



An Roinn Coimirce Sóisialaí
Department of Social Protection

One-Parent Family Payment Control Survey 2019

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1. Introduction

1.1 Background

The Department of Social Protection (DSP) undertakes Control Surveys to establish baseline incorrect benefit levels for social welfare schemes, with a view to designing processes and control measures specifically targeted to minimise the level of future risk.

This survey was undertaken on the One-Parent Family Payment (OFP) scheme. OFP is a payment for parents under 66 who are parenting alone, and whose youngest child is under 7. For the survey, 600 randomly sampled OFP claims in payment in August 2019 were reviewed to assess compliance with the rules of the scheme.

It should be noted that work on this survey was delayed for several months by staff redeployments within the Department during the Covid-19 pandemic. Consequently, the report is being published later than originally scheduled.

The headline reporting metric for this Control Survey is shown as Net Loss to Government, which is the overpayment rate established by the survey, minus transfers to other schemes, minus the value of overpayments actually recovered.

1.2 Methodology and categorisation of results

The results are categorised based on the decisions taken on each case in the sample:

- ✓ **Benefit Correct:** Includes cases where no evidence was found that any conditions for receipt of benefit, or the rate of benefit in payment, were not satisfied.
- ✓ **Incorrect Benefit:** Includes cases where one or more of the eligibility conditions for receipt of benefit, or the rate of benefit in payment, are not being met, such that a revised decision has been made, or should in principle be made, leading to a change in the payment rate for this customer or the termination of the claim. Cases of incorrect benefit are further classified based on the decisions of the Deciding Officer in each case included in the survey sample:
 - Suspected fraud arises where a Deciding Officer is satisfied that there is sufficient evidence that the customer deliberately provided false or misleading information or wilfully concealed relevant information.
 - Customer error refers to cases where a customer provided inaccurate or incomplete information or there was an unreported change in a person's circumstances; and
 - Official error refers to cases where benefits are paid incorrectly due to inaction, delay or mistakes made by the Department's staff.

The main results of the survey are set out in section 2.

2. Main results

The survey finds that Net Loss to Government for OFP was 4.9% of total expenditure.

Table 1 – Main results of OFP Control Survey

Percentage of Expenditure	Predominant category	Type of claim impact (percentage of expenditure)				
		Over-payment	Transfers with other schemes	Recoveries	Net Loss to Government	Under-payment
	Suspected Fraud	3.8	0.0			0.0
	Official Error	0.5	0.0			0.1
	Customer Error	1.6	0.0			1.2
	Total	5.9	0.0	-1.0	4.9	1.3
	Percent of cases affected	21.0	0.2			15.5

Source: DSP. Figures may not add due to rounding.

Table 2 - Outcomes by predominant category and eligibility component (percentage of expenditure) - Overpayments

Percentage of expenditure affected	Predominant incorrect benefit component	Predominant category			
		Suspected Fraud	Official Error	Customer Error	All Over-payments
	Customer failed to supply required information	1.0	0.0	0.0	1.0
	Customer does not meet basic eligibility criteria	2.0	0.2	0.2	2.4
	Customer means not correct	0.5	0.1	1.4	1.9
	Additional allowances are not correct	0.4	0.0	0.0	0.4
	Other unreported change in circumstances	0.0	0.3	0.0	0.3
	Total	3.8	0.5	1.6	5.9

Source: DSP. Figures may not add due to rounding.

3. Scheme characteristics

3.1 Overview

OFP is a means-tested payment for parents under 66 who are parenting alone, and whose youngest child is under 7.

OFP stops when the recipient's youngest child turns 7*.

*There are exceptions to this:

- **Domiciliary Care Allowance:** OFP may continue until the child for whom the customer is receiving Domiciliary Care Allowance turns 16, or the customer's youngest child turns 7, whichever is later;
- **Blind Pension:** OFP may continue until the customer's youngest child turns 16;
- **Carer's Allowance:** OFP may continue until the customer's youngest child turns 16 or until the customer's Carer's Allowance stops, whichever is earlier; and
- **Recent Bereavement:** if the customer's spouse or civil partner has died, they can continue to claim OFP for up to two years after the date of death or until their youngest child turns 18, whichever is earlier.

The characteristics of the scheme on the date of sample selection are summarised below in Table 3:

Table 3: Characteristics of the scheme

Date	Characteristic	Sample	Population
August 2019 (601 Cases)	Age (mean, median)	36, 35	36, 35
	Claim duration [months] (mean, median)	60, 46	60, 45
	Payment (mean, median)	255, 257	257, 256

The eligibility conditions for OFP are summarised below, and further information is available at <https://www.gov.ie/en/service/d0b018-one-parent-family-payment/>.

3.2 Eligibility conditions

To qualify for One-Parent Family Payment, you must:

- Be under 66;
- Be the parent, step-parent, adoptive parent or legal guardian of a relevant child (this means a child under the relevant age limit);

- Be the main carer of at least one relevant child. The child must live with you. You cannot get One-Parent Family Payment if you have joint equal custody of a child or children;
- Satisfy a means test; and
- Not be living with a spouse, civil partner or cohabitant.

If you are separated, divorced or your civil partnership is dissolved, you must be living apart for at least three months before you apply for One-Parent Family Payment. You may be required to make efforts to seek maintenance from your former partner.

3.3 Payment rates and means test

The rate of payment will depend on an applicant's income and the outcome of the means assessment.

The maximum rate of One-Parent Family Payment is currently €203 a week, plus the rate for any qualified child(ren) which is currently €36 per qualified child aged under 12, rising to €38 per week from January 2021.

4. Survey Findings & Conclusions

4.1 Survey findings

The Net Loss to Government arising from OFP is 4.9% of scheme expenditure. This is made up of the overpayment rate established by the survey of 5.9% of expenditure, minus 1% of expenditure recovered from overpayments in 2019 and 0.0% transfers to other schemes. (Figures may not add due to rounding).

4.2 Risk analysis by cohort

The survey results identified the following risk factors:

- About 78% of cases with overpayments (32% of overpayments by value) were due to incorrect means (Tables I-7 and I-8). This indicates the importance of people updating the Department with changes in their circumstances and of the Department undertaking regular reviews of claims in payment to detect changes in the means of claimants that may affect their entitlement to a payment or the payment amount to which they are entitled.
- Women were significantly more likely than men to have an incorrect benefit. This is unsurprising and was expected given that the vast majority of OFP recipients are women; in 2019, some 39,000 women were in receipt of OFP, compared with just 500 men. No men selected in the sample were found to be in receipt of an incorrect benefit; and
- There was no significant difference in the *rate* of incorrect benefit cases between customers aged over 25 and customers aged 25 and under. However, for those aged over 25 the incorrect benefit tended to have a higher value and this difference was significant in terms of the overall expenditure impact (4.0% compared to 0.5%). The survey found that incorrect benefit among customers who were aged 25 and under related solely to means. No customers aged 25 or under were found to be cohabiting or to have any other reason for incorrect benefit apart from means.

There were no significant differences in risk by the customer's province of residence, between Irish and non-Irish customers, by the duration of the claim, between customers with and without maintenance being paid, by the number of children in the customer's family or by age of the customer's youngest child.

4.3 Measures which will improve control activity

The operational guidelines in respect of One-Parent Family Payment scheme are comprehensive. The scheme has a number of unique features including but not limited to the rules regarding cohabitation and an obligation to seek maintenance from a liable relative.

- The operational guidelines will be re-issued to all deciding officers and social welfare inspectors to ensure that all are aware of the Departments obligations in this regard. This

will also be accompanied by reissuing the code of practice for outdoor work to all social welfare inspectors.

- The survey findings will be considered by operational and policy managers in the Department to ascertain whether any changes to the existing rules of the scheme, which resulted in fraud being detected in respect of some claims, are warranted.

- Policy with respect to the frequency of claim reviews will be reviewed. The findings in relation to incorrect benefit for those aged over 25 suggest that reviews of those customers be prioritised.

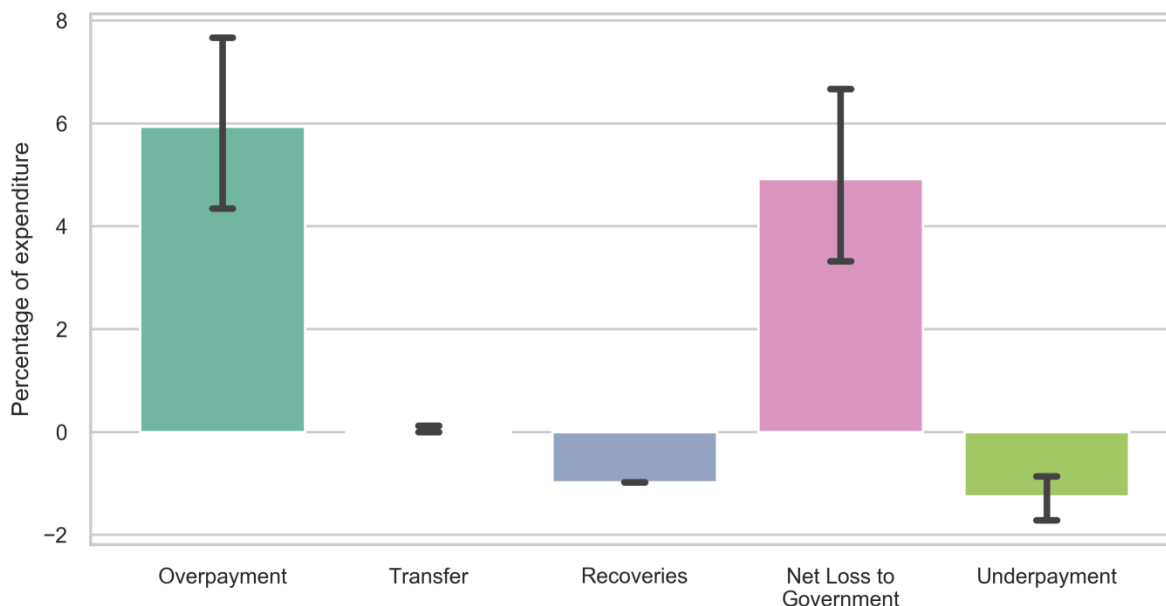
Annex 1 - Detailed survey results

The results of the survey are presented in this section. Bootstrapped 95% confidence intervals for the results are shown both graphically and numerically below each table.

Incorrect benefit by type and category

Percentage of Expenditure

Figure 1 - Incorrect benefit by type and percentage of expenditure, with 95% confidence intervals



Incorrect benefit by type, with 95% confidence intervals

Table I-1 - Incorrect benefit by type and predominant category (percentage of expenditure affected)

Percentage of Expenditure	Predominant category	Type of claim impact (percentage of expenditure)				
		Over-payment	Transfers with other schemes	Recoveries	Net Loss to Government	Under-payment
	Suspected Fraud	3.8	0.0			0.0
	Official Error	0.5	0.0			0.1
	Customer Error	1.6	0.0			1.2
	Total	5.9	0.0	-1.0	4.9	1.2
	95% CI Lower	4.3	0.0	-1.0	3.3	0.1
	95% CI Upper	7.7	0.1	-1.0	6.6	1.7

Source: DSP. Figures may not add due to rounding.

Percentage of claims affected

Figure 2 – Cases of incorrect benefit by type, with 95% confidence intervals

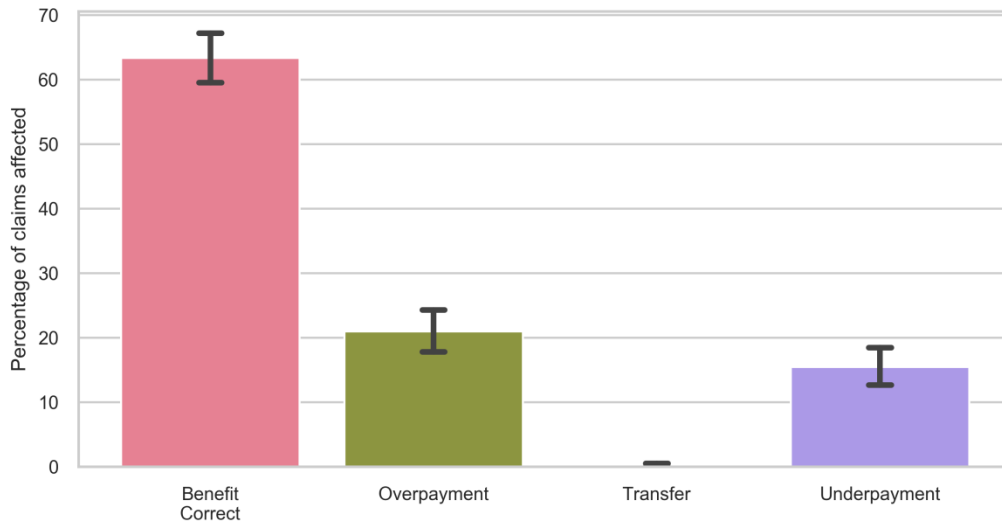


Table I-2 – Percentage of Overpayment and Transfer cases by type and category

Percentage of cases affected	Predominant category	Type of claim impact (percentage of cases affected)		
		Overpayment	Transfers with other schemes	Underpayment
	Suspected Fraud	4.2	0.0	0.0
	Official Error	0.7	0.2	0.8
	Customer Error	16.1	0.0	14.6
	Total	21.0	0.2	15.5
	95% CI Lower	17.8	0.0	12.7
	95% CI Upper	24.3	0.5	18.3

Source: DSP. Figures may not add due to rounding

Predominant and overlapping error categories

More than one category of incorrect benefit may be detected in respect of a given claim. In such cases, the *predominant* category is assigned according to the following hierarchy: 1–Suspected Fraud; 2–Official Error; 3–Customer Error. The tables in this section show which cases were affected by more than one type of incorrect benefit, and provide an additional breakdown of the Fraud or Error categories found.

Figure 3 – Overpayments by *predominant* and *overlapping* category (*explanatory table*)

<i>Predominant</i> category ↓↓	↓↓ <i>All cases</i> affected by this category (including overlaps)		
	Suspected Fraud (all)	Official Error (all)	Customer Error (all)
1. Predominantly Suspected Fraud	Suspected Fraud (all cases)	←←of which, Suspected Fraud AND Official Error	<i>Not possible to combine</i>
2. Predominantly Official Error	<i>Cases with Suspected Fraud can't be predominantly Official Error</i>	Official Error (NO Suspected Fraud)	←←of which, Official Error AND Customer Error
3. Predominantly Customer Error	<i>Cases with Suspected Fraud can't be predominantly Customer Error</i>	<i>Cases with Official Error can't be predominantly Customer Error</i>	Customer Error (NO Official Error)

Table I-3 – Overpayments by *predominant* and *overlapping* category (*percentage of expenditure affected*)

Percentage of Expenditure	<i>Predominant</i> category ↓↓	↓↓ Overlapping category (<i>percentage of expenditure</i>)		
		Suspected Fraud (any)	Official Error (any)	Customer Error (any)
1. Suspected Fraud		3.8	0.1	
2. Official Error			0.5	0.1
3. Customer Error				1.6

Table I-4 – Overpayments by *predominant* and *overlapping* category (*percentage of claims affected*)

Percentage of Claims Affected	<i>Predominant</i> category ↓↓	↓↓ Overlapping category (<i>percentage of claims affected</i>)		
		Suspected Fraud (any)	Official Error (any)	Customer Error (any)
1. Suspected Fraud		4.2	0.2	
2. Official Error			0.7	0.2
3. Customer Error				16.1

Source: DSP. Figures may not add due to rounding.

Table I-5 – Overpayments by **predominant** and **overlapping** category, with details (percentage of expenditure affected)

Percentage of Expenditure	Predominant category ↓↓	↓↓ Overlapping category, with details (percentage of expenditure)						
		Suspected Fraud		Official Error			Customer Error	
		Materially incorrect information	Willful concealment	Decision error	Failed to act on information	Length of time since last claim review	Inaccurate information provided	Unreported change in circumstances
1. Suspected Fraud		2.5	1.3	0.0	0.1	0.0		
2. Official Error				0.1	0.4	0.0	0.0	0.1
3. Customer Error							0.0	1.7

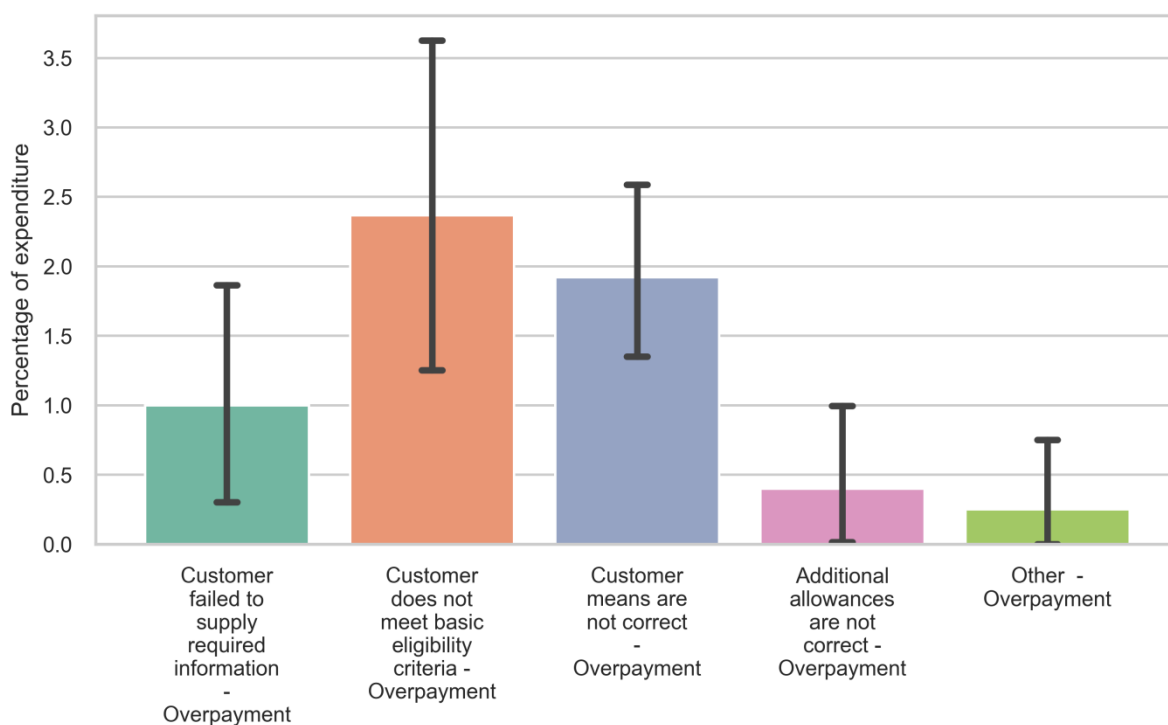
Table I-6 – Overpayments by **predominant** and **overlapping** category, with details (percentage of claims affected)

Percentage of Claims Affected	Predominant category	↓↓ Overlapping category, with details (percentage of claims affected)						
		Suspected Fraud		Official Error			Customer Error	
		Materially incorrect information	Willful concealment	Decision error	Failed to act on information	Length of time since last claim review	Inaccurate information provided	Unreported change in circumstances
1. Suspected Fraud		2.8	1.3	0.0	0.2	0.0		
2. Official Error				0.2	0.5	0.0	0.0	0.2
3. Customer Error							0.0	16.1

Source: DSP. Figures may not add due to rounding.

Outcomes by incorrect eligibility condition

Figure 4: Incorrect Benefit by eligibility criteria and expenditure impact

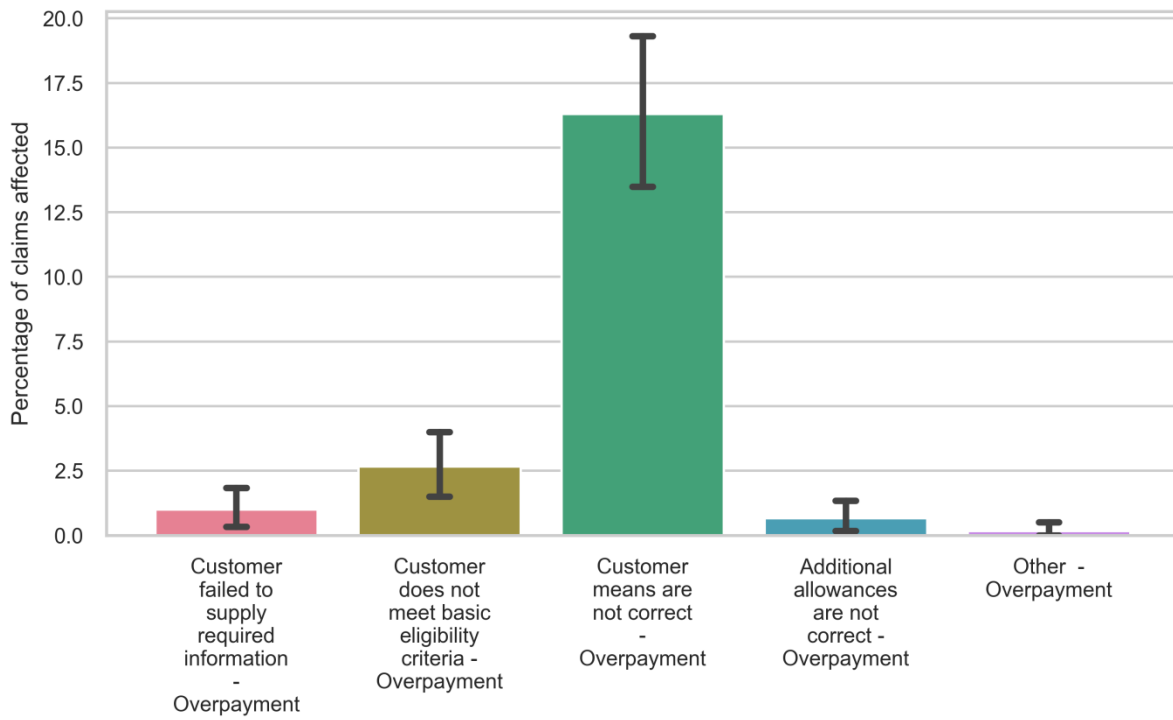


Incorrect benefit by type, with 95% confidence intervals

Table I-7 –Outcomes by predominant category and eligibility component (percentage of expenditure) - Overpayments

Percentage of expenditure affected	Predominant incorrect benefit component	Predominant category			
		Suspected Fraud	Official Error	Customer Error	All Over-payments
	Customer failed to supply required information	1.0	0.0	0.0	1.0
	Customer does not meet basic eligibility criteria	2.0	0.2	0.2	2.4
	Customer means not correct	0.5	0.1	1.4	1.9
	Additional allowances are not correct	0.4	0.0	0.0	0.4
	Other unreported change in circumstances	0.0	0.3	0.0	0.3
	Total	3.8	0.5	1.6	5.9

Figure 5 - Incorrect benefit by eligibility criteria and number of cases affected



Incorrect benefit by type, with 95% confidence intervals

Table I-8 – Percentage of Overpayment cases by predominant category and eligibility component

Percentage of cases affected	Predominant incorrect benefit component	Predominant category			
		Suspected Fraud	Official Error	Customer Error	All Over-payments
	Customer failed to supply required information	1.0	0.0	0.0	1.0
	Customer does not meet basic eligibility criteria	2.3	0.2	0.2	2.7
	Customer means not correct	0.5	0.2	15.8	16.5
	Additional allowances are not correct	0.3	0.2	0.2	0.7
	Other unreported change in circumstances	0.0	0.2	0.0	0.2
	Total	4.2	0.7	16.1	21.0

