Disability Allowance
Control Survey 2022

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Contents

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.

Disability Allowance (DA) is a weekly allowance paid to people with a disability. It is payable from 16 years of age.

If you are in education when you turn 16, you can continue to attend school while receiving this allowance.

For the survey, 600 randomly selected DA claims in payment during week commencing 18 April 2022 were identified. 597 cases were reviewed to assess compliance with the rules of the scheme, 3 were excluded from review and judged as vulnerable cases.

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 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 DA was 5.4% of total expenditure.

Table 1 – Main results of DA Control Survey

Percentage of Expenditure	Predominant category	Type of claim impact (percentage of expenditure)					Under-payment
		Over-payment	Transfers with other schemes	Recoveries	**Net Loss to Government**		Under-payment
	Suspected Fraud	1.9	0				0
	Official Error	0.6	0				-0.0
	Customer Error	3.2	0				-0.7
	Total	5.7	0	-0.2	**5.4**		-0.7
	95% CI Lower	*4.1*	*0*	*-0.2*	*3.9*		-0.3
	95% CI Upper	*7.4*	*0*	*-0.2*	*7.2*		-1.2

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			All Over-payments
		Suspected Fraud	Official Error	Customer Error	All Over-payments
	Customer failed to supply required information	0.8	0	0	0.8
	Customer does not meet basic eligibility criteria	0	0.0	0.2	0.2
	Customer means are not correct	1.1	0.5	2.9	4.5
	Additional allowances are not correct	0	0.1	0.1	0.2
	Other unreported change in circumstances	0	0	0	0
	Total	1.9	0.6	3.2	5.7

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

3. Scheme characteristics

3.1 Overview

Disability Allowance is a means-tested weekly allowance paid to people with a disability.

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
April 2022 (597 Cases)	Age (mean, median)	43, 45	44, 45
	% men	56%	56%
	% women	44%	44%
	Claim duration - years (mean, median)	7, 7	7, 8
	Payment (mean, median)	227, 208	227, 208

The eligibility conditions for DA are summarised below, and further information is available at
gov.ie - Disability Allowance (www.gov.ie)

3.2 Eligibility conditions

To qualify for Disability Allowance, an applicant must:

- Have an injury, disease or physical or mental disability that has continued for at least one year or is expected to continue for at least one year
- Be *substantially* restricted because of your disability from doing work that would be suitable for a person of your age, experience and qualifications
- Be aged between 16 and 66.
- Pass a means test – a means test looks at any income that you have
- Live in Ireland and meet the habitual residence condition

Medical assessment

An applicant's doctor must complete a report on the medical condition as part of the application form. This report is reviewed by one of the DSP's medical assessors.

For the purposes of this survey, only the means element of the payment was reviewed.

3.3　Payment rates

Full rates at the time of survey were as follows:

Personal rate	€208.00
Extra for dependent adult	€138.00
Extra for dependent child (under 12)	€40 (Full rate) €20 (Half rate)
Extra for dependent child (over 12)	€48 (Full rate) €24 (Half rate)

4. Survey Findings & Conclusions

4.1 Survey findings

The Net Loss to Government arising from DA is 5.4% of scheme expenditure. This is made up of the overpayment rate established by the survey of 5.7% of expenditure, minus 0.2% of expenditure recovered from overpayments in the relevant years. (Figures may not add due to rounding). Some 3.5% of claims were found to have been underpaid.

4.2 Risk analysis by cohort

Risk factors identified by the survey results shows that customers aged 45 and older were more likely to have an incorrect payment compared to customers under 45.

In expenditure terms, customers who had a means test completed in the three years before the survey were less likely to have had an overpayment compared to those who had a means test three or more years previously at 3.4% compared to 7.9%.

There were no statistically significant differences in the likelihood of having an overpayment between those with nil means for the purposes of DA, and those with reckonable means for DA.

Increases in employment earnings of either customer or spouse / partner accounts for a significant number of cases where means have increased, leading to a reduced rate of DA payment.

There were no significant differences according to:

- Gender
- Nationality
- Province of residence
- Payment method; or
- Length of the claim

4.3 Measures which will improve control activity

From the analysis of the Disability Allowance (DA) Survey, the Department will ensure that a greater emphasis will be placed on data matching with the Revenue real-time payroll information (RTLU).

The Analytics team will data match the DA cohort of claims against the RTLU data monthly to identify:

➢ Customers with nil means who have employment details on RTLU

➢ Employment details for qualified adults where they are being paid with the DA customer

➢ Changes in employment

In addition, Control staff will conduct ad hoc checks of RTLU data.

The target number of DA Control Reviews will increase to 10,000 for 2023. There is commitment to achieve this target following the resolution of staffing challenges experienced in the Control area during the first half of 2022 due to the temporary re-assignment of some staff to deal with the Ukrainian crisis and a delay in filling staff vacancies.

Finally, the Department will continue to utilise the resources and experience of the Department's Special Investigation Unit to target areas of risk.

Annex I – 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
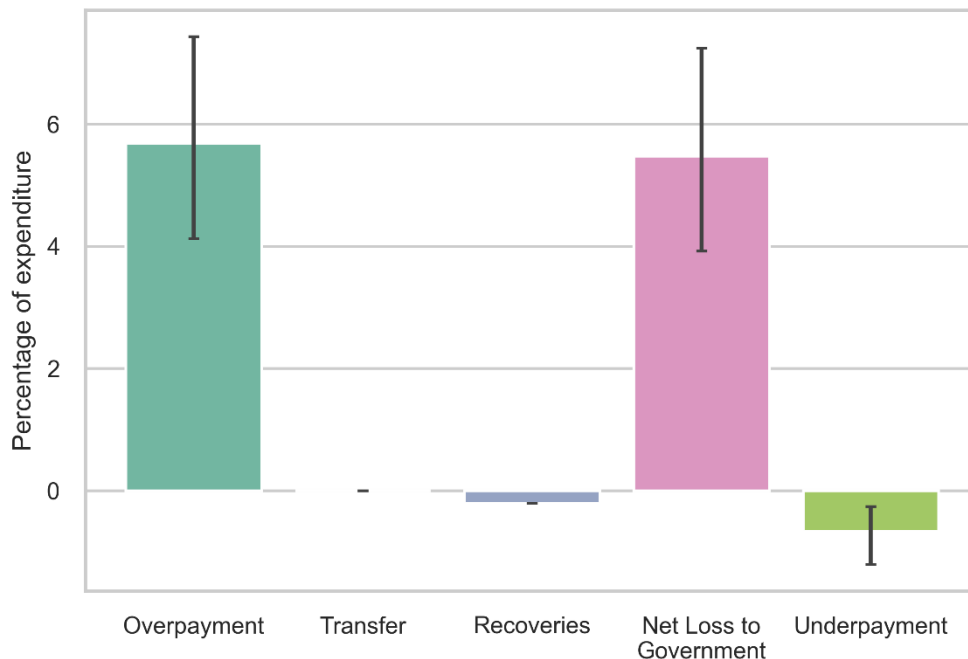
Incorrect benefit by type, with 95% confidence intervals

*Table 0-1 - 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	1.9	0				0
	Official Error	0.6	0				-0.0
	Customer Error	3.2	0				-0.7
	Total	5.7	0	-0.2	**5.4**		-0.7
	95% CI Lower	*4.1*	*0*	*-0.2*	*3.9*		-0.3
	95% CI Upper	*7.4*	*0*	*-0.2*	*7.2*		-1.2

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

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Weekly expenditure impact

*Table 0-2 – Incorrect benefit by type, and predominant category (**weekly** expenditure impact (€m))*

Weekly expenditure impact (€m)	Predominant category	*Type of claim impact (percentage of expenditure)*					
		Over-payment	Transfers with other schemes	Recoveries	**Net Loss to Government**		Under-payment
	Suspected Fraud	0.7	0				0
	Official Error	0.2	0				-0.0
	Customer Error	1.1	0				-0.2
	Total	2.0	0	-0.1	**1.9**		-0.2
	95% CI Lower	*1.4*	*0*	*-0.1*	*1.4*		*-0.1*
	95% CI Upper	*2.6*	*0*	*-0.1*	*2.5*		*-0.4*

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

Percentage of claims affected

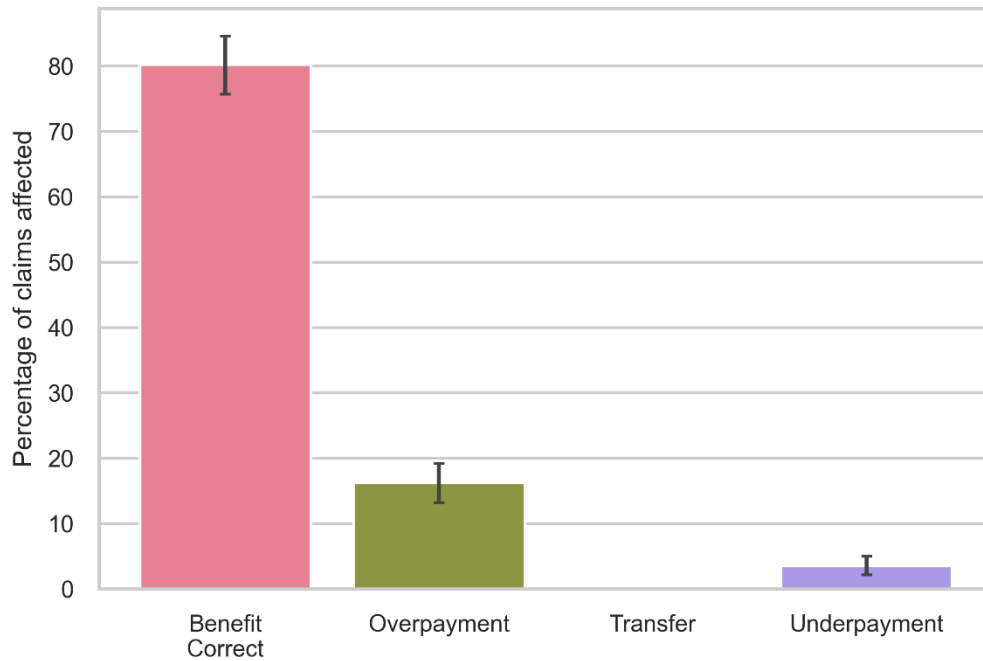*Figure 2 – Cases of incorrect benefit by type, with 95% confidence intervals*

Table 0-3 – Percentage of Overpayment and Transfer cases by type and category

	Predominant category	Type of claim impact (percentage of cases affected)			
		Overpayment	Transfers with other schemes		Underpayment
Percentage of cases affected	Suspected Fraud	1.8	0		0
	Official Error	1.3	0		0.2
	Customer Error	13.2	0		3.4
	Total	16.4	0		3.5
	95% CI Lower	*13.6*	*0*		*2.2*
	95% CI Upper	*19.4*	*0*		*5.0*

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**)*

Predominant 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	*Not possible to combine*
2. *Predominantly* Official Error	*Cases with Suspected Fraud can't be predominantly Official Error*	Official Error (NO Suspected Fraud)	←←of which, Official Error AND Customer Error
3. *Predominantly* Customer Error	*Cases with Suspected Fraud can't be predominantly Customer Error*	*Cases with Official Error can't be predominantly Customer Error*	Customer Error (NO Official Error)

*Table 0-4 – Overpayments by **predominant** and **overlapping** category (**percentage of expenditure** affected)*

Percentage of Expenditure	Predominant category ↓↓	↓↓ Overlapping category (percentage of expenditure)		
		Suspected Fraud (any)	Official Error (any)	Customer Error (any)
	1. Suspected Fraud	1.9	0	
	2. Official Error		0.6	0.3
	3. Customer Error			3.2

*Table 0-5 – Overpayments by **predominant** and **overlapping** category (**percentage of claims** affected)*

Percentage of Claims Affected	Predominant category ↓↓	↓↓ Overlapping category (percentage of claims affected)		
		Suspected Fraud (any)	Official Error (any)	Customer Error (any)
	1. Suspected Fraud	1.8	0	
	2. Official Error		1.3	0.8
	3. Customer Error			13.2

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

*Table 0-6 – 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	Wilful 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	0.2	1.8	0	0	0		
	2. Official Error			0.3	0.3	0	0	0.3
	3. Customer Error						0.3	2.8

*Table 0-7 – 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	Wilful 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	0.2	1.7	0	0	0		
	2. Official Error			0.5	0.8	0	0	0.8
	3. Customer Error						0.7	12.4

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

Outcomes by incorrect eligibility condition

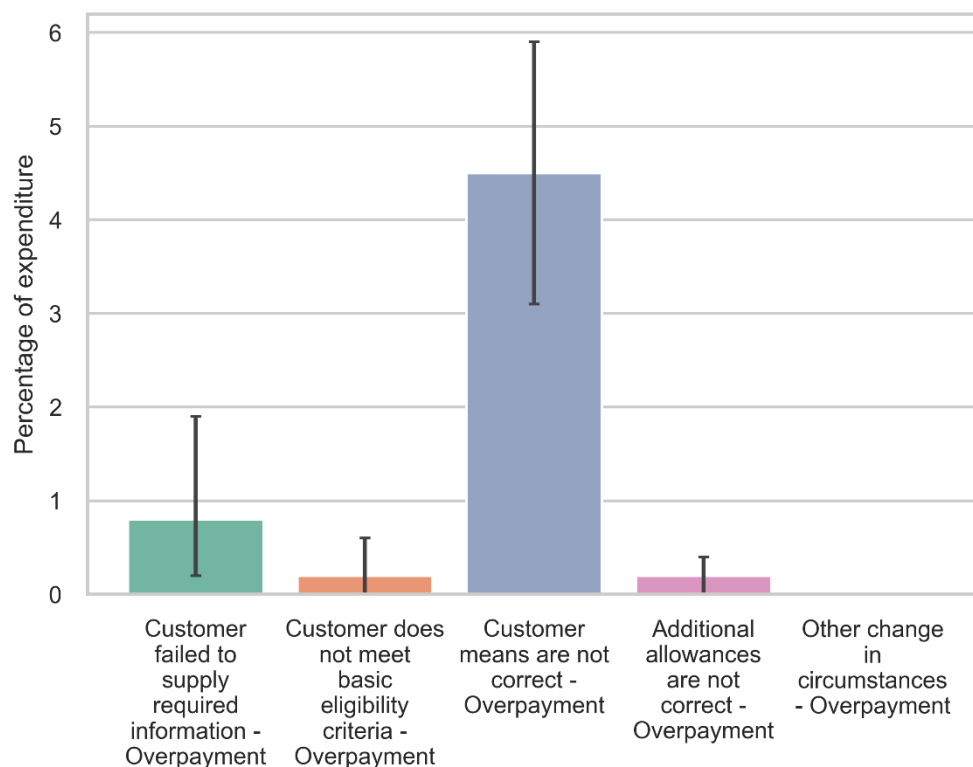*Figure 4: Incorrect Benefit by eligibility criteria and expenditure impact*

Table 0-8 –Outcomes by predominant category and eligibility component (percentage of expenditure) - Overpayments

	Predominant incorrect benefit component	Predominant category			
		Suspected Fraud	Official Error	Customer Error	All Over-payments
Percentage of expenditure affected	Customer failed to supply required information	0.8	0	0	0.8
	Customer does not meet basic eligibility criteria	0	0.0	0.2	0.2
	Customer means are not correct	1.1	0.5	2.9	4.5
	Additional allowances are not correct	0	0.1	0.1	0.2
	Other unreported change in circumstances	0	0	0	0
	Total	1.9	0.6	3.2	5.7

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

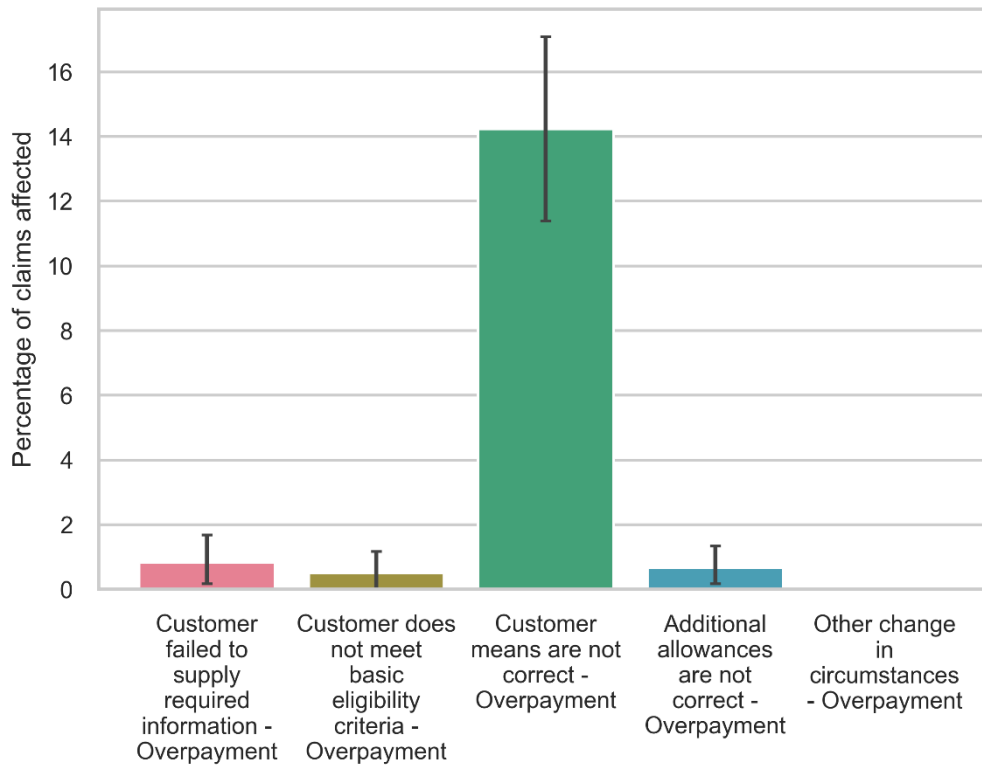Figure 5 - Incorrect benefit by eligibility criteria and number of cases affected

Table 0-9 – Percentage of Overpayment cases by predominant category and eligibility component

	Predominant incorrect benefit component	Predominant category			
		Suspected Fraud	Official Error	Customer Error	All Over-payments
Percentage of cases affected	Customer failed to supply required information	0.8	0	0	0.8
	Customer does not meet basic eligibility criteria	0	0.2	0.3	0.5
	Customer means are not correct	1.0	1.0	12.4	14.4
	Additional allowances are not correct	0	0.2	0.5	0.7
	Other unreported change in circumstances	0	0	0	0
	Total	1.8	1.3	13.2	16.4

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