

# First Release

12<sup>th</sup> March 2014

Coverage: Great Britain

Theme: People and Places

## Housing Benefit Recoveries and Fraud National Statistics 2013/2014 Q1 & Q2 Data

*This Statistical First Release contains statistics produced by the Department for Work and Pensions (DWP) on Housing Benefit Recoveries and Fraud (HBRF).*



The Housing Benefit Recovery and Fraud statistics are National Statistics.

The latest National Statistics on Housing Benefits Recoveries and Fraud (HBRF) data produced by the Department for Work and Pensions were released on 12<sup>th</sup> March 2014 according to the arrangements approved by the UK Statistics Authority.

This release contains statistics relating to Housing Benefit fraud volumes and amounts of incorrectly overpaid benefit. It is aggregate level data received on a quarterly basis from each Local Authority, but published bi-annually each March and September.

These statistics provide the Department with an overview of overpayment and fraud data relating to all benefits for which it is responsible for - not just for those benefits administered by DWP. They are used to measure levels of fraud activity and to capture information on the amounts of benefit that are overpaid to claimants.

This publication includes new Housing Benefit Recoveries and Fraud data covering the period from April 2013 to September 2013.

### Key findings

***The following key findings are based on statistics which allow for imputation of missing values (see section 1, page 3) unless otherwise stated.***

- The total GB value of Housing Benefit (HB) overpayments outstanding at the beginning of Q2 (2013/14) stood at over £1.3 billion; an increase of 10% on this point the previous year.
- The total GB value of HB overpayments identified during the first 2 quarters of 2013/14 has increased by 5%, in comparison to the same period in 2012/2013.
- The total GB value of HB overpayments recovered during the first 2 quarters of 2013/14 has increased by 4%, in comparison to the same period in 2012/2013.
- The total GB value of HB overpayments written off in the first 2 quarters of 2013/14 is around £31 million, a 3% decrease on the same period in 2012/2013.
- At September 2013 there were 1,105 full time equivalent fraud investigators dealing with 49,195 fraud referrals issued for investigation in the latest quarter, 28,415 cases were closed.
- The number of full time equivalent fraud investigators has continued to reduce between April 2013 and September 2013; a drop of around 5% in comparison with the same point last year.
- There has been a decrease of around 21% in the number of cases referred for fraud investigation during the first 2 quarters of 2013/14 in comparison with the same period in 2012/13.
- The number of cases subject to investigation by the fraud section that were closed has decreased in the first 2 quarters of 2013/14 by around 18% in comparison with 2012/13; the equivalent number of cases with a DWP benefit interest\* has also decreased by around 12%.
- The number of cautions offered and accepted in the first 2 quarters of 2013/14 has dropped significantly by around 32% when compared with 2012/13.
- The number of cases relating to administration penalties offered and accepted in the first 2 quarters of 2013/14 has also dropped by around 15%; the equivalent number of cases with a DWP benefit interest\* has decreased by around 42% to 145.
- There were 3,920 cases accepted for prosecution during the first 2 quarters of 2013/14, an increase of around 1% in comparison with the same period last year; the equivalent number of cases with a DWP benefit interest\* increased by around 6%.
- There were 4,230 prosecutions resulting in guilty outcomes between April 2013 and September 2013, an increase of 3% in comparison with the previous year; the equivalent number of cases with a DWP benefit interest\* also increased by 12%.

\* DWP benefit includes Income Support, Jobseekers Allowance, Pension Credit, Incapacity Benefit, and Employment and Support Allowance



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#### Next publication:

10<sup>th</sup> September 2014

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## 1. Methodological statement: Experimental Great Britain totals, with imputations for missing Authorities

Housing Benefit Recoveries and Fraud is aggregate level data received on a quarterly basis from each Local Authority (LA). Some Authorities do not send forms every quarter, or cannot answer all the questions on the form. This produces missing data in the returns which, in turn, affects the reported Great Britain totals. Statisticians can fill the gap created by missing data though imputing or estimating what the missing value might have been.

The UK Statistics Authority report on compliance with the Code of Practice for Official Statistics, published in June 2012 required DWP to:

*“Review the methods used in HBRF to impute for non-response and other erroneous data, estimate the effect of this on published estimates, consider alternative approaches, and publish the outcome.”*

Statistics on Housing Benefit Recoveries and Fraud, and the Abstract of Statistics on Benefits, Assessment Report 216, June 2012

### Methodological Decision

To comply with this requirement, DWP considered the possible approaches to imputation. The key points were:

- There is a large amount of variation between Local Authorities, even between local authorities of a similar size.
- Variation between quarters for the same Authority is also large.
- However, as might be expected, larger authorities tend to have larger numbers of claimants and therefore larger levels of fraud and recoveries.
- Also, whilst a total non-response is rare, a partial response is much more common.

As a result of these characteristics, DWP decided to take an approach to imputation designed to give an approximate Great Britain total rather than provide an estimate for each missing value. Three possible approaches were considered:

- Uprating the total of responding authorities using the number of Authorities which responded and the number of authorities which didn't
- Uprating the total of responding authorities using the total HB caseload for Authorities which responded against the total HB caseload for authorities which didn't
- Performing a multiple regression analysis to estimate each missing authority before summing the estimated and non-estimated values to produce a GB total.

The third option was deemed over complicated and unlikely to deliver a significant improvement. A sensitivity analysis was carried out between the first and second options with little noticeable difference.

In conclusion, bearing in mind the level of variation both between and within authorities; and the broad link between HB caseload and size, DWP chose the second option.

### Description of Methodology

This section produces experimental statistics showing the Great Britain totals for the HBRF forms, including estimates for Authorities who did not respond. For each question on the form, this section shows the raw GB total (i.e. excluding non-responding Authorities) and the total following imputation. These numbers are given in a table and graphically. The percentage difference between the imputed and non-imputed totals is shown.

In some cases, the numbers presented in this section differ slightly from the previously published totals. This is due to a different approach to rounding at the Great Britain level.

As mentioned above, the amount of variation between Local Authorities is large. Hence, estimation at Local Authority level would be tricky and not particularly robust. Instead, DWP have used the Housing Benefit caseload for responding Authorities and the corresponding Housing Benefit caseload for non-responding Authorities to calculate a simple rating factor. These have been calculated separately for each question and quarterly form.

The following formula has been applied:

$$EstimatedGBTTotal = \frac{\sum_{AllLAs} HBCaseload}{\sum_{RespondingLAs} HBCaseload} \times TotalOfRespondingLAs$$

where the HB caseloads and the form totals are taken from the same time period.

The statistics show that since 2009/10, the effect of non-responding Local Authorities has generally been small and has not affected the trends or conclusions from the statistics. In 2008/09, a much larger proportion of Authorities did not respond. As a result, the imputation has had a much larger effect for these quarters.

Users should note that imputed totals for those measures with a DWP benefit interest (i.e. charts 2.8, 2.11, 2.13, 2.15) see a larger increase than other measures. This is because far more Authorities cannot provide data to underpin this measure.

## 2. Housing Benefit Recoveries and Fraud Statistics

Housing Benefit Recoveries and Fraud is aggregate level data received on a quarterly basis from each Local Authority (LA). This data is used to produce established statistics on measures of activity to detect fraud and to capture information on the amounts of benefit that are overpaid to claimants. They also provide a means of comparing and contrasting information between Local Authorities.

The data will also be used to feed into a range of briefings for Ministers and other senior officials on fraud and error issues and will be used to answer Parliamentary Questions. It will also be used for other policy functions including monitoring and informing changes to related policies.

### Average HBRF Data Return Rates

Collection Period	Average LA Return Rate (across all quarters)
2008 – 2009	89.7%
2009 – 2010	99.2%
2010 – 2011	99.5%
2011 – 2012	99.6%
2012 – 2013	99.8%
2013 – 2014	100% (First 2 quarters only)

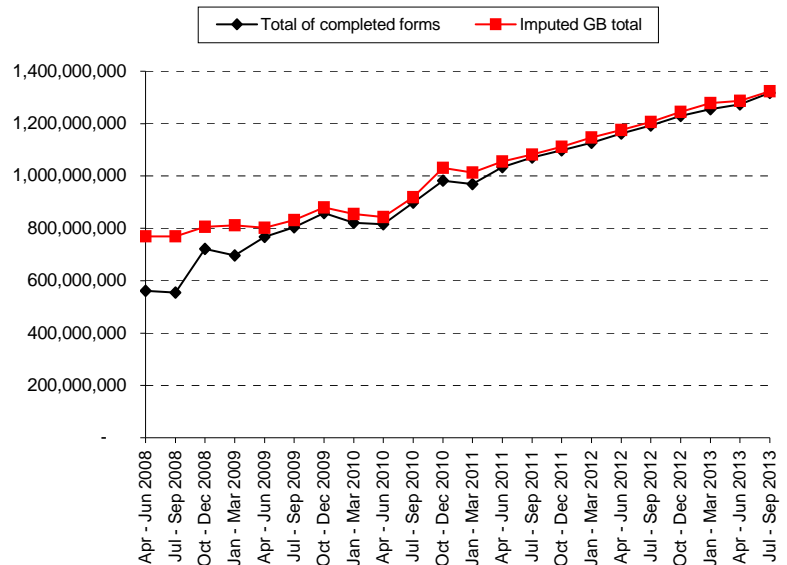
Despite more complete returns for the current year, some Authorities cannot complete certain questions. Hence, the question level completion rate is often lower than the values quoted here. Therefore we publish additional estimates, allowing for imputation (at a Great Britain level only) to account for Authorities which could not provide data. These additional figures give a sense of scale of this impact.

An accompanying series of charts and commentary spanning the same comparable time period (April 2008 to September 2013) can be found below (Note: imputed GB totals are used; non-imputed totals are used for figures for England, Scotland and Wales).

2.1 The chart below shows the cumulative amount of outstanding Housing Benefit overpayments (based on current prices) in Great Britain since April 2008:

Total value of HB overpayments outstanding at the start of the quarter  
£

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	561,392,925	769,115,090	37%
Jul - Sep 2008	554,353,445	769,032,350	39%
Oct - Dec 2008	721,382,295	805,797,710	12%
Jan - Mar 2009	696,719,460	811,747,995	17%
Apr - Jun 2009	767,260,220	802,218,145	5%
Jul - Sep 2009	803,772,010	831,818,795	3%
Oct - Dec 2009	858,416,570	879,308,690	2%
Jan - Mar 2010	821,045,020	855,017,730	4%
Apr - Jun 2010	815,079,795	843,174,025	3%
Jul - Sep 2010	898,080,615	918,718,155	2%
Oct - Dec 2010	981,787,900	1,030,804,750	5%
Jan - Mar 2011	968,469,625	1,013,237,525	5%
Apr - Jun 2011	1,034,345,580	1,055,027,590	2%
Jul - Sep 2011	1,070,258,500	1,082,309,050	1%
Oct - Dec 2011	1,098,303,105	1,111,671,530	1%
Jan - Mar 2012	1,126,643,965	1,147,074,250	2%
Apr - Jun 2012	1,162,357,795	1,175,550,480	1%
Jul - Sep 2012	1,192,797,570	1,206,619,980	1%
Oct - Dec 2012	1,229,849,810	1,245,091,480	1%
Jan - Mar 2013	1,254,982,055	1,278,580,230	2%
Apr - Jun 2013	1,273,948,785	1,287,402,360	1%
Jul - Sep 2013	1,317,765,180	1,323,054,805	0%



The total value of outstanding overpayments continues to follow an increasing trend. At July 2013 GB (i.e. the beginning of Q2) outstanding overpayments (imputed) stood at over £1.3 billion, an increase of 10% when compared with the equivalent value for the previous year.

Of this, approximately 89% of current outstanding overpayments are based in England.

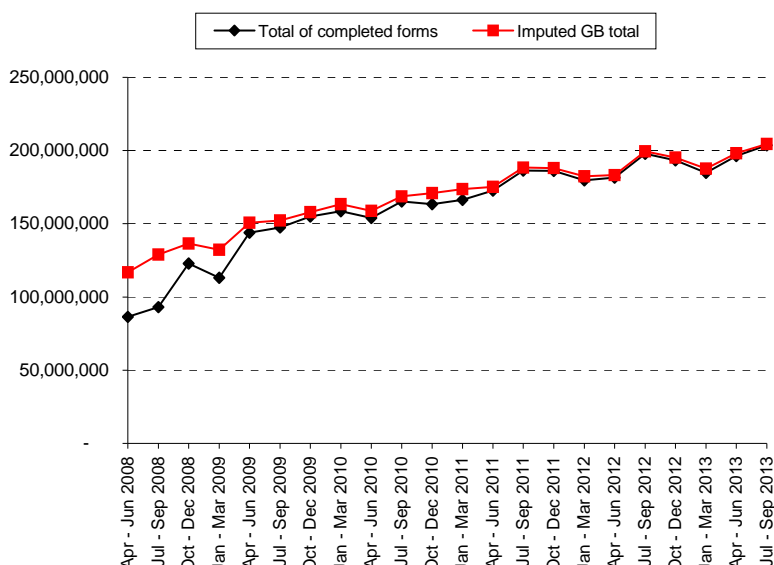
3% of current outstanding overpayments are based in Wales and

8% of current outstanding overpayments are based in Scotland.

2.2 The chart below shows the value of Housing Benefit overpayments identified in each quarter going back to April 2008:

Total value of HB overpayments identified during the quarter

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	86,400,875	116,937,505	35%
Jul - Sep 2008	93,055,820	129,092,615	39%
Oct - Dec 2008	122,833,500	136,580,375	11%
Jan - Mar 2009	113,184,380	132,195,275	17%
Apr - Jun 2009	143,945,405	150,771,805	5%
Jul - Sep 2009	147,472,005	152,357,025	3%
Oct - Dec 2009	155,026,075	157,864,245	2%
Jan - Mar 2010	158,689,845	163,356,470	3%
Apr - Jun 2010	154,050,945	158,744,465	3%
Jul - Sep 2010	165,358,450	168,699,845	2%
Oct - Dec 2010	163,462,010	170,989,680	5%
Jan - Mar 2011	166,316,400	173,710,510	4%
Apr - Jun 2011	172,734,800	175,181,175	1%
Jul - Sep 2011	186,342,565	188,397,725	1%
Oct - Dec 2011	186,228,725	187,989,750	1%
Jan - Mar 2012	179,598,905	182,351,655	2%
Apr - Jun 2012	181,496,315	183,257,455	1%
Jul - Sep 2012	197,724,395	199,474,600	1%
Oct - Dec 2012	193,284,865	195,163,270	1%
Jan - Mar 2013	184,796,325	187,767,535	2%
Apr - Jun 2013	196,353,775	198,210,850	1%
Jul - Sep 2013	203,703,460	204,521,140	0%

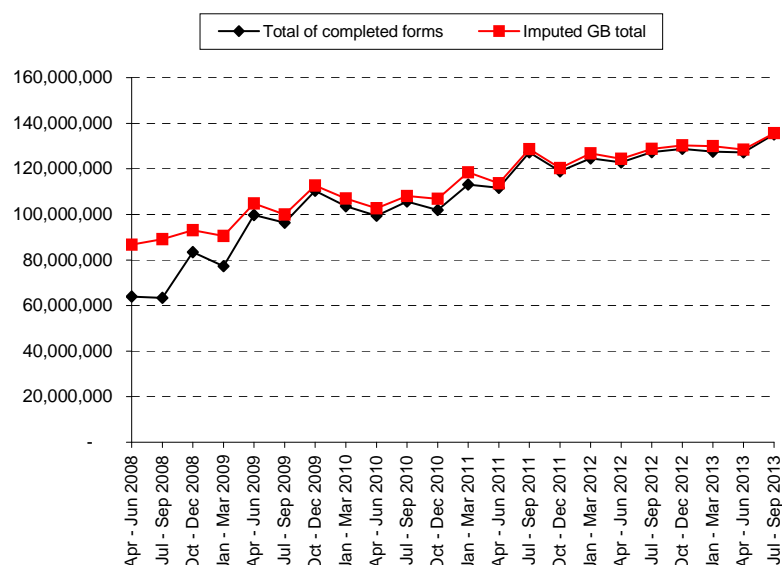


Overall, an upward trend is seen in the total value of overpayments identified with generally more overpayments being identified in the middle of each year. In line with this, the latest quarter (Q2) shows a 3% increase in overpayments identified in relation to the preceding quarter (Q1).

2.3 The chart below shows the total value of Housing Benefit overpayments recovered each quarter since April 2008:

Total value of HB overpayments recovered during the quarter

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	63,975,735	86,704,265	36%
Jul - Sep 2008	63,418,790	89,101,435	40%
Oct - Dec 2008	83,445,690	93,052,235	12%
Jan - Mar 2009	77,338,175	90,579,665	17%
Apr - Jun 2009	99,800,420	104,837,805	5%
Jul - Sep 2009	96,343,690	99,988,220	4%
Oct - Dec 2009	110,371,525	112,701,820	2%
Jan - Mar 2010	103,640,655	106,987,545	3%
Apr - Jun 2010	99,387,060	102,699,295	3%
Jul - Sep 2010	105,658,005	108,085,985	2%
Oct - Dec 2010	101,907,620	106,899,545	5%
Jan - Mar 2011	113,139,200	118,502,555	5%
Apr - Jun 2011	111,745,405	113,638,315	2%
Jul - Sep 2011	127,207,645	128,639,940	1%
Oct - Dec 2011	118,928,775	120,376,365	1%
Jan - Mar 2012	124,587,510	126,846,750	2%
Apr - Jun 2012	122,883,880	124,414,065	1%
Jul - Sep 2012	127,359,670	128,835,545	1%
Oct - Dec 2012	128,734,725	130,330,150	1%
Jan - Mar 2013	127,560,660	129,959,260	2%
Apr - Jun 2013	127,251,425	128,454,945	1%
Jul - Sep 2013	135,120,795	135,663,185	0%

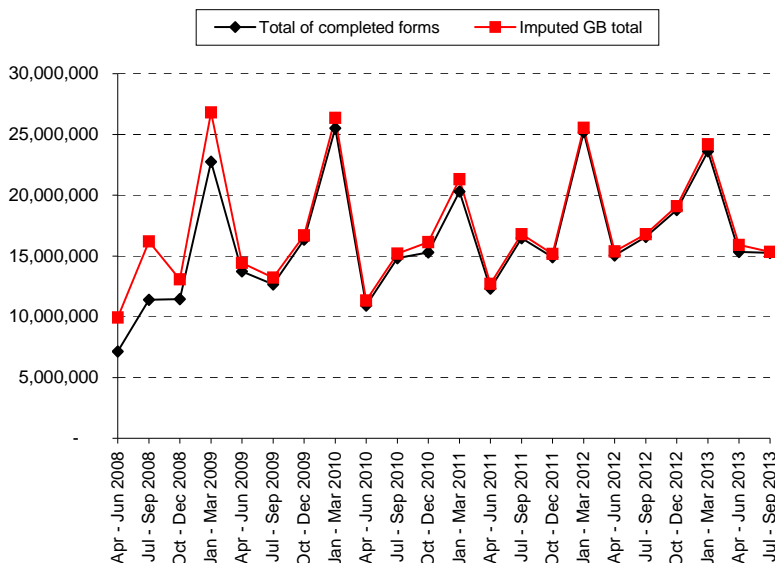


Historically, the total value of overpayments recovered has tended to vary seasonally between quarters, however overall it follows an upward trend. The total value of overpayments recovered in the latest quarter (July to September 2013) at almost £135.7m is the highest recorded so far, superseding the previous peak seen in December 2012 (£130.3m).

2.4 The following chart shows the value of Housing Benefit overpayments that have been written off each quarter since April 2008:

Total value of HB overpayments written off during the quarter  
£

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	7,149,045	9,933,120	39%
Jul - Sep 2008	11,392,925	16,208,225	42%
Oct - Dec 2008	11,463,715	13,071,900	14%
Jan - Mar 2009	22,758,105	26,819,705	18%
Apr - Jun 2009	13,732,340	14,432,960	5%
Jul - Sep 2009	12,664,900	13,230,420	4%
Oct - Dec 2009	16,339,760	16,700,215	2%
Jan - Mar 2010	25,524,545	26,368,895	3%
Apr - Jun 2010	10,913,985	11,337,355	4%
Jul - Sep 2010	14,817,065	15,189,185	3%
Oct - Dec 2010	15,305,225	16,141,080	5%
Jan - Mar 2011	20,312,440	21,316,990	5%
Apr - Jun 2011	12,329,120	12,720,730	3%
Jul - Sep 2011	16,469,510	16,799,250	2%
Oct - Dec 2011	14,908,575	15,170,825	2%
Jan - Mar 2012	25,198,555	25,544,580	1%
Apr - Jun 2012	15,059,715	15,371,415	2%
Jul - Sep 2012	16,564,945	16,804,980	1%
Oct - Dec 2012	18,780,270	19,090,035	2%
Jan - Mar 2013	23,613,615	24,193,435	2%
Apr - Jun 2013	15,333,280	15,907,320	4%
Jul - Sep 2013	15,264,145	15,329,865	0%

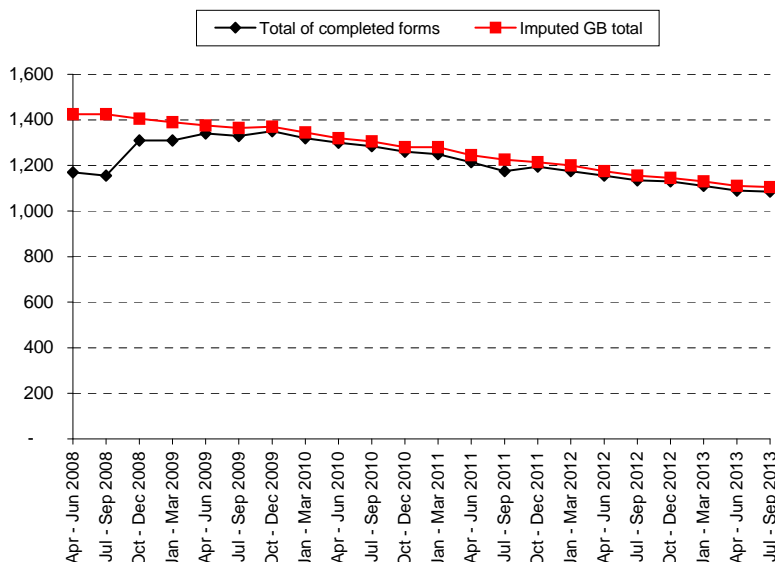


The total value of overpayments written off is generally highest in the fourth quarter (March) of each collection year. This peaked in March 2009 at over £26.8m. This trend continues for the 2 most recent quarters.

2.5 The following chart displays the number of Fraud Investigators available to work on fraud detection activity between April 2008 and September 2013:

Fraud: Number of full time equivalent fraud investigators

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	1,170	1,425	22%
Jul - Sep 2008	1,155	1,425	23%
Oct - Dec 2008	1,310	1,405	7%
Jan - Mar 2009	1,310	1,390	6%
Apr - Jun 2009	1,340	1,375	3%
Jul - Sep 2009	1,330	1,365	3%
Oct - Dec 2009	1,350	1,370	1%
Jan - Mar 2010	1,320	1,345	2%
Apr - Jun 2010	1,300	1,320	2%
Jul - Sep 2010	1,285	1,305	2%
Oct - Dec 2010	1,260	1,280	2%
Jan - Mar 2011	1,250	1,280	2%
Apr - Jun 2011	1,215	1,245	2%
Jul - Sep 2011	1,175	1,225	4%
Oct - Dec 2011	1,195	1,215	2%
Jan - Mar 2012	1,175	1,200	2%
Apr - Jun 2012	1,155	1,175	2%
Jul - Sep 2012	1,135	1,155	2%
Oct - Dec 2012	1,130	1,145	1%
Jan - Mar 2013	1,110	1,130	2%
Apr - Jun 2013	1,090	1,110	2%
Jul - Sep 2013	1,085	1,105	2%



The number of full time equivalent fraud investigators stood at 1,425 in June 2008 and has since followed a downward trend with the exception of a brief rise in December 2009. The number of fraud investigators currently (at Q2) stands at 1,105, a reduction of 5% from this time last year.

At September 2013:

84% of FTE Fraud investigators were currently based in England.

6% of FTE Fraud investigators were currently based in Wales.

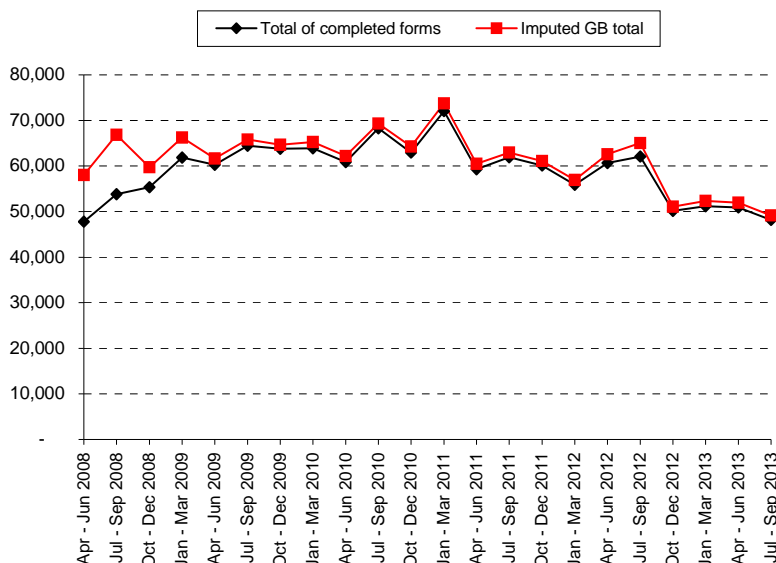
9% of FTE Fraud investigators were currently based in Scotland.



2.6 The chart below shows the number of cases referred to Local Authority fraud investigators between April 2008 and September 2013:

**Fraud: Number of referrals to Fraud Investigation Service**

Number			
Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	47,810	58,060	21%
Jul - Sep 2008	53,840	66,885	24%
Oct - Dec 2008	55,365	59,745	8%
Jan - Mar 2009	61,880	66,280	7%
Apr - Jun 2009	60,280	61,660	2%
Jul - Sep 2009	64,440	65,795	2%
Oct - Dec 2009	63,770	64,655	1%
Jan - Mar 2010	63,885	65,290	2%
Apr - Jun 2010	60,895	62,205	2%
Jul - Sep 2010	68,265	69,310	2%
Oct - Dec 2010	62,945	64,270	2%
Jan - Mar 2011	72,045	73,765	2%
Apr - Jun 2011	59,295	60,505	2%
Jul - Sep 2011	61,945	62,950	2%
Oct - Dec 2011	60,145	61,135	2%
Jan - Mar 2012	55,910	56,930	2%
Apr - Jun 2012	60,655	62,585	3%
Jul - Sep 2012	62,075	65,025	5%
Oct - Dec 2012	50,155	51,070	2%
Jan - Mar 2013	51,210	52,365	2%
Apr - Jun 2013	50,905	51,990	2%
Jul - Sep 2013	48,200	49,195	2%



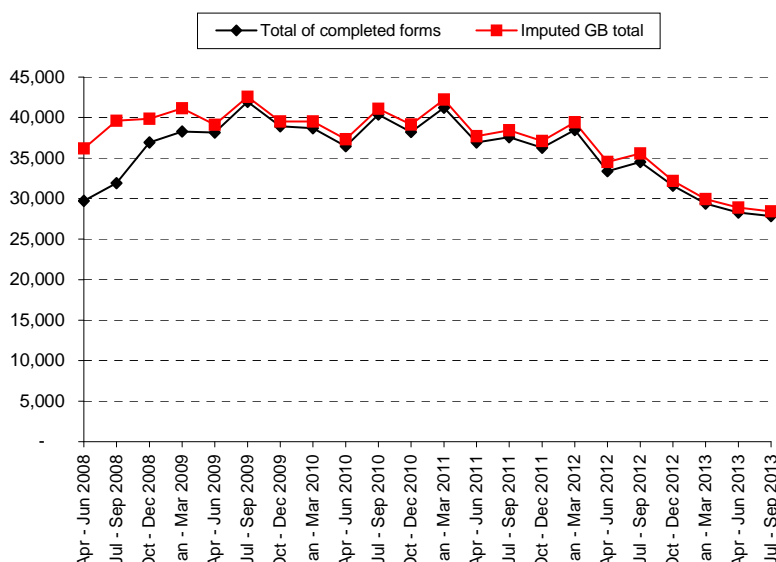
The number of cases referred to Local Authority fraud investigation peaked in March 2011 with 73,765 cases, despite the number of FTE fraud investigators reducing at this time.

Overall, the number of referrals to LA fraud investigation has fallen over the last 2 quarters. The total number of referrals for the first 2 quarters of 2013/2014 was 101,185, a 21% drop from the first 2 quarters of 2012/13's figure of 127,610.

2.7 The chart below shows the number of cases referred to Local Authority fraud investigators that were subsequently closed between April 2008 and September 2013:

**Fraud: Number of cases subject to investigation closed**

Number			
Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	29,735	36,180	22%
Jul - Sep 2008	31,895	39,620	24%
Oct - Dec 2008	36,945	39,865	8%
Jan - Mar 2009	38,275	41,150	8%
Apr - Jun 2009	38,170	39,105	2%
Jul - Sep 2009	41,945	42,570	1%
Oct - Dec 2009	38,935	39,510	1%
Jan - Mar 2010	38,680	39,530	2%
Apr - Jun 2010	36,475	37,340	2%
Jul - Sep 2010	40,365	41,085	2%
Oct - Dec 2010	38,210	39,135	2%
Jan - Mar 2011	41,205	42,240	3%
Apr - Jun 2011	36,930	37,685	2%
Jul - Sep 2011	37,570	38,430	2%
Oct - Dec 2011	36,280	37,120	2%
Jan - Mar 2012	38,470	39,435	3%
Apr - Jun 2012	33,385	34,530	3%
Jul - Sep 2012	34,530	35,565	3%
Oct - Dec 2012	31,605	32,175	2%
Jan - Mar 2013	29,375	29,935	2%
Apr - Jun 2013	28,290	28,890	2%
Jul - Sep 2013	27,845	28,415	2%

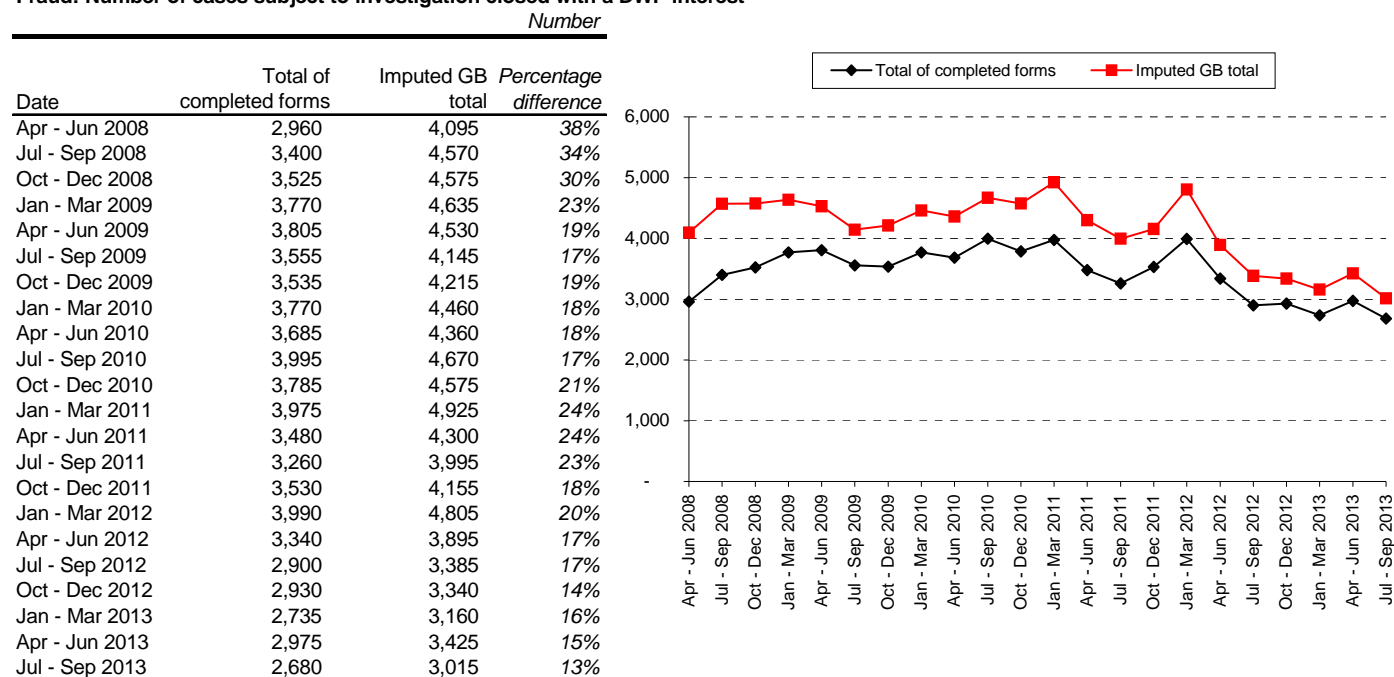


The number of cases closed follows a decreasing trend from September 2009 onwards. The number of cases closed fluctuated between quarters throughout each year, yet in recent quarters the number of cases closed has been steadily decreasing. It now stands at its lowest observed level within the above series at a figure of 28,415.



2.8 The chart below shows the number of cases referred to Local Authority fraud investigators that were subsequently closed with a DWP benefit interest, between April 2008 and September 2013:

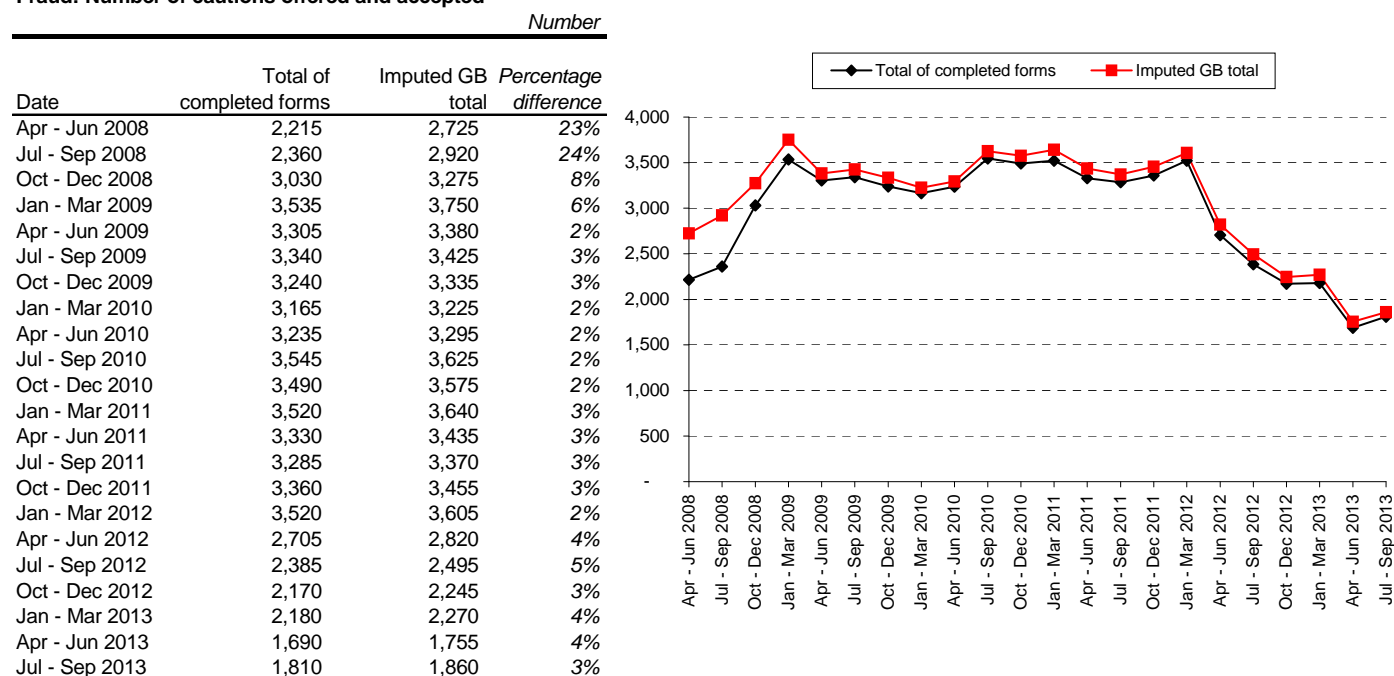
**Fraud: Number of cases subject to investigation closed with a DWP interest**



The two time series shown (imputed GB total, non-imputed GB total) follow identical trends, however unlike all other previously shown time series there is a distinct difference seen due to the effect of imputation on DWP benefit interest figures. This is because fewer Authorities respond to this question on the form, requiring a greater level of imputation. The imputed figure for the latest quarter is the lowest in the above time series, standing at 3,015.

2.9 The chart below shows the number of cautions offered and accepted between 2008 and September 2013:

**Fraud: Number of cautions offered and accepted**

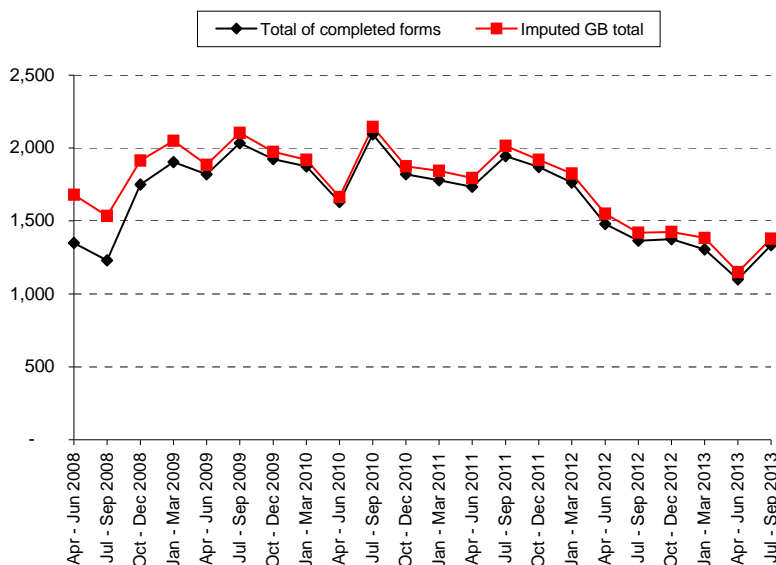


In the first quarter of 2013/14, a large decline was seen in the number of cautions offered and accepted, whilst an increase was observed in the second quarter. In July-September 2013 the figures stands at 1,860 compared to 2,495 in the previous year.

**2.10** The next chart shows the number of administrative penalties offered and accepted between 2008 and September 2013:

**Fraud: Number of administrative penalties offered and accepted**

<i>Number</i>			
Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	1,350	1,680	24%
Jul - Sep 2008	1,230	1,535	25%
Oct - Dec 2008	1,750	1,915	9%
Jan - Mar 2009	1,905	2,050	8%
Apr - Jun 2009	1,820	1,885	4%
Jul - Sep 2009	2,035	2,105	3%
Oct - Dec 2009	1,925	1,975	3%
Jan - Mar 2010	1,875	1,920	2%
Apr - Jun 2010	1,630	1,665	2%
Jul - Sep 2010	2,095	2,145	2%
Oct - Dec 2010	1,820	1,875	3%
Jan - Mar 2011	1,780	1,845	4%
Apr - Jun 2011	1,735	1,795	3%
Jul - Sep 2011	1,945	2,015	4%
Oct - Dec 2011	1,870	1,920	3%
Jan - Mar 2012	1,765	1,825	3%
Apr - Jun 2012	1,480	1,550	5%
Jul - Sep 2012	1,365	1,420	4%
Oct - Dec 2012	1,375	1,425	4%
Jan - Mar 2013	1,305	1,385	6%
Apr - Jun 2013	1,100	1,150	5%
Jul - Sep 2013	1,335	1,380	3%

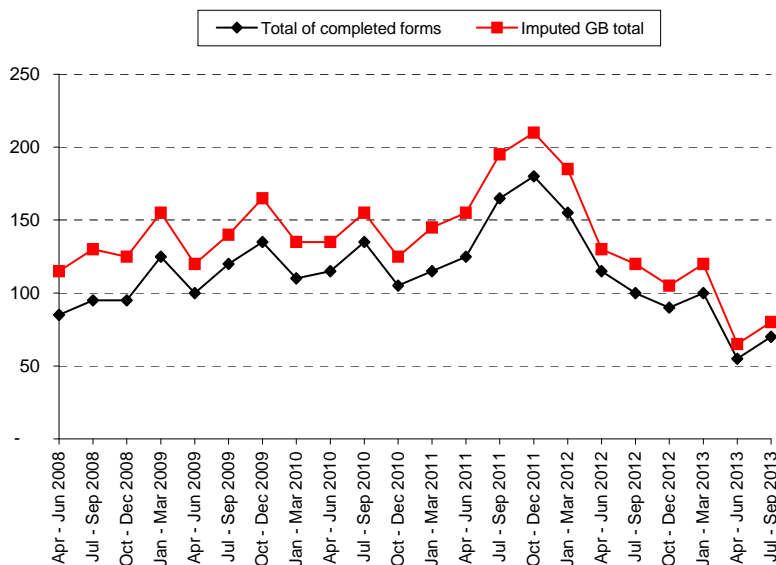


The number of administrative penalties offered and accepted has historically shown large variations during each year. In the first quarter of 2013/14, a large decline was seen in the number of penalties offered and accepted, whilst a sharp increase was later observed in the second quarter of this financial year.

**2.11** The next chart shows the number of administrative penalties offered and accepted with a DWP benefit interest between April 2008 and September 2013:

**Fraud: Number of administrative penalties offered and accepted with a DWP benefit interest**

<i>Number</i>			
Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	85	115	35%
Jul - Sep 2008	95	130	37%
Oct - Dec 2008	95	125	32%
Jan - Mar 2009	125	155	24%
Apr - Jun 2009	100	120	20%
Jul - Sep 2009	120	140	17%
Oct - Dec 2009	135	165	22%
Jan - Mar 2010	110	135	23%
Apr - Jun 2010	115	135	17%
Jul - Sep 2010	135	155	15%
Oct - Dec 2010	105	125	19%
Jan - Mar 2011	115	145	26%
Apr - Jun 2011	125	155	24%
Jul - Sep 2011	165	195	18%
Oct - Dec 2011	180	210	17%
Jan - Mar 2012	155	185	19%
Apr - Jun 2012	115	130	13%
Jul - Sep 2012	100	120	20%
Oct - Dec 2012	90	105	17%
Jan - Mar 2013	100	120	20%
Apr - Jun 2013	55	65	18%
Jul - Sep 2013	70	80	14%

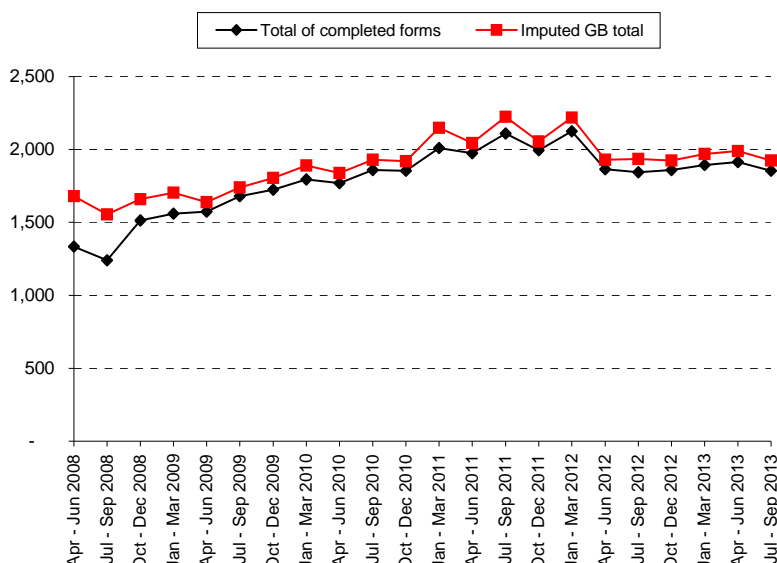


A narrowing difference in imputed and non-imputed GB totals is exhibited in these time series charts.

2.12 The chart below shows the number of cases accepted for prosecution between 2008 and September 2013.

**Fraud: Number of cases accepted for prosecution**

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	1,335	1,680	26%
Jul - Sep 2008	1,240	1,555	25%
Oct - Dec 2008	1,515	1,660	10%
Jan - Mar 2009	1,560	1,705	9%
Apr - Jun 2009	1,575	1,640	4%
Jul - Sep 2009	1,680	1,740	4%
Oct - Dec 2009	1,725	1,805	5%
Jan - Mar 2010	1,795	1,890	5%
Apr - Jun 2010	1,770	1,840	4%
Jul - Sep 2010	1,860	1,930	4%
Oct - Dec 2010	1,855	1,920	4%
Jan - Mar 2011	2,010	2,150	7%
Apr - Jun 2011	1,975	2,045	4%
Jul - Sep 2011	2,110	2,225	5%
Oct - Dec 2011	1,995	2,055	3%
Jan - Mar 2012	2,125	2,220	4%
Apr - Jun 2012	1,865	1,930	3%
Jul - Sep 2012	1,845	1,935	5%
Oct - Dec 2012	1,860	1,925	3%
Jan - Mar 2013	1,895	1,970	4%
Apr - Jun 2013	1,915	1,990	4%
Jul - Sep 2013	1,855	1,925	4%

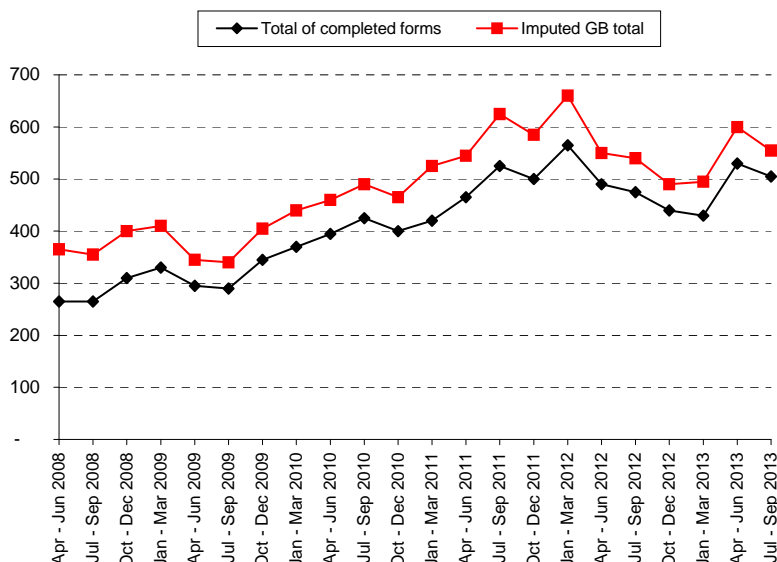


Historically, the number of cases that have been accepted for prosecution has steadily increased since April 2008. The number of cases accepted for prosecution has continued to stay broadly consistent since April - June 2012.

2.13 The chart below shows the number of cases accepted for prosecution with a DWP benefit interest, between 2008 and September 2013.

**Fraud: Number of cases accepted for prosecution with a DWP interest**

Date	Total of completed forms	Imputed GB total	Percentage difference
Apr - Jun 2008	265	365	38%
Jul - Sep 2008	265	355	34%
Oct - Dec 2008	310	400	29%
Jan - Mar 2009	330	410	24%
Apr - Jun 2009	295	345	17%
Jul - Sep 2009	290	340	17%
Oct - Dec 2009	345	405	17%
Jan - Mar 2010	370	440	19%
Apr - Jun 2010	395	460	16%
Jul - Sep 2010	425	490	15%
Oct - Dec 2010	400	465	16%
Jan - Mar 2011	420	525	25%
Apr - Jun 2011	465	545	17%
Jul - Sep 2011	525	625	19%
Oct - Dec 2011	500	585	17%
Jan - Mar 2012	565	660	17%
Apr - Jun 2012	490	550	12%
Jul - Sep 2012	475	540	14%
Oct - Dec 2012	440	490	11%
Jan - Mar 2013	430	495	15%
Apr - Jun 2013	530	600	13%
Jul - Sep 2013	505	555	10%

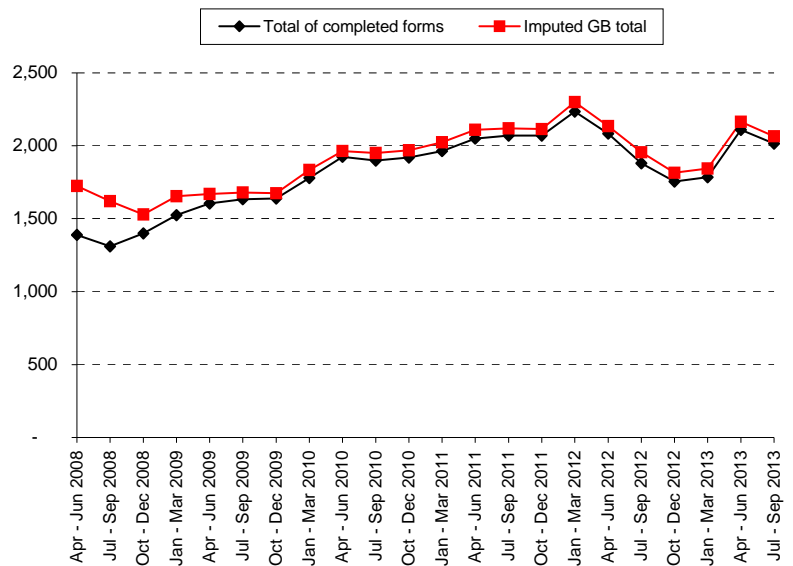


The cases with a DWP benefit interest are following a similar trend to the number of cases accepted for prosecution. Again, a distinct difference in imputed and non-imputed GB totals can be seen.

**2.14** The chart below shows the number of prosecutions resulting in guilty outcomes between 2008 and September 2013:

**Fraud: Number of successful prosecutions**

				<i>Number</i>
Date	Total of completed forms	Imputed GB total	Percentage difference	
Apr - Jun 2008	1,390	1,725	24%	
Jul - Sep 2008	1,310	1,620	24%	
Oct - Dec 2008	1,400	1,530	9%	
Jan - Mar 2009	1,525	1,655	9%	
Apr - Jun 2009	1,605	1,670	4%	
Jul - Sep 2009	1,635	1,680	3%	
Oct - Dec 2009	1,640	1,675	2%	
Jan - Mar 2010	1,780	1,835	3%	
Apr - Jun 2010	1,925	1,965	2%	
Jul - Sep 2010	1,900	1,950	3%	
Oct - Dec 2010	1,920	1,970	3%	
Jan - Mar 2011	1,965	2,025	3%	
Apr - Jun 2011	2,050	2,110	3%	
Jul - Sep 2011	2,070	2,120	2%	
Oct - Dec 2011	2,070	2,115	2%	
Jan - Mar 2012	2,235	2,300	3%	
Apr - Jun 2012	2,085	2,135	2%	
Jul - Sep 2012	1,880	1,955	4%	
Oct - Dec 2012	1,755	1,815	3%	
Jan - Mar 2013	1,785	1,845	3%	
Apr - Jun 2013	2,110	2,165	3%	
Jul - Sep 2013	2,015	2,065	2%	



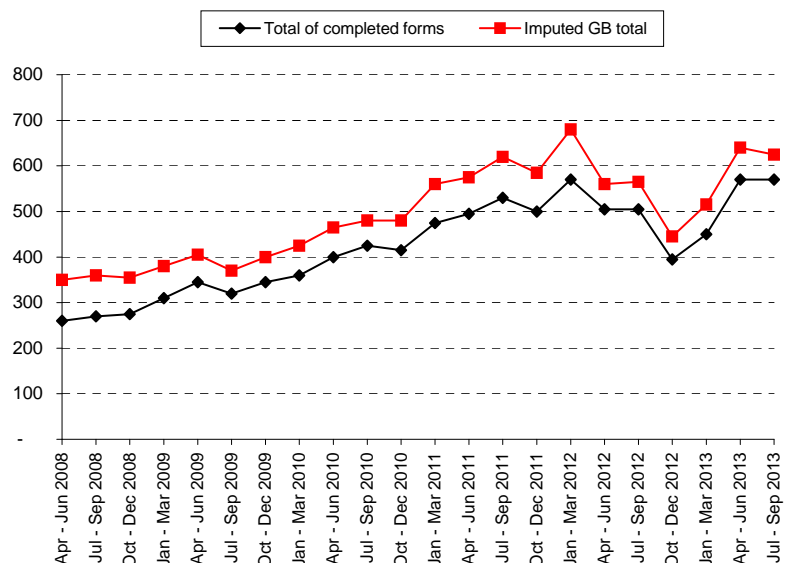
Historically, the number of successful prosecutions generally increases at the end of each yearly collection period. Throughout the year the figure tends to remain broadly consistent for the first 3 quarters but increases slightly in the last quarter.

A notable increase in the number of successful prosecutions can be seen during the first quarter of 2013/14, although levels have fallen slightly in the latest quarter.

**2.15** The chart below shows the number of prosecutions resulting in guilty outcomes with a DWP benefit interest between 2008 and September 2013.

**Fraud: Number of successful prosecutions with a DWP interest**

				<i>Number</i>
Date	Total of completed forms	Imputed GB total	Percentage difference	
Apr - Jun 2008	260	350	35%	
Jul - Sep 2008	270	360	33%	
Oct - Dec 2008	275	355	29%	
Jan - Mar 2009	310	380	23%	
Apr - Jun 2009	345	405	17%	
Jul - Sep 2009	320	370	16%	
Oct - Dec 2009	345	400	16%	
Jan - Mar 2010	360	425	18%	
Apr - Jun 2010	400	465	16%	
Jul - Sep 2010	425	480	13%	
Oct - Dec 2010	415	480	16%	
Jan - Mar 2011	475	560	18%	
Apr - Jun 2011	495	575	16%	
Jul - Sep 2011	530	620	17%	
Oct - Dec 2011	500	585	17%	
Jan - Mar 2012	570	680	19%	
Apr - Jun 2012	505	560	11%	
Jul - Sep 2012	505	565	12%	
Oct - Dec 2012	395	445	13%	
Jan - Mar 2013	450	515	14%	
Apr - Jun 2013	570	640	12%	
Jul - Sep 2013	570	625	10%	



The cases with a DWP benefit interest are following a very similar trend to the number of guilty outcomes.

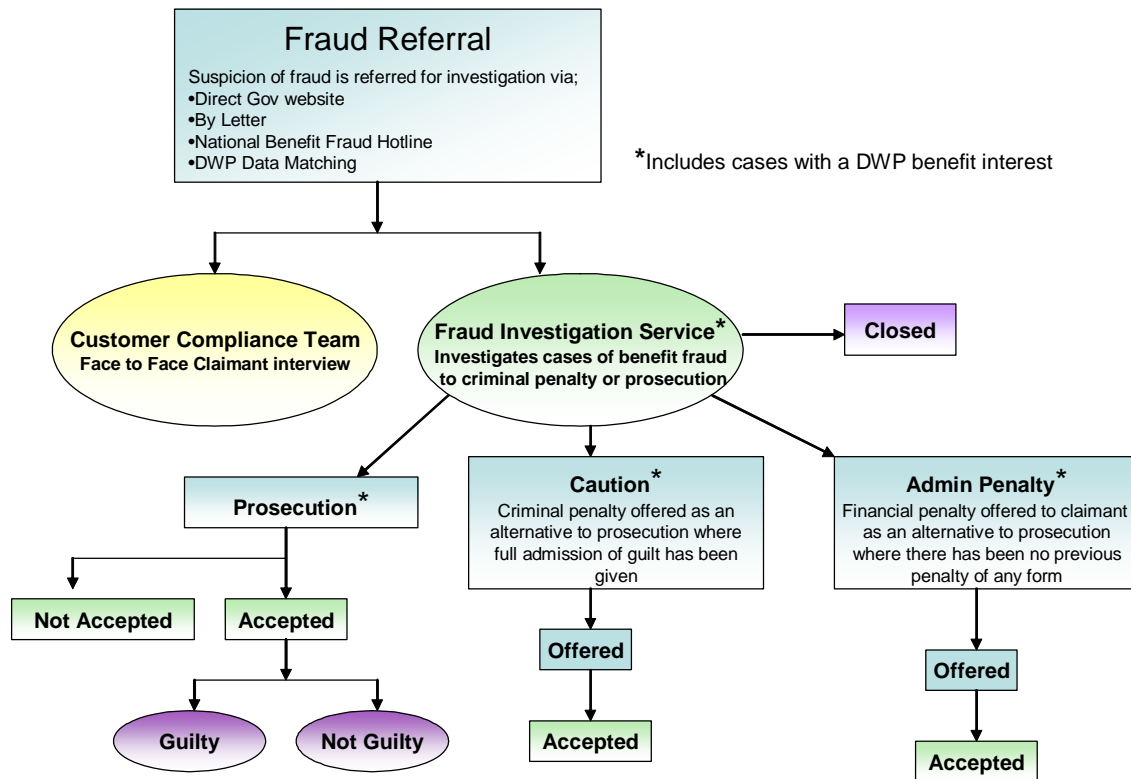
The table below details the list of questions asked as part of the data collection process. The subsequent diagram shows how fields 6 through to 11b link together to make up the overall Fraud Investigation process:

Field	Overpayment Questions
1	Total value of HB overpayments outstanding at the start of the quarter
2	Total value of HB overpayments identified during the quarter
3	Total value of HB overpayments recovered during the quarter
4	Total value of HB overpayments written off during the quarter

Field	Fraud Investigation Questions
5	Number of full time equivalent fraud investigators at the end of the quarter
6	Number of cases referred to the LA fraud investigation section during the quarter
7a	Number of cases subject to investigation by the fraud section, that were closed during the quarter
7b	Total number of cases under investigation that related to DWP administered benefits (included in 7a) that were closed during the quarter
8	Number of cautions offered and accepted during the quarter
9a	Number of administrative penalties offered and accepted during the quarter
9b	Number of administrative penalties offered and accepted with a DWP benefit interest (included in 9a) during the quarter
10a	Number of cases accepted for prosecution during the quarter
10b	Number of cases accepted for prosecution with a DWP benefit interest (included in 10a) during the quarter
11a	Number of prosecutions resulting in guilty outcomes (includes guilty pleas and verdicts) during the quarter
11b	Number of prosecutions resulting in guilty outcomes (includes guilty pleas and verdicts) with a DWP benefits interest (included in 11a) during the quarter

Diagram showing the overall Fraud Investigation process



## NOTES

### 1. Background

In April 2008 DWP introduced a new, more efficient method for the collection of data from Local Authorities (LAs). The data is used to produce established statistics on measures of activity to detect fraud and to take action against those suspected of it. Also, since the introduction of the new collection method, it captures information on the amounts of benefit that are overpaid incorrectly to claimants. The new method for collecting this data is known as the Housing Benefit Recoveries and Fraud (HBRF) data collection system. Regular publication of these statistics was suspended in 2008, partly because of a government wide embargo on data transfers but also to allow the new collection methods to bed in.

The change to the way in which this data is collected was part of a much bigger exercise to transform the collection and production of core data from LAs. Once regular publication of LA data was suspended, priority was given to reinstating key statistics on Housing and Council Tax Benefit caseloads.

Housing Benefit fraud activity statistics were previously published as Housing Benefit Quarterly Fraud Performance Statistics. The last publication of these statistics was released in 2008, based on clerically collected data. Collection of the data and publication of the statistics were suspended from November 2007 to July 2008 due to a government wide data transfer embargo.

### 2. National Statistics

DWP complies with the Code of Practice for Official Statistics and supporting Principles. Detailed policy statements and statement of compliance with the pre-release access to official statistics order 2008 are given below:

[DWP policy statements](#)

Detailed policy and methodology relating to this First Release can be found at:

<https://www.gov.uk/government/publications/housing-benefit-recoveries-and-fraud-data-methodology-and-definitions>

### 3. Other Fraud and Error statistics

National Statistics are published presenting six-monthly estimates of fraud and error in claims for Income Support, Jobseeker's Allowance, Pension Credit and Housing Benefit, along with an annual estimate of the level of fraud and error in the benefit system as a whole. One-off benefit reviews have been carried out from time to time to estimate fraud and error in claims for other benefits. Reports can be found at

<https://www.gov.uk/government/organisations/department-for-work-pensions/series/fraud-and-error-in-the-benefit-system>

### 4. Other Related Statistics issued by the Department for Work and Pensions

Households Below Average Income (annual) - *provides information on potential living standards as determined by disposable income, changes in income patterns over time and income mobility:*

<http://statistics.dwp.gov.uk/asd/index.php?page=hbai>

Housing Benefit and Council Tax Benefit Summary Statistics (monthly) – *provides caseload statistics. Latest published figures:* <https://www.gov.uk/government/organisations/department-for-work-pensions/series/housing-benefit-and-council-tax-benefit-caseload-statistics--2>

Housing Benefit and Council Tax Benefit Speed of Processing - *provides information on the average times to process a new Housing Benefit / Council Tax Benefit claim or a change in circumstance of an existing Housing Benefit / Council Tax Benefit claim:*

<https://www.gov.uk/government/publications/housing-benefit-and-council-tax-benefit-statistics-on-speed-of-processing-2012-13>

### 5. Known Issues, Changes and Revisions to these statistics

These statistics are now released on a six-monthly cycle. This first publication in March covers provisional Q1 and Q2 data.

Where appropriate, we may contact individual Local Authorities early during our quality assurance period, providing them with the opportunity to correct inaccurate data before publication.

The second publication in September covers finalised statistics for all four quarters of the year.

It is also our policy to revise statistics where there has been an error attributed to DWP processing. However, erroneous figures due to the late or inaccurate receipt of information from Local Authorities after the quality assurance period has ended will unfortunately not be published. The full DWP policy on revisions can be found at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/203655/dwp-statistics-DWP\\_Revisions\\_Policy\\_final.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/203655/dwp-statistics-DWP_Revisions_Policy_final.pdf)

## 6. Uses/Users

These statistics provide the Department with an overview of overpayment and fraud data relating to all benefits for which it is responsible for - not just for those benefits administered by DWP. They are used to measure levels of fraud activity and to capture information on the amounts of benefit that are overpaid to claimants. They provide a means of making comparisons between Local Authorities and also support a range of DWP policy functions, including impact monitoring and informing changes to related sanctions policies.

This can be categorized (in line with the [UKSA's Monitoring Brief](#)) as follows:

- Feeding into Government decision making about policies, and associated decisions about related programmes and projects:
  - a. policy making - some specific examples include;
    - i) The Welfare Reform Act, which aims to introduce tougher fraud and error penalties in addition to the current loss of benefit and the requirement to repay any overpayment; The Act also increases the period for which people convicted of fraud will lose benefit alongside the punishment that is handed out by the courts.
    - ii) The Single Fraud Investigation Service (SFIS), which aims to increase the number of fraud investigations, improve efficiency, and provide better value for money and improve consistency and fairness.
    - iii) Underpins the Universal Credit Design, which will improve our prevention and detection of fraud and error across the whole welfare system.
  - b. policy monitoring;
    - i) These statistics are used for monitoring by performance management teams in relation to the total level of Fraud and Error in the benefits system, which is measured by continuous survey exercises and by national benefit reviews, which are one-off exercises in a particular year. This data enables us to identify LAs that may benefit from the offer of free consultancy support to help improve performance.
- Resource allocation – typically by central and local government

## 7. Notification of future changes to these statistics

As stated in previous publications, these statistics are now released on a six monthly cycle (each September and March) to improve our service to users. Future release dates will be announced via the [ONS publication Hub](#).

We continue to welcome any feedback that users may have on our Housing Benefit Recoveries & Fraud National statistics. In particular we would be interested in learning more about:

- Details of additional user's needs
- How these statistics are used?
- The types of decision these statistics inform?

Therefore to make sure interested users can help us improve our statistics and ensure value for money. Please complete our [HBRF user questionnaire](#) to tell us what you think.



If you do have any additional comments, queries or feedback about this publication then please send them to:  
[stats-consultation@dwp.gsi.gov.uk](mailto:stats-consultation@dwp.gsi.gov.uk)

or by post to the following address:

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## **8. Next Publication**

The next publication will be on 10<sup>th</sup> September 2014 (covering data for all of 2013/2014).