Department for Work & Pensions

NATIONAL STATISTICS

We have changed the way we measure Housing Benefit fraud and error
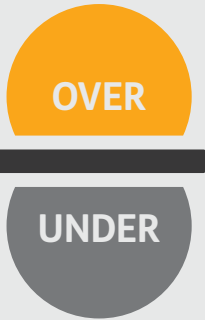
OVER

UNDER

We now **subtract underpayments from overpayments** on cases that have both – this matches what we do on other benefits. It is called as 'netting'.
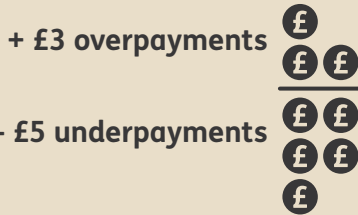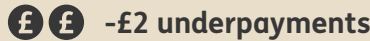
CLAIMANT UNTRACEABLE

We have also **reduced the 'Claimant Untraceable'** fraud and error amounts.*

NETTING EXAMPLE: a claimant forgets to tell us that their earnings and savings have changed. We pay £3 too much because of earnings but £5 too little because of savings.
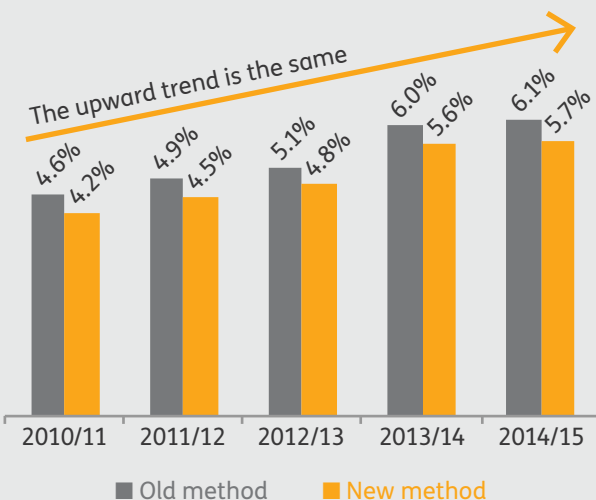
OLD METHOD COUNTS

+ £3 overpayments   £ £ £

- £5 underpayments   £ £ £ £ £
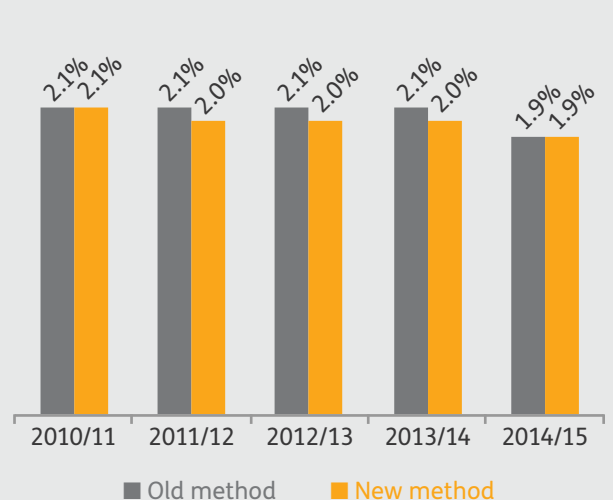
NEW METHOD COUNTS

£ £ -£2 underpayments

The new method better reflects the claimant's overall position – they weren't really being overpaid at all.

Housing Benefit overpayment rates are only slightly different

The upward trend is the same

Year	Old method	New method
2010/11	4.6%	4.2%
2011/12	4.9%	4.5%
2012/13	5.1%	4.8%
2013/14	6.0%	5.6%
2014/15	6.1%	5.7%

■ Old method   ■ New method

Overpayments on all benefits is the same for both methods this year

Year	Old method	New method
2010/11	2.1%	2.1%
2011/12	2.1%	2.0%
2012/13	2.1%	2.0%
2013/14	2.1%	2.0%
2014/15	1.9%	1.9%

■ Old method   ■ New method

*These are cases where we were unable to contact the claimant and their benefit was stopped. Some of these claims are reinstated: we are now taking this into account by reducing the amount of fraud and error we count.

Detail about the netting methodology and 'Claimant Untraceable' can be found in our Technical Appendix.