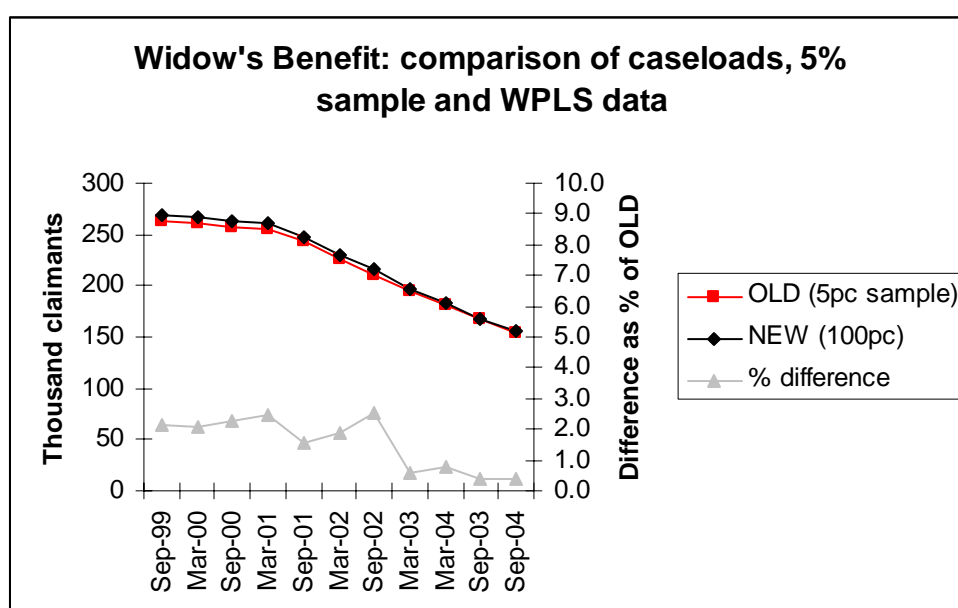


Widow's Benefit

Work and Pensions Longitudinal Study (WPLS) data compared to currently published 5% data

Widow's Benefit was closed to new claimants from April 2001 and the caseload has declined steadily since then.

The differences between the 100% and 5% sample data caseloads are relatively small. From September 1999 to September 2004 the WPLS caseload was on average 1.7% greater than indicated by the 5% sample data (equivalent to approximately 3,500 cases). From March 2003 to September 2004 the average difference has been 0.5% (approximately 900 cases).



Comparison of data at September 2004 revealed the three main causes of the difference in caseload as:

- 1 The temporary removal of cases from the 5% sample. These appear in the 100% data at the relevant reference date but are absent from the corresponding 5% sample data. However they appear in the 5% datasets which precede and follow the reference date.
- 2 An issue surrounding the removal of cases from the 5% data when the claimant reaches state pension age, but which remain in the 100% data as live WB claims.
- 3 The late removal of claims which have ended from the 5% data.

A small proportion of the difference (equivalent to 0.2% of the caseload) remains unexplained. To some extent this may be due to sampling error (See Glossary for an explanation of sampling error.) Because it is derived from a sample, the 5% caseload may not equal the true population size, although it probably lies within 3,400 of the true value.

Glossary

Retrospection arises from the delays which occur in practice between some new claims becoming eligible and their entry onto the computer system. If a case has not been added to the computer system by the time the 5% sample data is extracted (the reference date), it will not be counted (although benefit will be paid). The WPLS, however, incorporates information added to the computer system after the reference date.

The addition of such 'late' information is an important source of difference between the caseloads obtained from 5% sample and WPLS data, and generally results in the WPLS including more cases than the 5% sample data.

Late terminations

Delays can exist between a claim terminating and its removal from the computer system. Such cases will be included in the caseload obtained from the 5% sample data. When information is subsequently received that the claim has ended through claimant death, these cases are removed from the 100% data with respect to a point in time. However, any other form of late termination is not accounted for in the WPLS.

Sampling error

By definition, WPLS data yields the true population value. By contrast statistics published from 5% sample data (obtained by rating up by a factor of 20) are subject to sampling error and are actually estimates of the true population value. By chance, an estimate of the population value, obtained from the 5% sample data, may be slightly lower or slightly higher than the true population value.