



An Roinn Coimirce Sóisialaí
Department of Social Protection

Child Benefit Control Survey 2021

Published: February 2022

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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 Child Benefit (CB) scheme. Child Benefit is a monthly payment to support parents and guardians. It is paid for each child who normally lives with, and is fully supported by, the parent/guardian. The child must be under 16 years of age, or under 18 if in full-time education, full-time training or has a disability and cannot support themselves. Child Benefit is not paid on behalf of children 18 or older.

For the survey, 600 randomly sampled CB claims in payment in May 2021 were reviewed to assess compliance with the rules of the scheme.

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 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 CB was 1.2% of total expenditure.

Table 1 – Main results of CB 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	1.1	0			0
	Official Error	0	0			0
	Customer Error	0.3	0			0
	Total	1.4	0	0.2	1.2	0
	95% CI Lower	0.5	0	0.2	0.4	0
	95% CI Upper	2.4	0	0.2	2.2	0

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	0.1	0	0	0.1
	Family not resident in the State	0.9	0	0.3	1.2
	Child not residing with Customer	0.1	0	0	0.1
	Total	1.1	0	0.3	1.4

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

3. Scheme characteristics

3.1 Overview

Child Benefit is a monthly payment of to support parents and guardians. It is paid for each child who:

- normally lives with, and is being fully supported by, the parent/guardian; and
- is under 16, or under 18 if in full-time education, full-time training or has a disability and cannot support themselves.

Child Benefit is not paid on behalf of children 18 or older, even if they stay in education or training.

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
May 2021 (600 Cases)	Age (mean, median)	41, 41	41, 41
	% men	1%	1%
	% women	99%	99%
	% one child	40%	40%
	% two children	39%	38%
	% three or more children	21%	21%

The eligibility conditions for CB are summarised below, and further information is available at <https://www.gov.ie/en/service/f14140-child-benefit/>.

3.2 Eligibility conditions

To qualify for Child Benefit, you must meet the Habitual Residence Condition¹. This applies to all applicants regardless of nationality.

¹ Full details of the Habitual Residence condition can be found at: <https://www.gov.ie/en/publication/170e70-habitual-residence-condition/>

Child Benefit is normally paid to the child's mother or stepmother. If the child does not live with their mother or stepmother but lives with their father or stepfather, Child Benefit can be paid to them.

If the child is not living with or being maintained by their parents, the person caring for the child may get Child Benefit.

3.3 Payment rates

The rate of payment for Child Benefit are as follows:

Number of Children	Monthly Child Benefit Payment
One Child	€140
Twins	€210 for each child (1½ times the single rate for one child)
Other Multiple Births	€280 for each child (double the rate for one child)

Child Benefit is paid on the first Tuesday of every month, with the first payment usually made the month after the child is born.

4. Survey Findings & Conclusions

4.1 Survey findings

The Net Loss to Government arising from CB is 1.2% of scheme expenditure. This is made up of the overpayment rate established by the survey of 1.4% of expenditure, minus 0.2% of expenditure recovered from overpayments in 2021 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:

Customers aged under 45 were more likely than those 45 or older to be incorrect; no customers aged 45 or older (32% of the sample) were found to have received an incorrect payment. None of the other age categories were significantly different.

There were no differences according to:

- Nationality;
- Gender;
- Number of children on the payment;
- Province of residence; or
- Whether the customer was single or married/co-habiting.

4.3 Measures which will improve control activity

The survey highlights that Child Benefit continues to be a low-level risk scheme. The current controls in place appear to be comprehensive and will continue to be implemented going forward.

Control review targets similar to previous years have been agreed and will be implemented.

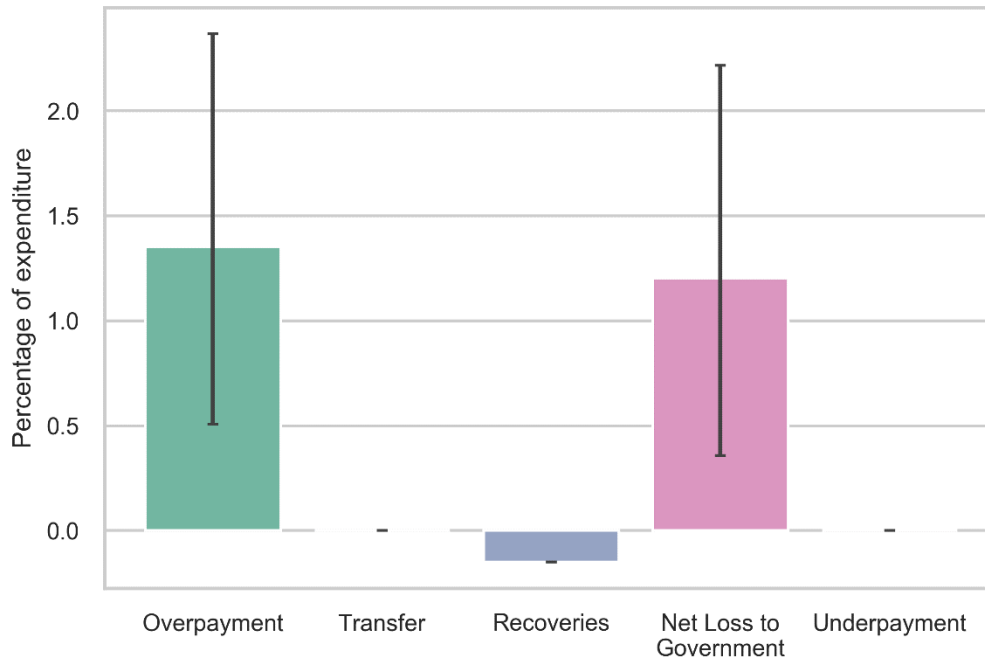
Annex 1 - Detailed survey results

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	1.1	0			0
	Official Error	0	0			0
	Customer Error	0.3	0			0
	Total	1.4	0	0.2	1.2	0
	95% CI Lower	0.5	0	0.2	0.4	0
	95% CI Upper	2.4	0	0.2	2.2	0

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

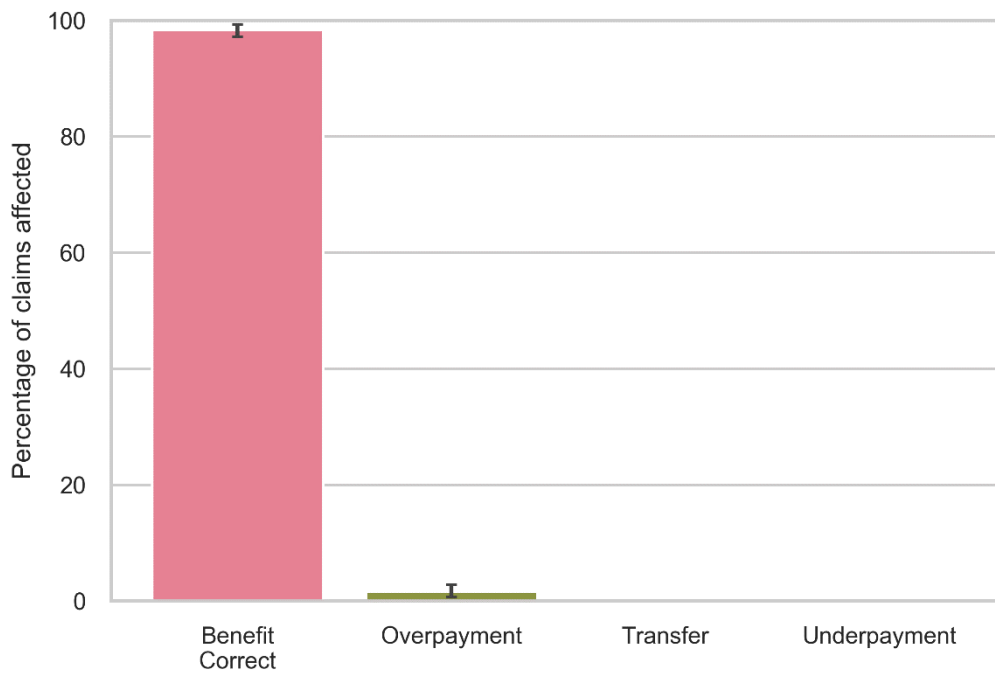


Table I-2 – Percentage of Overpayment and Transfer cases by type and category

Percentage of cases affected	Predominant category	Type of claim impact (percentage of cases affected)		
		Overpayment	Transfers with other schemes	Underpayment
	Suspected Fraud	1.5	0	0
	Official Error	0	0	0
	Customer Error	0.2	0	0
	Total	1.7	0	0
	95% CI Lower	0.7	0	0
	95% CI Upper	2.8	0	0

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 ↓↓	↓↓ All cases 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		1.1	0	
2. Official Error			0	0
3. Customer Error				0.3

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		1.5	0	
2. Official Error			0	0
3. Customer Error				0.2

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		0	1.1	0	0	0		
2. Official Error				0	0	0	0	0
3. Customer Error							0	0.3

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		0	1.5	0	0	0		
2. Official Error				0	0	0	0	0
3. Customer Error							0	0.2

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

Outcomes by incorrect eligibility condition

Figure 4: Incorrect Benefit by eligibility criteria and expenditure impact

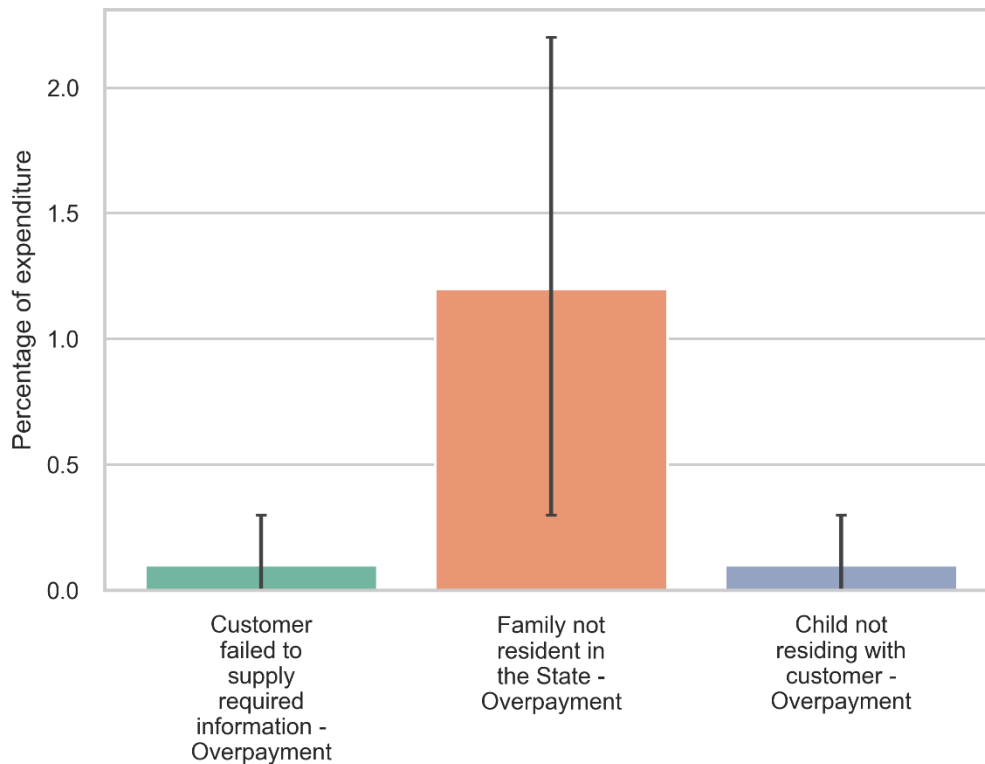


Table 1-7 –Outcomes by predominant category and eligibility component (percentage of expenditure) - Overpayments

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	0.1	0	0	0.1
	Family not resident in the State	0.9	0	0.3	1.2
	Child not residing with Customer	0.1	0	0	0.1
	Total	1.1	0	0.3	1.4

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

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

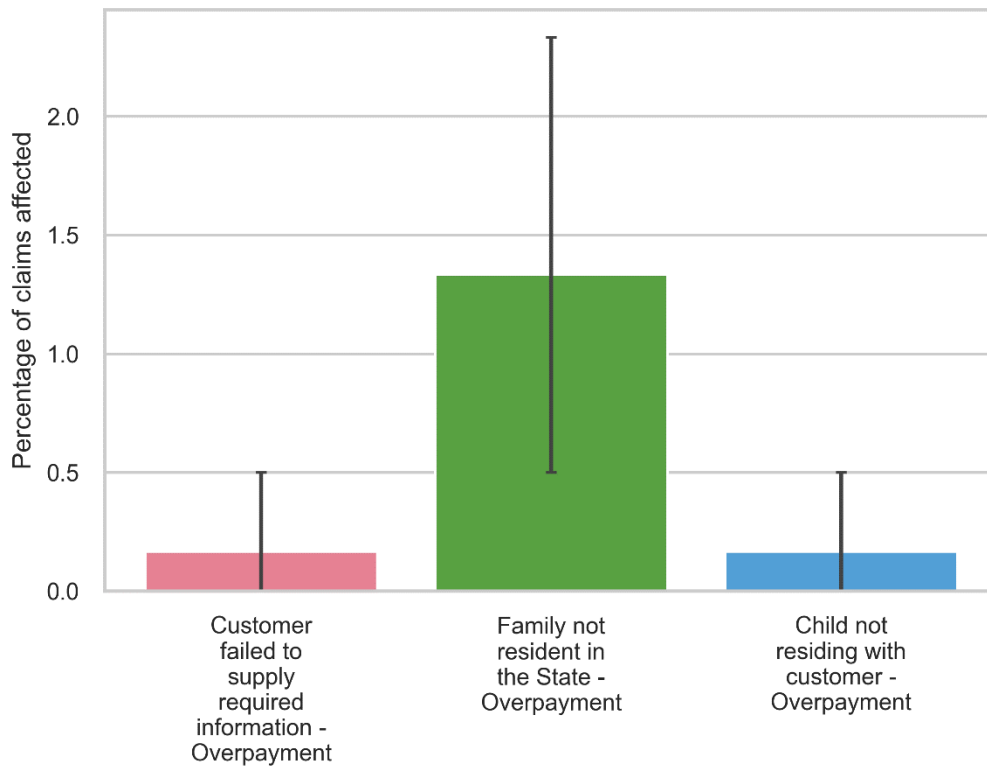


Table I-8 – Percentage of Overpayment cases by predominant category and eligibility component

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	0.2	0	0	0.2
	Family not resident in the state	1.2	0	0.2	1.3
	Child not residing with customer	0.2	0	0	0.2
	Total	1.5	0	0.2	1.7

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

