statistics 2016-17

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Estimates of Error and Fraud in Tax Credits 2016-17

Introduction

1. Child Tax Credit (CTC) and Working Tax Credit (WTC) were introduced in April 2003. They are flexible systems of financial support designed to deliver support as and when a family needs it, tailored to their specific circumstances. They are part of wider government policy to provide support to parents returning to work, reduce child poverty and increase financial support for all families. The flexibility of the design of the system means that as families' circumstances change, so does their (daily) entitlement to tax credits. This means tax credits can respond quickly to families' changing circumstances, providing support to those that need it most. Tax credits are based on household circumstances and can be claimed jointly by members of a couple, or by singles. Entitlement is based on the following factors: age, income, hours worked, number and age of children, childcare costs and disabilities. For further information on who can claim tax credits please refer to the GOV.UK website: <https://www.gov.uk/topic/benefits-credits/tax-credits>
2. This report presents results from the Tax Credits Error & Fraud Analytical Programme (EFAP), which is designed to measure error and fraud in finalised awards across the tax credits population. This publication will be of particular interest to the National Audit Office (as part of their overall review of HMRC's accounts), academics and think-tanks and operationally within HMRC.
3. For 2016-17 tax year, this exercise took a stratified random sample of 4,000 cases which were selected to be representative of the tax credit population. These cases were taken up for examination by claimant compliance officers who worked the cases as they would for any other enquiry. The sample is stratified because of the size and diversity of the claimant population and the possible variation in compliance risk. This is so that we can measure the level of compliance for various claimant groups, as well as for claimants as a whole. More details about the sampling methodology can be found in Annex A.

Commercial with a view to profit test

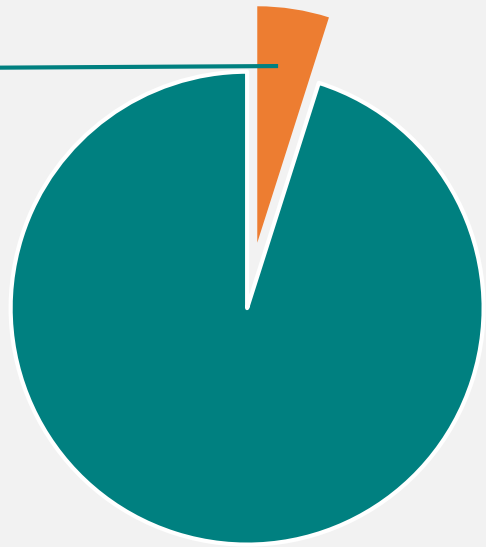
4. To qualify for WTC a person has to be in qualifying remunerative work and this condition can be met by employment, self-employment or both. The government has introduced a requirement that all claimants who use self-employed work to meet this qualifying remunerative work test have to show that they are trading on a commercial basis and their business is done with a view to achieving profits. The self-employment also has to be structured, regular and ongoing. These checks are known as the Commercial and with a view to a Profit (C&P) test. WTC will continue to support those who are carrying on a genuine business activity.

5. The C&P test is expected to deliver savings in Tax Credits. However, the introduction of the test does mean that some tax credits expenditure where the claimant would previously have been entitled will now be classed as error and fraud. As a consequence there are more ways for a claimant to fall into error and fraud.
6. The impact of the C&P test has been separately identified in this publication and error and fraud estimates excluding the C&P test have been provided to enable a like for like comparison to previous years. The C&P test is a combination of Work and Hours and Income risks and therefore there may be an overlap of risks.

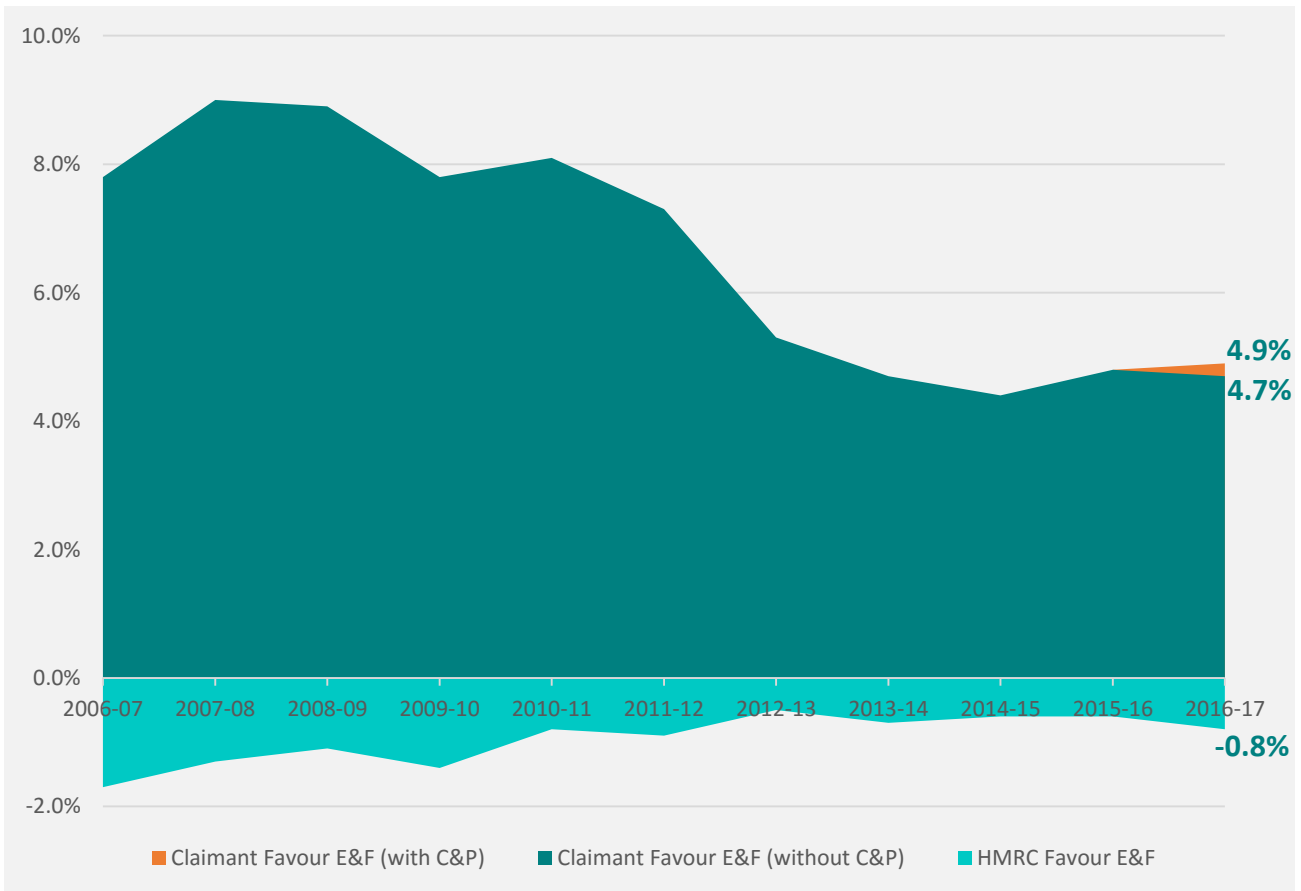
Tax Credits Error and Fraud at a glance in 2016-17

4.9%

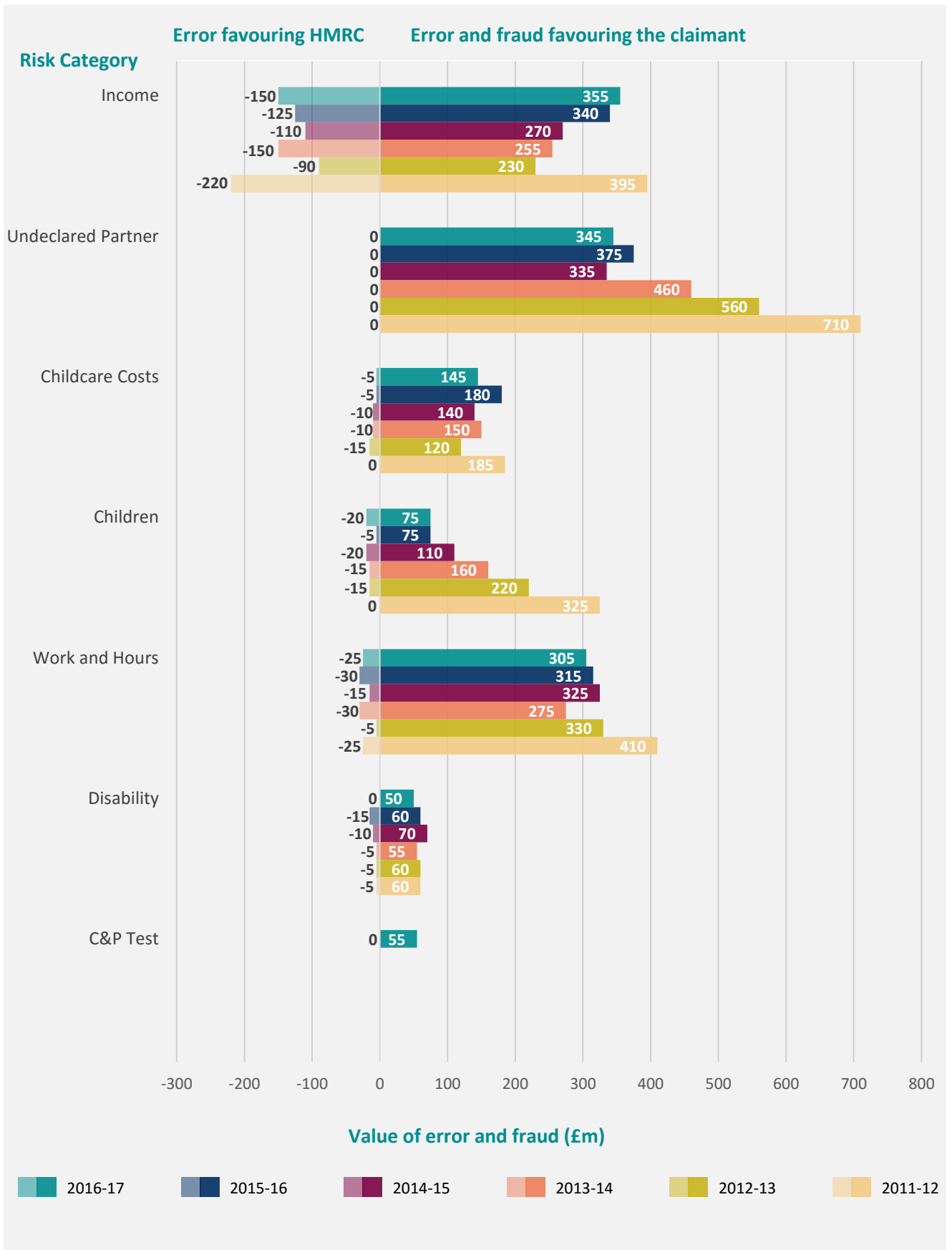
Tax Credit error and fraud in favour of the claimant is estimated to be **£1.32 billion** which is **4.9%** of entitlement



Tax Credit Error and Fraud as a proportion of entitlement: 2006-07 to 2016-17



Tax Credits Error and Fraud by risk type: 2011-12 to 2016-17



Section 1: Estimated levels of Error and Fraud with C&P

8. All tables below include error and fraud attributed to the new C&P test. The details presented in the following tables are based on a sample of cases and hence there are margins of error associated with these estimates. Therefore, Tables 1 to 4 also illustrate the 95 per cent confidence intervals associated with these central estimates.
9. Estimates in the tables are rounded to the nearest £10m/10,000 in tables 2, 4, 5, 6, and for all the overall totals in the other tables. The breakdowns in the other tables are rounded to the nearest £5m/5,000. The error and fraud rates are rounded to the nearest 0.1% in tables 1 and 3.

Table 1: Total Error and Fraud as a Proportion of Finalised Entitlement (%), 2016-17

	Lower bound	Central estimate	Upper bound
Estimated error & fraud favouring the claimant	4.5	4.9	5.3
Estimated error favouring HMRC	0.6	0.8	0.9

10. Table 1 shows for 2016-17 the proportion of finalised tax credit entitlement that was accounted for by error and fraud.
11. Error and fraud favouring the claimant refers to cases where the claimant has been found to be non-compliant in a way that has led HMRC to pay them more tax credits than they were entitled to for the year – i.e. there was a monetary gain for the claimant and a monetary loss for HMRC. Error and fraud favouring HMRC refers to cases where the claimant has been found to be non-compliant in a way that has led HMRC to pay them less tax credits than they were entitled to for the year – i.e. there was a monetary gain for HMRC and a monetary loss for the claimant.

Table 2: Overall Level of Error and Fraud, 2016-17

	Number ('000)			Amount (£m)		
	Lower bound	Central estimate	Upper bound	Lower bound	Central estimate	Upper bound
Estimated error & fraud favouring the claimant	800	850	890	1,210	1,320	1,440
Estimated error favouring HMRC	440	480	520	170	200	240

12. Table 2 shows central estimates and their associated 95 per cent confidence intervals for the overall levels of error and fraud for 2016-17.

Table 3: Error and Fraud Favours the Claimant as a Proportion of Finalised Entitlement (%), 2016-17

	Lower bound	Central estimate	Upper bound
Estimated error favouring the claimant	3.5	3.9	4.2
Estimated fraud favouring the claimant	0.8	1.0	1.3
Total	4.5	4.9	5.3

13. Table 3 shows for 2016-17 the proportion of finalised Tax Credit entitlement that was accounted for by error in the claimant's favour and the proportion that was accounted for by fraud in the claimant's favour.

Table 4: Level of Error and Fraud Favours the Claimant, 2016-17

	Number ('000)			Amount (£m)		
	Lower bound	Central estimate	Upper bound	Lower bound	Central estimate	Upper bound
Estimated error favouring the claimant	720	760	810	960	1,050	1,140
Estimated fraud favouring the claimant	70	80	100	210	280	340
Total	800	850	890	1210	1,320	1440

14. Table 4 shows the central estimates and their associated 95 per cent confidence intervals split by the levels of error and fraud in the claimant's favour.

15. For the central estimate, the level of error is broken down further into claimant error and HMRC error. This is set out in table 5 below.

Table 5 – overall level of error split between claimant error and HMRC error - central estimates, 2016-17

	Claimant error		HMRC error	
	Numbers ('000)	Amounts (£m)	Numbers ('000)	Amounts (£m)
Estimated error favouring the claimant	750	1,040	10	10
Estimated error favouring HMRC	430	170	40	30

Table 6 - breakdown of error and fraud by type of Tax Credit award - central estimates, 2016-17

Estimated error and fraud favouring the claimant	Numbers ('000)	Amounts (£m)
Nil award	-	-
Out of work	110	180
In work, children, more than family element	630	1,030
In work, children, family element or less	10	-
WTC only	90	110
Total	850	1,320
Estimated error favouring HMRC		
Nil award	-	-
Out of work	50	30
In work, children, more than family element	390	160
In work, children, family element or less	10	-
WTC only	20	10
Total	480	200

Table 7 - Distribution of Error and Fraud by Value - central estimates, 2016-17

Value of error and fraud	Estimated error and fraud favouring the claimant		Estimated error favouring HMRC	
	Number ('000)	Amount (£m)	Number ('000)	Amount (£m)
Less than £100	110	5	210	10
£100 to £499	190	55	160	40
£500 to £999	150	110	50	35
£1,000 or more	390	1,150	60	125
Total	850	1,320	480	200

Table 8 - Distribution of Error and Fraud by Value of Finalised Award - central estimates, 2016-17

Value of award	Estimated error and fraud favouring the claimant		Estimated error favouring HMRC	
	Number ('000)	Amount (£m)	Number ('000)	Amount (£m)
£0	-	-	-	-
Under £1,000	65	20	50	15
£1,000 to £1,999	75	55	55	25
£2,000 to £2,999	70	90	50	20
£3,000 to £3,999	80	120	35	20
£4,000 to £4,999	60	105	40	20
£5,000 to £5,999	60	95	50	25
£6,000 to £6,999	80	145	40	20
£7,000 and over	355	685	160	65
Total	850	1,320	480	200

16. Note that the value of the award shown in Table 8 is the value of the finalised award and includes the value of error and fraud.

Table 9 - Reasons for Error and Fraud - central estimates, 2016-17

Reason	Estimated error and fraud favouring the claimant		Estimated error favouring HMRC	
	Number ('000)	Amount (£m)	Number ('000)	Amount (£m)
Income	360	355	430	150
Undeclared Partner	110	345	-	-
Childcare costs	155	145	20	5
Children	55	75	15	20
Work and hours	250	305	50	25
Disability	30	50	-	-
C&P	30	55	-	-
Total	990	1,320	510	200

17. Note that in Table 9 some claimants will have more than one reason for adjustment so the numbers will not sum to the total number of awards presented in the other tables.

Section 2: Estimated levels of Error and Fraud without C&P

18. If the C&P test did not exist cases could still fall into error and fraud for other reasons. Some of these reasons will be superseded by the C&P test. To provide a fair comparison to previous years results the case must also be investigated if C&P does not exist. Further details on the methodology can be found in Annex A. All tables below exclude the new C&P risk.

19. Tables 10 to 13 illustrate the 95 per cent confidence intervals associated with the central estimates. Note that the estimates presented in the rest of the tables are the central estimates.

20. Estimates in the tables are rounded to the nearest £10m/10,000 in tables 11, 13, and for all the overall totals in the other tables. The breakdowns in the other tables are rounded to the nearest £5m/5,000. The error and fraud rates are rounded to the nearest 0.1% in tables 10 and 12.

Table 10: Total Error and Fraud as a Proportion of Finalised Entitlement (%), 2016-17

	Lower bound	Central estimate	Upper bound
Estimated error & fraud favouring the claimant	4.3	4.7	5.1

21. Table 10 shows for 2016-17 the proportion of finalised tax credit entitlement that was accounted for by error and fraud.

Table 11: Overall Level of Error and Fraud, 2016-17

	Number ('000)			Amount (£m)		
	Lower bound	Central estimate	Upper bound	Lower bound	Central estimate	Upper bound
Estimated error & fraud favouring the claimant	770	820	870	1,160	1,270	1,380
Estimated error favouring HMRC	440	480	520	170	200	240

22. Table 11 shows central estimates and their associated 95 per cent confidence intervals for the overall levels of error and fraud for 2016-17.

Table 12: Error and Fraud Favouring the Claimant as a Proportion of Finalised Entitlement (%), 2016-17

	Lower bound	Central estimate	Upper bound
Estimated error favouring the claimant	3.4	3.7	4.0
Estimated fraud favouring the claimant	0.8	1.0	1.3
Total	4.3	4.7	5.1

23. Table 3 shows for 2016-17 the proportion of finalised Tax Credit entitlement that was accounted for by error in the claimant's favour and the proportion that was accounted for by fraud in the claimant's favour.

Table 13: Level of Error and Fraud Favouring the Claimant, 2016-17

	Number ('000)			Amount (£m)		
	Lower bound	Central estimate	Upper bound	Lower bound	Central estimate	Upper bound
Estimated error favouring the claimant	690	740	780	900	990	1,080
Estimated fraud favouring the claimant	70	80	100	210	280	340
Total	770	820	870	1,160	1,270	1,380

24. Table 13 shows the central estimates and their associated 95 per cent confidence intervals split by the levels of error and fraud in the claimant's favour.

25. For the central estimate, the level of error is broken down further. This is set out in table 14 below.

Table 14 - Reasons for Error and Fraud - central estimates, 2016-17

Reason	Estimated error and fraud favouring the claimant	
	Number (‘000)	Amount (£m)
Income	360	355
Undeclared Partner	110	345
Childcare costs	150	145
Children	55	75
Work and hours	250	300
Disability	30	50
Total	960	1,270

26. Note that in Table 14 some claimants will have more than one reason for adjustment so the numbers will not sum to the total number of awards presented in the other tables.

Annex A

The 2016-17 Tax Credits Error and Fraud Analytical Programme (EFAP): Methodological and Technical Details

Introduction

1. The tax credits system is designed to respond to changes in circumstances as they happen. A claimant's entitlement can therefore change throughout the year which could lead to over or underpayments depending on when the claimant tells us about the change, either in year or at finalisation. Error and fraud can therefore only be found after the claim has been finalised with the actual circumstances of the 2016-17 tax year. The 2016-17 exercise could not start until recipients had provided HMRC with details of their final 2016-17 circumstances, which meant that compliance officers were unable to start work on some cases until after 31 January 2018.

Error and Fraud

2. When Claimant Compliance Officers identified non-compliance, they were required to indicate whether they believed it was due to genuine error or fraud. To be classified as fraud, a caseworker needs to have found evidence that the claimant deliberately set out to misrepresent their circumstances to get money to which they are not entitled (e.g. claiming for a child that does not exist). Error covers instances where there is no evidence of the claimant deliberately trying to deceive HMRC. It covers a range of situations, including cases where a claimant inadvertently over-claims because they simply provided HMRC with the wrong information. It could also cover a situation where the correct information has been provided but this information has been incorrectly processed by HMRC.
3. As part of the working of each case compliance officers were asked not only to classify whether or not a case that was found to be incorrect was due to either error or fraud, but also whether or not the error was due to HMRC.
4. For cases where error or fraud have been identified the Claimant Compliance Officer also has to identify the causes of the error or fraud, the monetary consequence of this and the adjustment categories which are shown in Table 9.
5. Due to the nature of organised fraud and HMRC compliance procedures the vast majority of organised fraud claims are stopped quickly and awards in payment are terminated. This means that organised fraud is more likely to be detected as overpayments rather than in the EFAP. Any overpayments that are not remitted during the year will be included in the annual National Statistics publication on under and overpayments.

Classification of risks

6. In previous publications error and fraud was classed according to six risk categories. These are:
 - Income – Inaccurately reporting income
 - Undeclared Partner – Making a single claim instead of a joint claim
 - Childcare Costs – Incorrect claiming childcare costs
 - Children – Incorrectly including/excluding children or young persons on a claim
 - Work and Hours – Overstating/understating hours worked
 - Disability – Incorrectly reporting disability status
7. As explained in paragraph 4, the C&P test requires all self-employed claimants to meet the conditions of the test in order to claim tax credits. For this publication a new C&P risk category has been added. The inclusion of the C&P test in 2016-17 results makes it more difficult to compare HMRC performance against previous years. To achieve this caseworkers investigated both the real world view and a counterfactual scenario where C&P does not exist to generate an accurate view of error and fraud. A case which has C&P may also have other risks which the C&P risk would supersede.
8. Caseworkers were asked to investigate the case for all risks including C&P. If a C&P risk was found which superseded the other risks, then the caseworkers were asked to enter the risks which would have been found on the case if C&P did not exist.
9. Risks have a hierarchy in Tax Credits since some remove full elements of an award, whereas others will only taper the entitlement amounts. An example of this would be a case with an Undeclared Partner risk. If another risk is found on a case it would not matter since the claimant would not be entitled to their entire claim due to the undeclared partner risk and therefore all of the error and fraud would be attributed to that risk group.
10. In practice C&P is a subset of the *Income* and *Work and Hours* risks which means it is difficult to extract the C&P risk out of these other categories. This means that some of the error and fraud that should be attributed to C&P may have been classed in the *Income* and *Work and Hours* risk groups. This could lead to our estimates for *Income* and *Work and Hours* risk groups having an inflated amount of error and fraud.

Sampling

11. The sample for the 2016-17 EFAP is constructed from 4 strata of claimants; these strata, together with the sample sizes, are shown below:

Table A1: Sample Strata and Sample Sizes

Stratum	Sample size
Nil awards	50
CTC Only – family element or less	50
WTC only	358
Others	3,542
Total	4,000

12. The sample was stratified in this way to ensure that an appropriate number of both Nil, Other and WTC only awards were included in the sample. If a purely random sample had been used this would have consisted of a high number of Nil and Flat rate awards which show relatively low rates of non-compliance, thus reducing the accuracy of the results of the EFAP. The use of a stratified sample allows for the levels of error and fraud in each stratum to be estimated more accurately by ensuring the number of cases in each strata is representative of the likelihood of error and fraud occurring in that strata of the population.
13. An individual award can fall into a number of different strata during the year depending on the circumstances of the household at a given point in time, for example a couple could initially be receiving WTC only and then half way through the year have their first child thus moving them to our other strata. In fact there are ten possible categories (which we aggregate into our four strata) that a household in award could find themselves in at a given point during the year depending on their circumstances and income. When an award moves between these categories we say that a new entitlement sub-period has been created.
14. It is important to note that our sample base is awards and not families – these two differ as a family can have a number of awards during a year. Take the following example, initially a lone parent family is in award then a new household is formed when a partner moves in and later in the year the partner moves out (the household breaks down) and they become a lone parent again. In total they have had three separate awards during the year. We follow awards as this is the unit that the tax credits system is based around and hence is most suitable for constructing a representative sample from.
15. The sample base contains all 2016-17 awards present on the HMRC tax credit system at the end of the first week of August 2016. An award may last for a period of anywhere between one day and the whole year.
16. The sample for each stratum was selected at random. The minimum sample size for each stratum is 50 to allow for further breakdown of the results internally. This ensures

results from the Nil awards and Child Tax Credits only strata are robust and representative of the respective populations.

Sampling errors around the estimates

17. Estimates in the tables are rounded to the nearest £10m/10,000 in tables 2, 4, 5, 6, 11, 13, and for all the overall totals in the other tables. The breakdowns in the other tables are rounded to the nearest £5m/5,000. The error and fraud rates are rounded to the nearest 0.1% in tables 1, 3, 10, and 12. The estimates presented are the central estimates derived from the sample taking account of the methodological approach set out below. Since these estimates are based on a sample they are subject to sampling errors. These margins of error have been expressed by calculating a 95 per cent confidence interval around the estimates. These have been calculated and are shown in Tables 1 to 4.
18. Confidence intervals are calculated using the variance of the values in the closed case data. We do not know the uncertainty around the open case projections and so it is assumed the cases will have the same variance as the closed cases.

Methodology

19. This next section sets out a number of different methodological issues - such as how we process the data, how cases in the sample have been scaled up to represent population estimates, how certain cases have been treated, etc.

Processing

20. The underlying data are recorded by the compliance officers who carried out the enquiries; it then undergoes a number of steps where it is checked and processed before it is used to calculate the figures in this publication.
21. The final data used are created by cross checking the information held in our compliance management information system against that held in the main tax credit computer system and against information recorded about the case by the compliance officer who worked it. The data is corrected if there is a discrepancy between the systems to assure all of the data is correct before completing the analysis.
22. Each award has a number of entitlement sub-periods¹ and it is clear that some of these sub-periods cannot be associated with certain types of error/fraud that are recorded, for example if 25 per cent of an award's time is spent in a WTC only sub-period and 75 per cent of its time in sub-periods relating to CTC then a claimant favour error/fraud relating to a child could only have occurred in the latter 75 per cent of the

¹ See paragraph 13 for an explanation of entitlement sub-periods.

award. We therefore allocate the error to the sub-periods that it could be associated with, so in the earlier example the child error would be allocated to the 75 per cent of the award spent in sub-periods relating to CTC. Error favouring HMRC error has been reallocated between sub-periods based on the proportion of that award spent in that sub-period.

Classification of the 4,000 sample

23. The EFAP cases can either end with a claimant favour, revenue favour, or no adjustment after the intervention. We will receive information from the claimant through the enquiry in the majority of cases with a number not responding to the investigation. Table A2 sets out how the cases are broken down.

Table A2: Breakdown of EFAP cases by response and outcome

	Net Claimant Favour	Net HMRC Favour	Total
Responded:			
<i>with Error and Fraud</i>	504	304	808
<i>without Error and Fraud</i>	-	-	1943
No Response:			
<i>with Error and Fraud</i>	151	12	163
<i>without Error and Fraud</i>	-	-	733
Not Taken Up	-	-	170
Open	-	-	183
	Total		4,000

24. Cases can have both claimant favour and HMRC favour error and fraud. Table A2 shows the net position of those cases, where a case with a total claimant favour adjustment is classed as in claimant favour and a case with a total HMRC favour classed as HMRC favour. Cases that do not have error and fraud, and have not been worked or are still open will not be in either Claimant or HMRC favour and so no breakdown is provided in the table.

Non-response

25. Approximately 23 per cent of claimants in the sample that is used to compile this estimate do not respond to HMRC's investigations. The issue of non-response is monitored in several ways, including ensuring that compliance officers are in a position to make a valid decision without a response, completion of extensive quality checks of compliance officers' decisions and monitoring of the outcome of non-response cases against those where claimants do respond.

26. Non-response cases are no more or less likely to contain error and fraud favouring the claimant than cases where the claimant does respond. Consequently we are satisfied that compliance officers are able to make a valid decision on non-response cases by using information held by HMRC. No adjustment is made to the estimate of error and fraud favouring the claimant to account for non-response.

27. Error favouring HMRC is more likely to be identified in cases where the claimant does respond. It is not possible to determine whether the non-response cases do in fact contain higher levels of error and fraud than we have identified but we hold no evidence to suggest that they do. No adjustment is made to the estimate of error favouring HMRC to account for non-response.

Not taken up cases

28. In this year's exercise 170 cases were not taken up for enquiry for reasons including death or other exceptional circumstances. These cases have been excluded from the results, implicitly assuming that if they had been worked they would have the same incidence of error and fraud as the cases that have been successfully completed.

29. Cases are also not taken up if they fall under special customer records policy. These cases are deemed to require additional protection. Because of this both EFAP caseworkers and analysts do not have the required permissions to access the customer information. These cases are therefore removed from the sample. Types of special customer records are: Members of the Royal Household, members of UK legislative bodies including Scottish and Welsh Assemblies, VIPs and those in high-risk employment, victims of domestic violence and other high-risk individuals.

Open cases

30. As shown in Table A2 there were 183 cases which had been opened but not completed when the results were estimated. A projection has been made to cover the estimated additional amount of extra error/fraud these cases will provide.

31. It is assumed in this analysis that these incomplete cases exhibit the same characteristics, on average, to those that had been settled most recently and assumed that the cases left to work to the end will on average exhibit this average level of non-compliance. Where there is only a small number of sample cases for recently settled cases, the average level over a longer time period is used.

Projections for mandatory reconsiderations

32. Claimants that have been found to be in error and fraud are able to appeal the decision within 30 days of receiving the award notice unless there are exceptional

circumstances. These are known as Mandatory Reconsiderations (MRs) and can change the estimated levels of error and fraud by removing amounts of error and fraud from closed cases.

33. Any MRs that are known before the results are estimates are incorporated into the analysis. However, in 2015-16 a number of MRs were received after the results were published which had a material impact on E&F estimates. To try and account for this and to ensure the estimate in this publication is central a projection is being made to take into account MRs that could be received after the publication of the results which would normally not be included in the analysis and therefore overestimate the error and fraud in claimant favour. The average amount of MRs over the past 2 years has been calculated and split across profiles. This value has then been applied to the ungrossed figure to reduce the amount of error and fraud in the EFAP sample. This reduces the E&F rate by 0.1 percentage points.

Grossing

34. The sample results of the cases that have been worked to completion plus the projected results from the cases still being worked have been grossed to reflect population estimates. Grossing factors have been applied depending on the value of the finalised award and the characteristics of the claimant during the year.

35. Sample results are grossed to the total of entitlement sub-periods for the population over the whole year rather than to the single entitlement sub-period present at the end of the year.

36. The sub-periods are grossed up to the position of the award on each Tax Credit profile which gives increased accuracy over groups with potentially differing rates of error and fraud.

Revisions policy

37. The estimates in the publication will be revisited in early 2019 to take account of any new information. The revisited estimates will be published if the headline rate of error and fraud favouring the claimant changes by +/- 0.2 percentage points or more.

Annex B

Historical Tax Credits Error and Fraud Analytical Programme (EFAP) Results since 2006-07

Table A3: Historical Error and Fraud rates since 2006-07 (%)

	Year of EFAP	Error and fraud as a percentage of finalised entitlement		
		Lower bound	Central estimate	Upper bound
Estimated error and fraud favouring the claimant	2006-07	7.2	7.8	8.4
	2007-08	8.3	9.0	9.7
	2008-09	8.3	8.9	9.6
	2009-10	7.0	7.8	8.6
	2010-11	7.5	8.1	8.8
	2011-12	6.6	7.3	7.9
	2012-13	4.7	5.3	6.0
	2013-14	4.2	4.7	5.2
	2014-15	4.0	4.4	4.8
	2015-16	4.3	4.8	5.2
	2016-17	4.5	4.9*	5.3
Estimated error and fraud favouring HMRC	2006-07	1.3	1.7	2.1
	2007-08	1.0	1.3	1.6
	2008-09	0.8	1.1	1.3
	2009-10	0.9	1.4	2.0
	2010-11	0.6	0.8	1.0
	2011-12	0.6	0.9	1.2
	2012-13	0.2	0.5	0.7
	2013-14	0.6	0.7	0.9
	2014-15	0.5	0.6	0.7
	2015-16	0.5	0.6	0.7
	2016-17	0.6	0.8	0.9

*Including C&P test

Figure A1: Historical Error and Fraud rates in Claimant Favour and associated confidence intervals since 2005-06 (%) (Including C&P test)

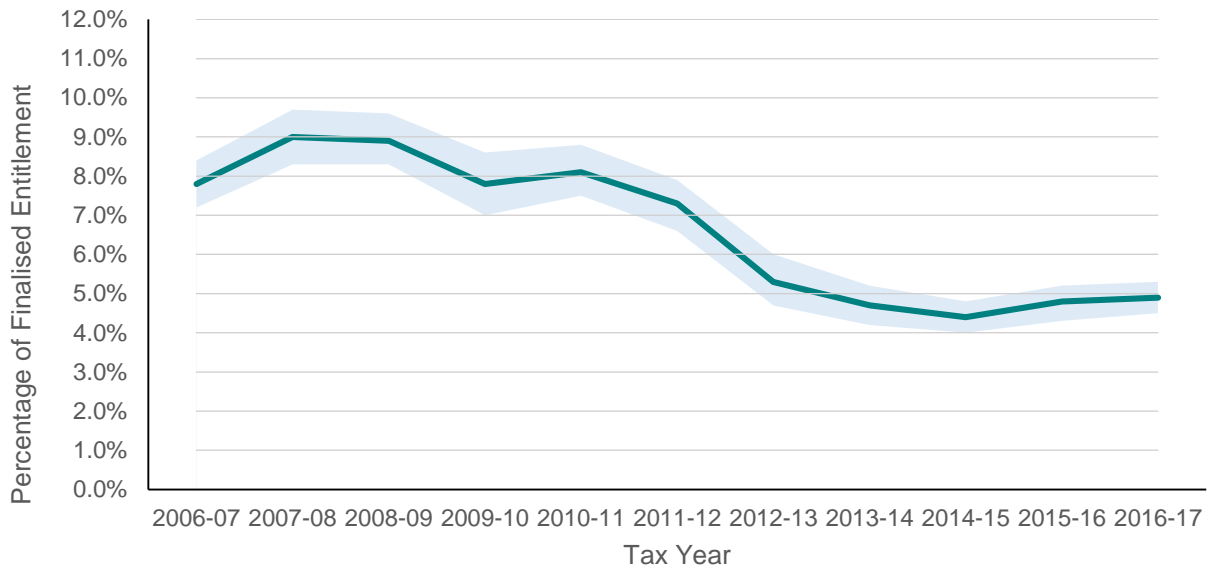


Figure A2: Historical Error rates in HMRC Favour and associated confidence intervals since 2005-06 (%).

