# Quality Statement
# Department for Work and Pensions - Fraud and Error in the Benefits System National Statistics

**This should be read in conjunction with the 'Department for Work and Pensions Policy Statement on Quality Guidelines' See:**
**https://www.gov.uk/government/publications/quality-guidelines-for-dwp-statistics**

## Introduction

The DWP Fraud and Error in the Benefits System statistics provide estimates of fraud and error for benefits administered by the DWP and Local Authorities.

The Fraud and Error in the Benefits System report is published twice a year (usually May and November) at: https://www.gov.uk/government/collections/fraud-and-error-in-the-benefit-system

The preliminary estimates published in May also feed into the DWP Annual Report and Accounts.

Alongside the report, there are a number of tables published which provide the user with detailed estimates, giving a breakdown of overpayments and underpayments into the different types of fraud and error.

## Relevance

The statistics:
- Include DWP benefits and those administered by Local Authorities.
- Are the primary DWP indicator for levels of Fraud and Error in the benefit system
- Are in the DWP business plan
- Are important for DWP assurance on the impact of anti-Fraud and Error activity across the businesses.

The publication is essential for providing our stakeholders with:
- A consistent time series for assessing fraud and error trends over time
- Data to assess current DWP fraud and error policy and evaluating recent changes to these or business processes
- Policy development and evaluation by fraud and error policy stakeholders and local authorities
- The evidence base for assessing the potential effect of future fraud and error policy options and programmes
- Robust data to inform future measurement options
- Providing estimates of Fraud and Error for the DWP Annual Report.
- Data to measure Government performance relating to objective 5 of the DWP single departmental plan: Transform the way we deliver our services to improve quality and reduce costs. The latest plan at the time of publication of this document is here: https://www.gov.uk/government/publications/department-for-work-and-pensions-single-departmental-plan/department-for-work-and-pensions-single-departmental-plan-2018

Estimates that feed into the annual HM Revenue and Customs National Insurance Fund accounts. These are available in the National Insurance Fund Accounts section of the HMRC reports page: www.hmrc.gov.uk/about/reports

See 'Uses and Users' document for more details: Please Click Here

## Accuracy

The statistics are calculated from the results of a sample survey, which are recorded on an internal DWP database. The survey combines data collated from DWP administrative systems and Local Authority owned Housing Benefit systems with data collected from the claimant during an interview.

All estimates are based on reviews of random samples drawn from the benefit caseloads. Therefore confidence intervals are provided with the central estimates to highlight the sampling variability. For more details please see the 'Fraud and Error - Variance and Confidence Intervals' document: Please Click Here

In any survey sampling exercise, the estimates derived from the sample may differ from what we would see if we examined the whole caseload. Further uncertainties occur due to the assumptions that have had to be made to account for incomplete or imperfect data or using older measurements. Where possible, these further uncertainties have been quantified and combined with the sampling uncertainties to give an overall assessment in the form of 95% confidence limits. These confidence limits show the range within which we can be 95% sure that the true value lies.

Quality assurance is carried out on all of the survey data. The initial quality focus is to make sure that there are enough completed sample survey cases. Subsequent quality assurance examines individual fields in detail to ensure that any unexpected changes or data values are understood and represent genuine changes.

The main quality assurance strategy can be summarised as:
- The DWP sample survey database contains internal validation checks. The 'hard' checks stop sample survey staff from entering incorrect data, with a warning message to explain what is wrong so that they can correct the data. There are also 'soft' checks where a warning message appears for unusual data to give staff the opportunity to decide whether they need to correct the data or not.
- An independent team of expert checkers re-check a sample of completed cases before any statistical analysis is carried out on the data. This evidence is used as a feedback mechanism for the sample survey staff and also for the statistical analysis.
- Analysts perform data cleaning checks on data items that are not covered adequately by the database internal validation checks.
- Analysts perform regular checks on the volume of cases to keep on track and make sure there are enough completed cases for analysis.
- Analysts perform basic checks on file size and characteristics to make sure they are in line with expectation.
- Analysts load raw data and check logs. The logs should contain no errors.
- Analysts run detailed quality assurance checks on the raw data such as analysis of the new dataset against previous datasets, looking for changes in means; levels of change in each data item; the incidence of missing values; changes in categorical variables.
- Analysts run the processing on the dataset. At the end of each stage, they run a set of detailed quality assurance checks to ensure that the processing has maintained the integrity of the database.

- Analysts produce tabulations and compare the outputs with those generated during the last report.
- A small group of DWP fraud and error experts look at the statistics from an operational and policy point of view to ensure that any unexpected changes or data values are understood and represent genuine changes.
- The final Fraud and Error in the Benefits System report and tables are prepared and checked independently by members of the team and signed off by the responsible analysts.

In addition to the above, analysts are currently undergoing a project to introduce a series of changes to their calculation processes and methodology in order to simplify and align these across the individual benefits. This work will make our processing quicker, more efficient, robust and transparent and easier to quality assure. This in turn will reduce risk in our calculation processes and will enable our team, in the future, to make changes to the computer programs more easily, especially with the advent of Universal Credit, and be more flexible with resources. The new aligned processing system will also make it easier for our users to interpret and compare findings across the individual benefits.

More detailed information about the quality of the statistics can be found in the technical appendices. This includes in-depth discussions about the limitations of the statistics, for example possible sources of bias and error associated with the sampling process and the measurement process.

Technical Appendices for continuously measured benefits can be found here: https://www.gov.uk/government/publications/fraud-and-error-in-the-benefit-system-supporting-documents-for-statistical-reports

Further information about the quality of the statistics and how to interpret/use them can be found in our main National Statistics report: https://www.gov.uk/government/collections/fraud-and-error-in-the-benefit-system

# Timeliness and punctuality

The Fraud and Error in the Benefits System report is published around 8 months after the main reference date (e.g. the report covering October 2016 to September 2017 data was published in May 2018).

Due to the time taken to undertake the interviews and gather follow up information, final reporting data is not made available to analysts until around 21 weeks after the start date of the last interviews. The production of the statistics and tables then takes the analytical team about 12 weeks to prepare.

DWP pre-announce the date of release of the Fraud and Error in the Benefits System report one month in advance on the gov.uk website and the UKSA publication hub, in accordance with the Official Statistics Code of Practice.

# Accessibility and Clarity

The reports and supplementary tables are accessible via the Statistics pages of the gov.uk website and the UKSA publication hub.

For data protection reasons the underlying datasets are not available outside DWP. However, the additional tables published alongside the report provide detailed estimates, giving a breakdown of overpayments and underpayments into the different types of fraud and error for the continuously measured benefits.

# Coherence and Comparability

As part of our quality assurance processes, where a variable or statistic has changed markedly or looks unusual, it will be reviewed alongside related series to check consistency and to understand the reasons for any significant differences. An explanation of the reason for such differences may be included within the report if applicable.

Our publications provide information on the estimates over time. Where breaks in the statistical time series are unavoidable, users are informed within the report via a text explanation, with clear sectioning within the time series tables and detailed footnotes.

Any changes made to the DWP or Local Authority administrative system data are impacted on our work area via the DWP Information Directorate change control board. These are then impacted against the Fraud and Error Measurement review process and communicated to our internal users and the NAO via our change of methodology log. The same is true for any changes made to business guidance, processes and review methodology, as well as our own calculation methodology.

We agree some methodology changes in advance with internal stakeholders using change request and change notification procedures.

External users are notified of any changes to methodology in the Introduction 'Changes to Methodology' section of the Fraud and Error in the Benefits System Report. Substantial changes to the report structure or content will be announced in advance via the 'Fraud and Error in the Benefits System' page on the DWP web site: https://www.gov.uk/government/collections/fraud-and-error-in-the-benefit-system

The Fraud and Error in the Benefits System statistics form the definitive set of estimates for Great Britain.

Northern Ireland Fraud and Error statistics are comparable to the Great Britain statistics within this report, as their approach to collecting the measurement survey data and calculating the estimates and confidence intervals is very similar. Northern Ireland Fraud and Error in the Benefit System high level statistics are published within in the Social Security Agency annual reports: https://www.communities-ni.gov.uk/articles/benefit-fraud-cost-and-results

HM Revenue and Customs produce statistics on Error and Fraud in Tax Credits. Again estimates can be compared to form a whole benefit view. Their estimates of Error and Fraud in Tax Credits can be found at: https://www.gov.uk/government/collections/personal-tax-credits-statistics

# Trade-offs between output quality components

The main trade-off for these statistics is timeliness against accuracy. We always assess the right balance taking into account fitness for purpose, and fully explaining any compromises in accuracy for improved timeliness.

As detailed above under the timeliness section, we wait a considerable amount of time for the data to be as complete as possible before our publication process begins to ensure that the confidence limits around the estimates are as narrow as possible. This means that we are publishing data eight months after the main reference date.

# User needs and perceptions

We recognise that our users will have different needs and we use a range of different methods to contact them. We frequently meet internal DWP users to discuss their requirements. As for external stakeholders, we often contact the National Audit Office and we occasionally contact HM Revenue and Customs and Cabinet Office.

Engagement with other external users is usually through the statistical pages of the gov.uk website: https://www.gov.uk/government/organisations/department-for-work-pensions/about/statistics

Where:
- we invite users to share their comments or views about our National statistics, or to simply advise us how they use our statistics.
- we advise users of updates and changes to our statistics through the Future statistics release calendars and our 'Fraud and Error in the Benefit System' landing page: https://www.gov.uk/government/collections/fraud-and-error-in-the-benefit-system
- where appropriate, we will consult with customers on developments and changes to our statistics methodologies, publications or publication processes. We have carried out a consultation in the Summer of 2018. Further information can be found at: https://www.gov.uk/government/consultations/changes-to-the-fraud-and-error-statistics
- If you would like to contact us, please use this email address: caxtonhouse.femaenquiries@dwp.gsi.gov.uk

In order to improve and share the understanding of the use made of our statistics, and hence the value of the statistics, we would like external users to engage with us through one of the above routes. This will enable us to identify how and why our statistics are being used externally and address any unmet needs. We would also like to look to establish user and email groups for our external users and offer road shows to explain how our statistics can be used.

Until we have a better understanding of external use of our statistics we are making the following assumptions of how our statistics are used by external bodies:

- To inform people about the state of the economy, society and the environment – in support of democratic accountability;
- To inform people about the performance of government and public bodies, i.e. informing the citizen's monitoring of government policy and operational effectiveness;
- Informing public campaigns to tackle fraud and error;
- Supporting third sector activity  e.g. Lobbying - statistics are used to support the interests of lobby groups wanting to influence the policy-making of government;
- Facilitating academic research, dissertations, articles/reports and teaching;
- Informing media/press article on fraud and error.

# Performance cost and respondent burden

The DWP Fraud and Error in the Benefits System statistics are produced from survey data which have high respondent burden, as a compulsory interview, lasting between approximately 30 minutes and 2 hours, is required for all cases sampled for claimant error and fraud checking.

The total DWP cost for production of these statistics is approximately 150 staff (full-time equivalent). DWP are continuously looking at more cost effective and efficient options for sourcing/collecting data, reducing the burden on the respondent and the production of the estimates.

# Confidentiality, Transparency and Security

All of our data is handled, stored and accessed in a manner which complies with Government and Departmental standards regarding security and confidentiality, and fully meets the requirements of the Data Protection Act.

Access to this data is controlled by a system of passwords and strict business need access control.

Any revisions to our publications are handled in accordance with the Department's revisions policy which is published on the statistics section of the DWP web site.

For more details please see: https://www.gov.uk/government/collections/dwp-statistics-policies-and-procedures