An Roinn Gnóthaí Fostaíochta
agus Coimirce Sóisialaí
Department of Employment Affairs
and Social Protection

State Pension (Non-contributory) Control Survey 2017/2018

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1. Introduction

1.1. Background

The Department of Employment Affairs and Social Protection 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 State Pension (Non-contributory) (SPNC) scheme[1]. SPNC is a means-tested payment for people aged 66 and over, who do not qualify for an insurance-based State Pension (Contributory), or who only qualify for a reduced rate contributory pension based on their social insurance record.

For the survey, 1,000 randomly sampled SPNC claims in payment in the week beginning 16th October 2017 were reviewed to assess recipients' compliance with the rules of the scheme.

The headline reporting metric for this and all future Control Surveys is shown as Net Loss to Government, which is the Final Incorrect Benefit Excluding Recoveries (FIBER) rate established by the survey, minus the value of overpayments actually recovered.

1.2. Methodology and categorisation of results

The methodologies and the manner in which results are categorised are set out in detail in Annex III. 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:

- Fraud or suspected fraud arises where a Deciding Officer is satisfied that there is sufficient evidence that the claimant deliberately provided false or misleading information or wilfully concealed relevant information.

- In this survey, official error includes claims where the previous review was conducted over 5 years previously and where the rate of payment changed. The length of time since the last review was considered to be the most important

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[1] A previous survey of this scheme was undertaken in 2007. Major methodological changes in the intervening period do not allow comparison on a like-for-like basis.

source of error in these cases and, therefore, they have been ascribed as official error.

- Claimant error refers to cases where a claimant provided inaccurate or incomplete information or there was an unreported change in a person's circumstances.

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

2. Main results

The survey finds that Net Loss to Government for SPNC was 3.1% of total expenditure, equivalent to approximately €0.6 million per week.

Table 1 – Main results of SPNC Control Survey

Percentage of Expenditure	Predominant category[2]	Type of claim impact (percentage of expenditure)					
		Over-payment	Under-payment	Transfers with other schemes	Final Incorrect Benefit Excluding Recoveries	Recoveries	Net Loss to Government
	Suspected Fraud	0.3	0.0	0.0	0.3		
	Official Error	2.4	-0.3	0.0	2.2		
	Customer Error	3.8	-0.8	0.0	2.9		
	Total	6.5	-1.1	0.0	5.4	-2.3	**3.1**
Percentage of claims affected		*19.6*	*8.2*	*0.0*	*27.8*		

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

Figure 1 shows that cases where the claimant's means were not correct accounted for about 90% of FIBER.

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[2] See section 1.2 for details of how cases are categorised under the three headings. In particular, it should be noted that in this survey, official error includes cases where the previous review was conducted over 5 years previously and where the rate of payment changed. The length of time since the last review was considered to be the most important source of error in these cases and, therefore, they have been ascribed as official error. These cases accounted for 41% of the FIBER rate.

Figure 1 – SPNC Final Incorrect Benefit Excluding Recoveries by type

Incorrect benefit by type, with 95% confidence intervals
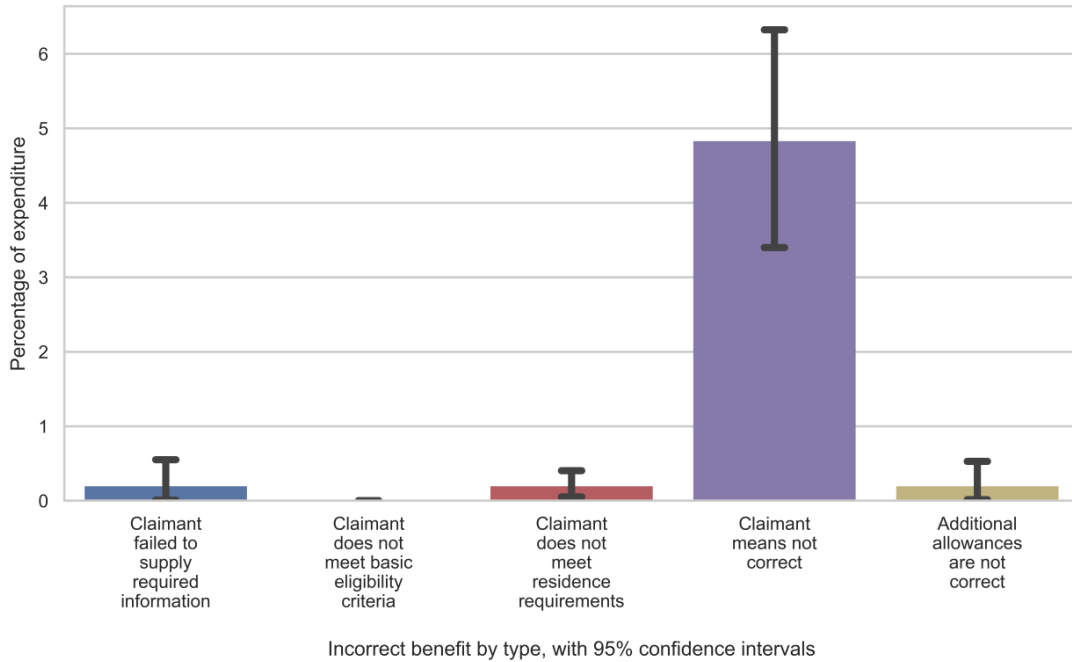
Additionally, it is estimated that the Household Benefits Package (HHB) FIBER rate for SPNC claimants was 2.3%. About 69% of all HHB claimants have now been surveyed and the FIBER rate for HHB overall is now estimated at 1.3% of HHB expenditure.

3. Scheme characteristics

3.1. Overview

SPNC is a means-tested payment for people aged 66 or over who do not qualify for a higher rate of State Pension (Contributory) based on their social insurance record. This pension is taxable and means-tested. Expenditure of €995 million was incurred on this scheme during 2017, in respect of some 99,000 beneficiaries – 95,000 primary recipients with additional payments for 3,000 qualified adults and 600 qualified children.

In October 2017, 93% of recipients were Irish nationals, 5% were UK nationals, 1.6% were nationals of other EU countries, and 0.8% were nationals of countries outside of the EU. Two-thirds of recipients were aged from 66 to 79, and one-third of recipients were aged 80 or over.

The eligibility conditions for SPNC are summarised below, and further information is available at http://www.welfare.ie/en/Pages/248_State-Pension-Non-Contributory.aspx.

3.2. Eligibility conditions

As detailed in Annex IV, to be eligible for SPNC, an applicant must – both at the time of application and for the remainder of their SPNC claim –

- ➢ be aged 66 years or over;
- ➢ have a legal right of residence in the State;
- ➢ be habitually resident in the State;
- ➢ have a valid Personal Public Service Number (PPSN); and
- ➢ satisfy a means test.

3.3. Payment rates and means test

The maximum personal weekly rate in October 2017 was €227 (under 80) or €237 (80 or over).This rate was payable to claimants with assessed means of less than €30 per week.

The SPNC means test takes into account both the claimant's income (from employment, self-employment and pensions) and the value of their capital assets (including investments, savings, and property other than the claimant's own home).

If a customer is married, in a civil partnership or is living with another person as a couple then the income and assets of the spouse, civil partner or cohabitant are also taken into account in the means test.

The following statutory increases may be payable, depending on personal and family circumstances:

- ➢ Increase for a qualified adult aged under 66;
- ➢ Increase for a qualified child;
- ➢ Living alone allowance;
- ➢ Island Allowance.

Recipients may also qualify for Fuel Allowance, Telephone Support Allowance, the Free Travel Pass, other supplementary welfare allowances including Rent Supplement, and the Household Benefits Package (HHB)[3]. If a recipient is a carer for another person, they may be eligible for Carer's Allowance (half-rate) and the Carer's Support Grant.

3.4. Scheme risks and control strategy

As with similar pension schemes worldwide, SPNC is a long-term benefit that remains payable throughout a recipient's lifetime, providing they continue to satisfy the eligibility conditions. A change in the rate of payment or a full disallowance or termination of an established primary SPNC entitlement generally only occurs:

> ➢ due to a change in the claimant's means;
>
> ➢ due to the claimant's death;
>
> ➢ due to non-compliance with the residency requirements; or
>
> ➢ where there is a discrepancy in the original decision-making process.

Once SPNC is awarded, there is a legal obligation on every recipient and, where relevant, their qualified adult dependant, personal representative or agent, to notify the Department of any change in their circumstances that might impact on the rate of their ongoing entitlement.

From a control perspective, the most urgently required notifications are those related to changes in means and the death of a primary recipient, or similar changes affecting a recipient's qualified adult or child dependants. This allows for timely termination or adjustments to be made to on-going SPNC payments.

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[3] The Household Benefits Package is a set of allowances which help with the household running costs (electricity, gas and TV license fees). The package is available to everyone aged over 70. See: http://www.welfare.ie/en/Pages/Household-Benefits.aspx

At the end of October 2017, 53,307 of the 95,140 SPNC claimants (56%) were in receipt of the Household Benefit Package. See Annex VI for results.

4. Survey Findings & Conclusions

The methodology used in this survey is set out in Annex III and the sampling approach in Annex V.

4.1. Survey findings

The Net Loss to Government arising from SPNC is 3.1% of scheme expenditure, or €0.6 million per week (*Table I-1*). This is made up of the FIBER rate established by the survey of 5.4% of expenditure, minus the 2.3% of expenditure (€23.4 million) recovered from SPNC overpayments in 2017.

About 90% of the incorrect benefit found by the survey (4.8% of total expenditure) arises from cases where the claimant's means were found to be incorrect when reviewed as part of the survey (*Table I-8*).

As with other Control Surveys, the original claim decisions for all cases were reviewed on the basis of the information available to the Deciding Officer at that time. The survey established that there was no material level of decision error in these original claim decisions (*Table I-6*).

Suspected Fraud, at 0.3% of expenditure, accounted for only 5% of the FIBER rate. The remaining 95% of incorrect benefit arose overwhelmingly from cases where the claimant's circumstances had changed, but the change had not been notified to the Department (*Table I-6*).

4.2. Risk analysis by cohort

The over 80s are significantly more likely to have incorrect benefit than those aged 66-79 (*Table II-2 and Table II-3*).

No significant differences were observed between men and women in either the likelihood of having an incorrect benefit or in the estimated expenditure impact of incorrect benefit (

Table II-5 *and*

Table II-6).

No statistically significant differences were observed between those who are married (and therefore jointly assessed) and those who are single, widowed or otherwise singly assessed (Table II-8 and Table II-9).

Proportionally fewer customers in Dublin are estimated to have incorrect benefit, with significant differences between Dublin and Connacht, Dublin and Munster, and Dublin and Ulster (Table II-11 and Table II-12).

Claimants from the UK and from other countries that were member states of the EU before 2004 ('Other EU-15') had a significantly higher incidence rate of incorrect benefit than Irish customers. Claimants from post-enlargement EU member-states ('New EU-13') and from the 'Rest of the World' were at lower risk of incorrect means, but had a much higher rate of non-compliance with the residency requirements of SPNC (Table II-14 and Table II-15).

Those not previously known to have means are more likely to have incorrect benefit and to have a larger impact on the estimated expenditure impact of incorrect benefit (Table II-17 and Table II-18).

4.3. Existing control focus

SPNC is one of the Department's largest means-tested schemes. Expenditure of €995 million was incurred on this scheme during 2017, in respect of some 95,000 primary recipients, with additional payments for 3,000 qualified adults and 600 qualified children. Roughly two-thirds of customers have declared no means at the time of application or previous claim review.

Current control activity for SPNC has largely concentrated on the one-third of claimants who declared some level of income and/or assets at the time of application or at the time of their previous claim review. Claims that fall into this category are selected for review on a more regular frequency than non-means claims (at one, two or three year intervals versus five years otherwise, depending on the specific circumstances of the case).

As part of the application process, roughly one-third of claims are referred to a social welfare inspector for investigation before the claim is decided. The remaining claims are decided following desk-assessment, taking into account documentary evidence of the income and assets of the claimant.

As part of the wider commitment to control activities, on an on-going basis, a random sample of 5% of all desk-assessed new claim awards is referred for investigation by a social welfare inspector and confirmation of eligibility.

As well as signing an undertaking at application stage to make the Department aware of any circumstantial changes, all SPNC claimants are clearly informed in their claim decision notification, and in subsequent claim review communications, that SPNC is a means-tested scheme and that they have a statutory obligation to notify the Department of any changes that may affect their continuing entitlement. Specific projects are undertaken which are based on data matches of means data from various sources. In addition to these targeted case reviews, in 2017, 15,000 claimants were selected and issued with a communication focused on informing claimants of their obligation to advise the Department of any change in their circumstances that might affect their entitlement or rate of payment. This process continued in 2018.

4.4. Challenges identified

Recent control initiatives, together with the survey's outcomes, have highlighted a number of issues to be addressed in a revised control framework for the scheme.

There is an increased risk that benefit will be paid at an incorrect rate as the claimant ages. Older claimants are less likely to be in a position to advise the Department of changed circumstances which impact eligibility and/or the level of pension payable. Aging may also be accompanied by ill-health and diminished mental capacity over time and increased reliance on family members, agents and other third parties without sufficient knowledge or access to the personal circumstances of the claimant.

Claimants with means, particularly those in receipt of a private pension and those with non-Irish pensions, have been identified as being impacted by fluctuating means due to either

adjustments in the rate of payments or variations in exchange rate vis-à-vis the Euro. Changes in the Euro exchange rates can vary widely over the short-term, requiring frequent and compensating changes in the rate of payment in SPNC. While the number of claimants impacted is relatively large, the change in the value of the payment affected is relatively small. The operation of SPNC allows claimants to be compensated for any shortfall by the payment of arrears, or for the recovery of any overpayment by adjustment to future rates of payment.

A further issue identified in the assessment of means for SPNC is that the means rules are complex. This complexity is challenging for customers to understand and difficult for Deciding Officers to apply. Where such circumstances exist, the risk of assessment error is increased.

4.5. Measures which will improve control activity

Based on the survey results, future reviews and control activity should be based on an improved risk-based approach, as set out below. Accordingly, the Department will progress the following over the course of 2019:

- A revised control framework for the scheme will be put in place by end Q1 2019 focused on the risk analysis set out in this report. This framework will set out a revised schedule for review frequencies. The selection of cases will be informed by a risk-assessment approach.

- The Department will continue to notify customers of their obligation to inform the Department of any changes in their circumstances and means with customers selected on a risk-assessed basis. In addition to claims selected for review, approximately 10,000 such notifications are expected to issue in 2019, and annually thereafter.

- Claimants with private pensions/means will be identified and targeted for more regular communication, requesting that they update the Department in a timely manner of any changes in such pensions/means.

- Similarly, claimants with foreign state pensions/means will also be identified and targeted for more regular communication, requesting that they update the Department in a timely manner of any changes in such pensions/means.

- The means rules applying to this scheme are complex. These rules will be reviewed during 2019 as part of a wider review of such rules within the Department.

- Legislation is required to improve the process by which deaths are notified to the General Registry Office and to the Department. Examination of this issue will be advanced in 2019.

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.

I.1   Incorrect benefit by type and category

i.   *Percentage of Expenditure*

Figure 2 - 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)*

	Predominant category	Type of claim impact (percentage of expenditure)					
		Over-payment	Under-payment	Transfers with other schemes	Final Incorrect Benefit Excluding Recoveries	Recoveries	**Net Loss to Government**
Percentage of Expenditure	Suspected Fraud	0.3	0.0	0.0	0.3		
	Official Error	2.4	-0.3	0.0	2.2		
	Customer Error	3.8	-0.8	0.0	2.9		
	Total	6.5	-1.1	0.0	5.4	-2.3	**3.1**
	95% CI Lower	*5.1*	*-1.6*	*0*	*3.9*	*-2.3*	*1.5*
	95% CI Upper	*8.0*	*-0.7*	*0*	*7.0*	*-2.3*	*4.7*

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

ii. Weekly expenditure impact

*Table I-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	Under-payment	Transfers with other schemes	Final Incorrect Benefit Excluding Recoveries	Recoveries	Net Loss to Government
	Suspected Fraud	0.1	0.0	0.0	0.1		
	Official Error	0.5	0.0	0.0	0.4		
	Customer Error	0.7	-0.2	0.0	0.6		
	Total	1.2	-0.2	0.0	1.0	-0.4	0.6
	95% CI Lower	*1.0*	*-0.3*	*0.0*	*0.8*	*-0.4*	*0.3*
	95% CI Upper	*1.5*	*-0.1*	*0.0*	*1.3*	*-0.4*	*0.9*

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

iii. Percentage of claims affected

Figure 3 – Cases of incorrect benefit by type, with 95% confidence intervals
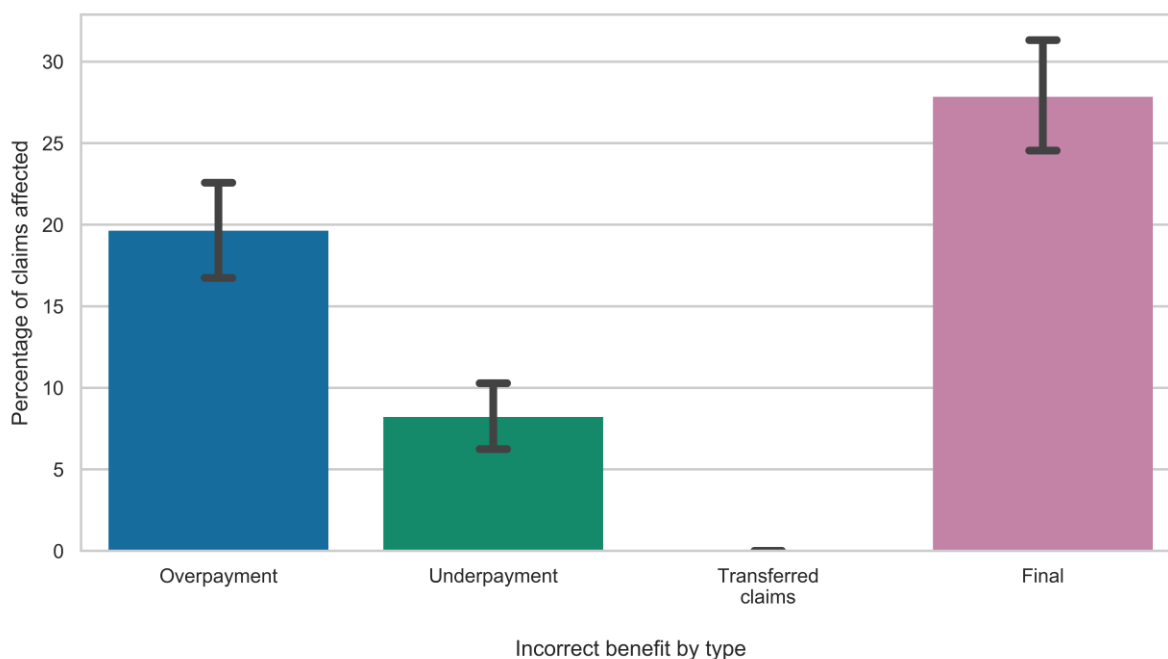
Table I-3 – Percentage of incorrect benefit cases by type and category

	Predominant category	Type of claim impact (percentage of cases affected)			
Percentage of cases affected		Overpayment	Underpayment	Transfers with other schemes	Final Incorrect Benefit Excluding Recoveries
	Suspected Fraud	0.4	0.0	0.0	0.4
	Official Error	8.9	2.5	0.0	11.5
	Customer Error	10.3	5.7	0.0	15.9
	Total	19.6	8.2	0.0	27.8
	95% CI Lower	*16.7*	*6.3*	*0.0*	*24.5*
	95% CI Upper	*22.6*	*10.3*	*0.0*	*31.2*

Source: DEASP. Figures may not add due to rounding

I.2   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 4 – Incorrect benefit 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 I-4 – Incorrect benefit 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	0.3	0.0	
	2. Official Error		2.2	2.0
	3. Customer Error			2.9

*Table I-5 – Incorrect benefit 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	0.4	0.0	
	2. Official Error		11.5	11.1
	3. Customer Error			15.9

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

*Table I-6 – Incorrect benefit 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	0.0	0.3	0.0	0.0	0.0		
	2. Official Error			0.0	0.1	2.0	0.3	1.7
	3. Customer Error						1.4	1.5

*Table I-7 – Incorrect benefit 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	0.0	0.4	0.0	0.0	0.0		
	2. Official Error			0.2	0.3	11.0	0.8	10.3
	3. Customer Error						2.5	13.5

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

I.3　Outcomes by incorrect eligibility condition

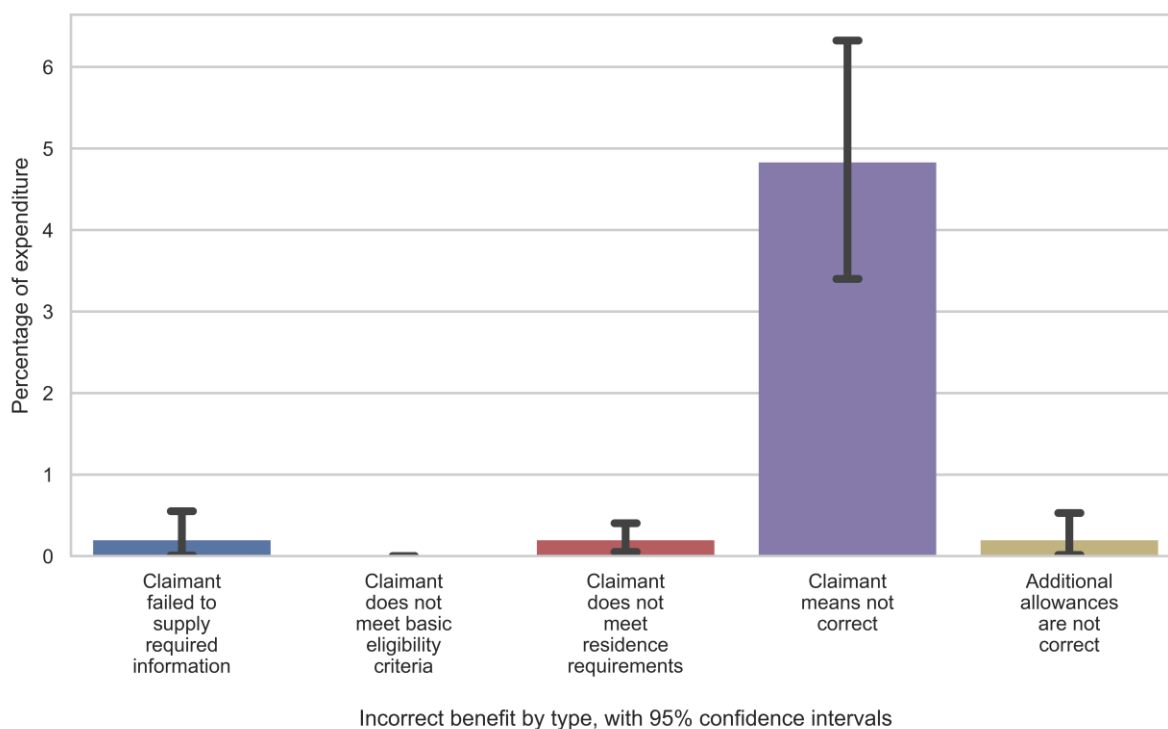*Figure 5: Incorrect Benefit by eligibility criteria and expenditure impact*

Incorrect benefit by type, with 95% confidence intervals

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

	Predominant incorrect benefit component	Predominant category			
Percentage of expenditure affected		Suspected Fraud	Official Error	Customer Error	All incorrect benefit
	Customer failed to supply required information	0.0	0.0	0.2	0.2
	Customer does not meet basic eligibility criteria	0.0	0.0	0.0	0.0
	Customer does not meet residence requirements	0.0	0.0	0.2	0.2
	Additional allowances are not correct	0.0	0.0	0.1	0.2
	Customer means not correct	0.3	2.2	2.4	4.8
	Total	0.3	2.2	2.9	5.4

Figure 6 - Incorrect benefit by eligibility criteria and number of cases affected

Incorrect benefit by type, with 95% confidence intervals

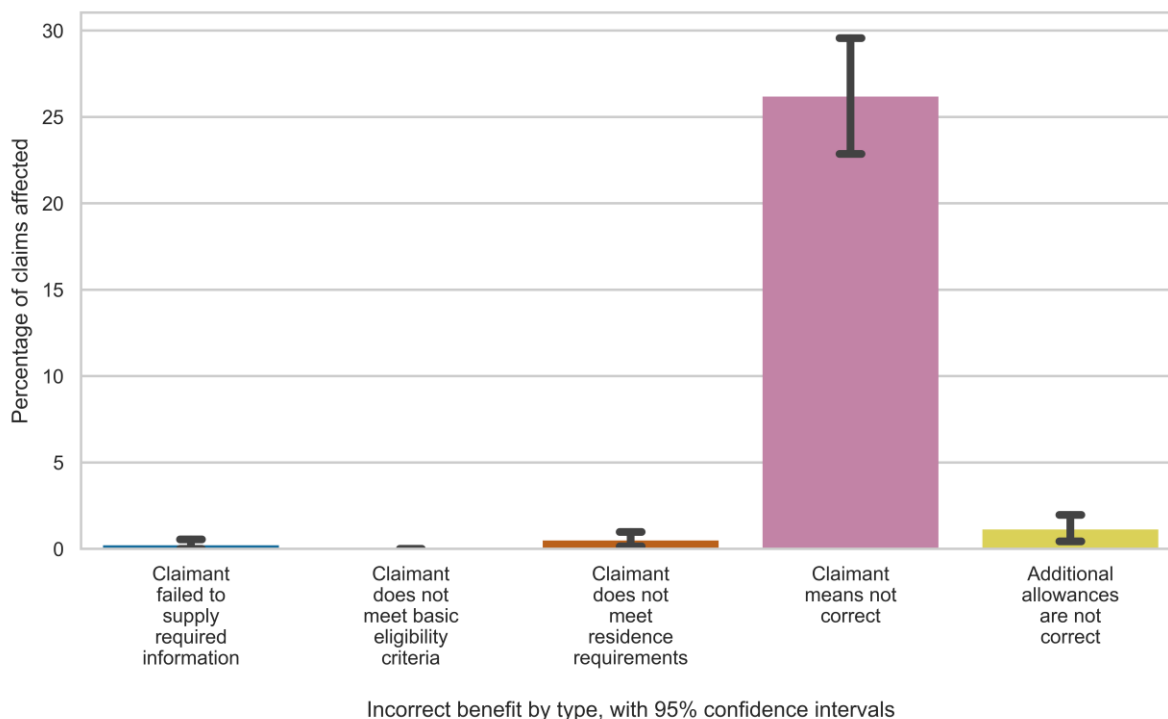*Table I-9 – Percentage of incorrect benefit cases by predominant category and eligibility component*

		Predominant category			
	Predominant incorrect benefit component	Suspected Fraud	Official Error	Customer Error	All incorrect benefit
Percentage of cases affected	Customer failed to supply required information	0.1	0.0	0.1	0.2
	Customer does not meet basic eligibility criteria	0.0	0.0	0.0	0.0
	Customer does not meet residence requirements	0.0	0.2	0.3	0.5
	Additional allowances are not correct	0.0	0.0	1.0	1.0
	Customer means not correct	0.3	11.3	14.5	26.1
	Total	0.4	11.5	15.9	27.8

Annex II   **Detailed results by risk cohort**

II.1   Age group

Figure 7 – Age profile of State Pension (Non-Contributory) October 2017
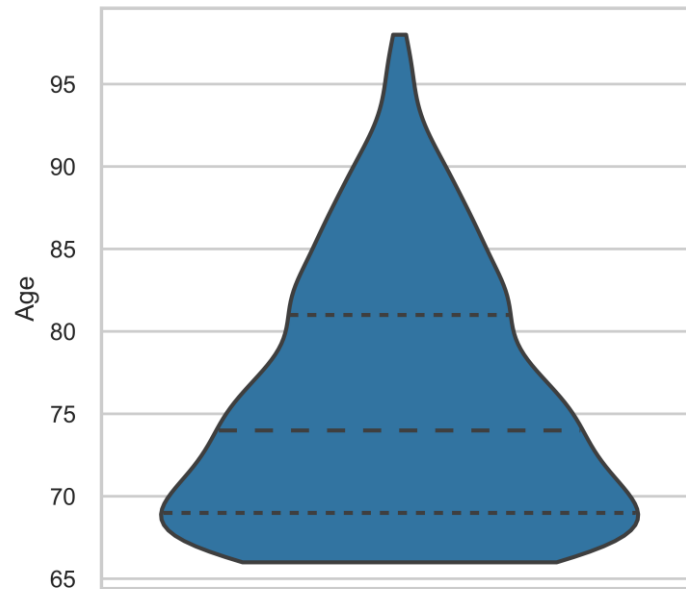

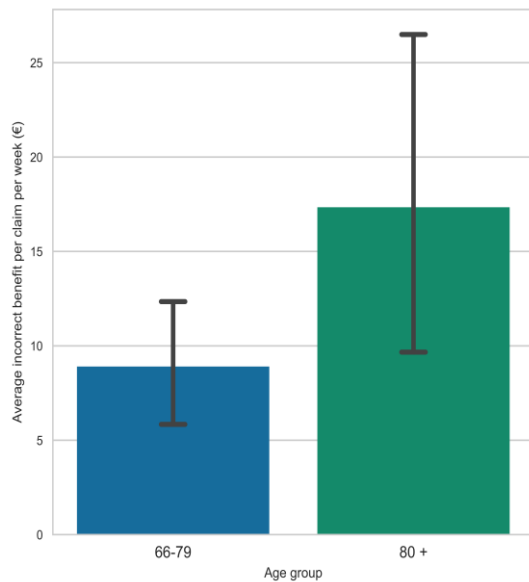*Figure 8 - Incorrect Benefit by age group (average monetary value incorrect per claim)*

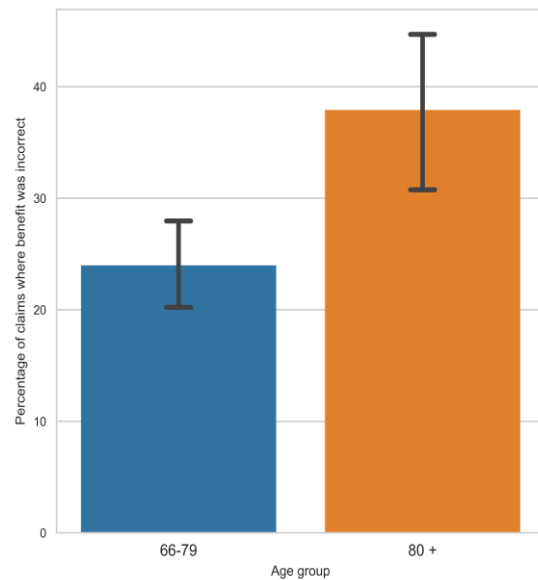*Figure 9 Incorrect Benefit by age group (% of cases affected)*

Table II-1: Age Profile of SPNC, October 2017

	66-79	80+	Overall
Estimated Weekly Expenditure (€m)	€12.7m	€6.4m	€19.1m
Number of claimants	63,321	31,641	94,962

Table II-2: Incorrect benefit by component and age group, with 95% confidence intervals (% expenditure)

Incorrect benefit eligibility component	Incorrect benefit by age group (% of expenditure)		
	66-79	80+	Overall
Customer failed to supply required information	0.0	0.6	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.3	0.0	0.2
Additional allowances are not correct	0.3	0.0	0.2
Customer means not correct	3.8	7.4	4.8
All benefit eligibility components	**4.4**	**8.0**	**5.4**
Lower bound 95% confidence interval	2.9	4.4	3.9
Upper bound 95% confidence interval	6.0	11.9	7.0

Table II-3 - Incorrect benefit by component and age group, with 95% confidence intervals (% of cases affected)

Incorrect benefit eligibility component	**Incorrect benefit by age group (% of cases)**		
	66-79	**80+**	**Overall**
Customer failed to supply required information	0.1	0.5	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.4	0.6	0.5
Additional allowances are not correct	1.0	1.4	1.1
Customer means not correct	22.4	35.9	26.2
All benefit eligibility components	**24.0**	**37.9**	**27.8**
Lower bound 95% confidence interval	20.3	30.8	24.5
Upper bound 95% confidence interval	27.8	45.4	31.1

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

II.2   Sex

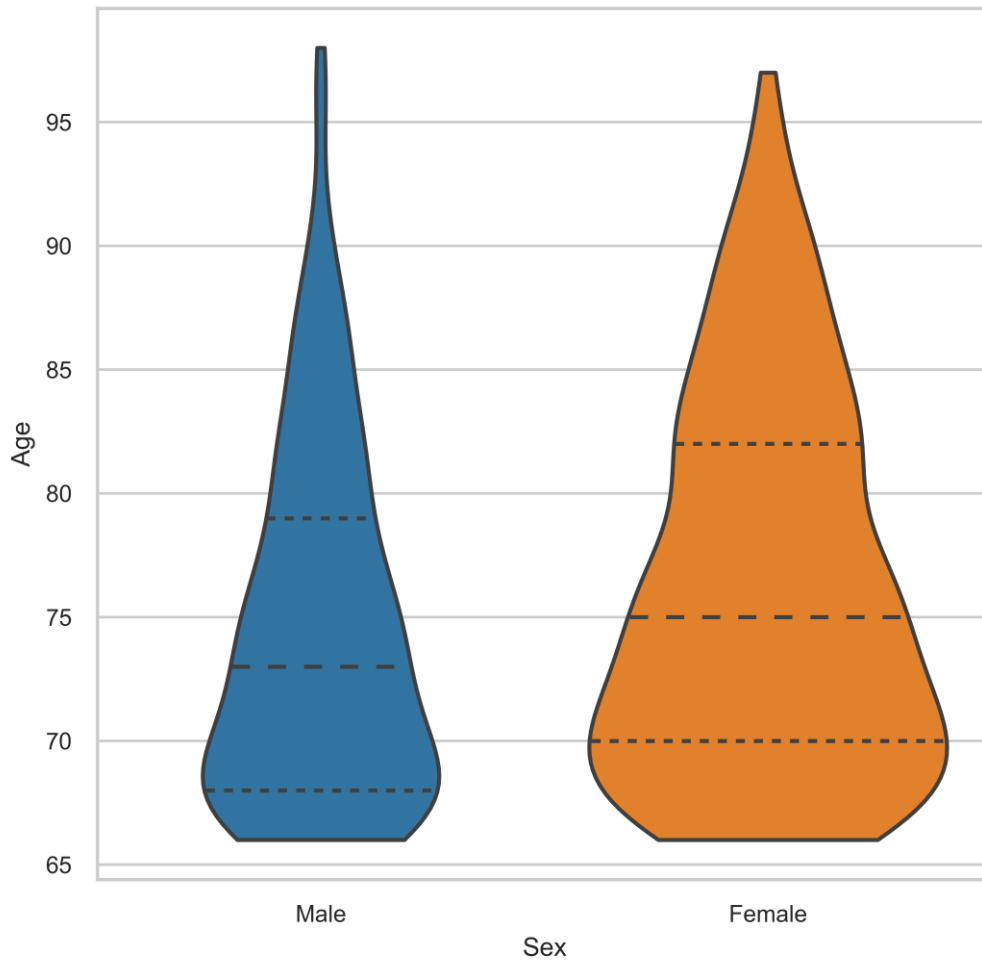*Figure 10 – Age and sex profile of State Pension (Non-Contributory), October 2017*

Figure 11 – Incorrect benefit by sex (average monetary value incorrect per claim)
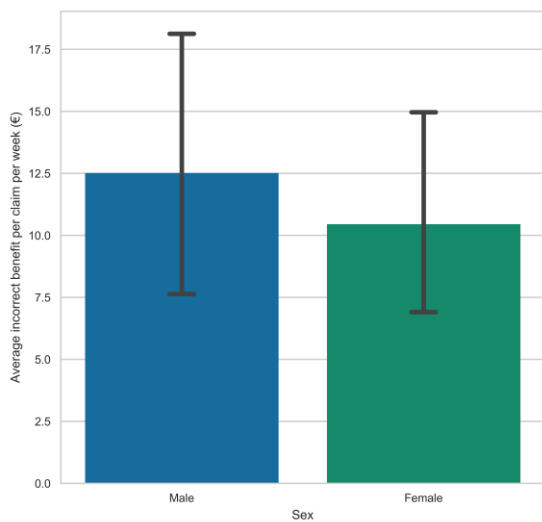

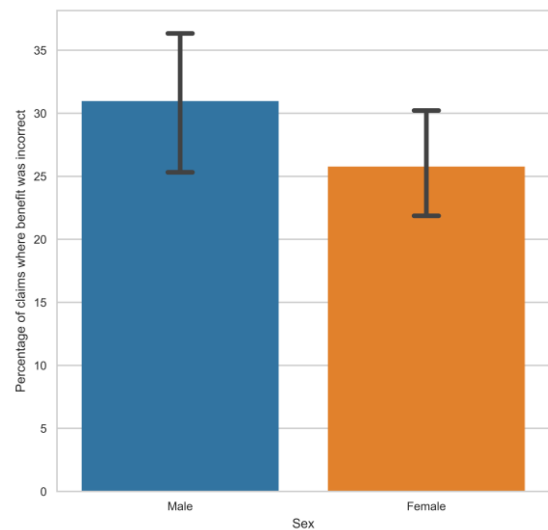*Figure 12 – Incorrect benefit by sex (% of cases affected)*

Table II-4: Sex Profile of SPNC when the sample was drawn

	Male	Female	Overall
Estimated Weekly Expenditure (€m)	€7.4m	€11.7m	€19.1m
Number of claimants	36,696	58,266	94,962

Table II-5 Incorrect benefit by eligibility condition and sex, with 95% confidence intervals (% expenditure)

Incorrect benefit eligibility component	Incorrect benefit by sex (% of expenditure)		
	Male	Female	Overall
Customer failed to supply required information	0.5	0.0	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.4	0.0	0.2
Additional allowances are not correct	0.4	0.0	0.2
Customer means not correct	4.7	4.9	4.8
All benefit eligibility components	**6.0**	**5.0**	**5.4**
Lower bound 95% confidence interval	*3.6*	*3.2*	*3.9*
Upper bound 95% confidence interval	*8.6*	*7.1*	*7.0*

Table II-6 - Incorrect benefit by component and sex, with 95% confidence intervals (% of cases affected)

Incorrect benefit eligibility component	Incorrect benefit by sex (% of cases affected)		
	Male	Female	Overall
Customer failed to supply required information	0.5	0.0	0.1
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.7	0.4	0.5
Additional allowances are not correct	1.0	1.2	1.0
Customer means not correct	28.9	24.4	26.2
All benefit eligibility components	**31.0**	**25.8**	**27.8**
Lower bound 95% confidence interval	*25.6*	*21.6*	*24.5*
Upper bound 95% confidence interval	*36.6*	*30.1*	*31.1*

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

II.3   Marital status

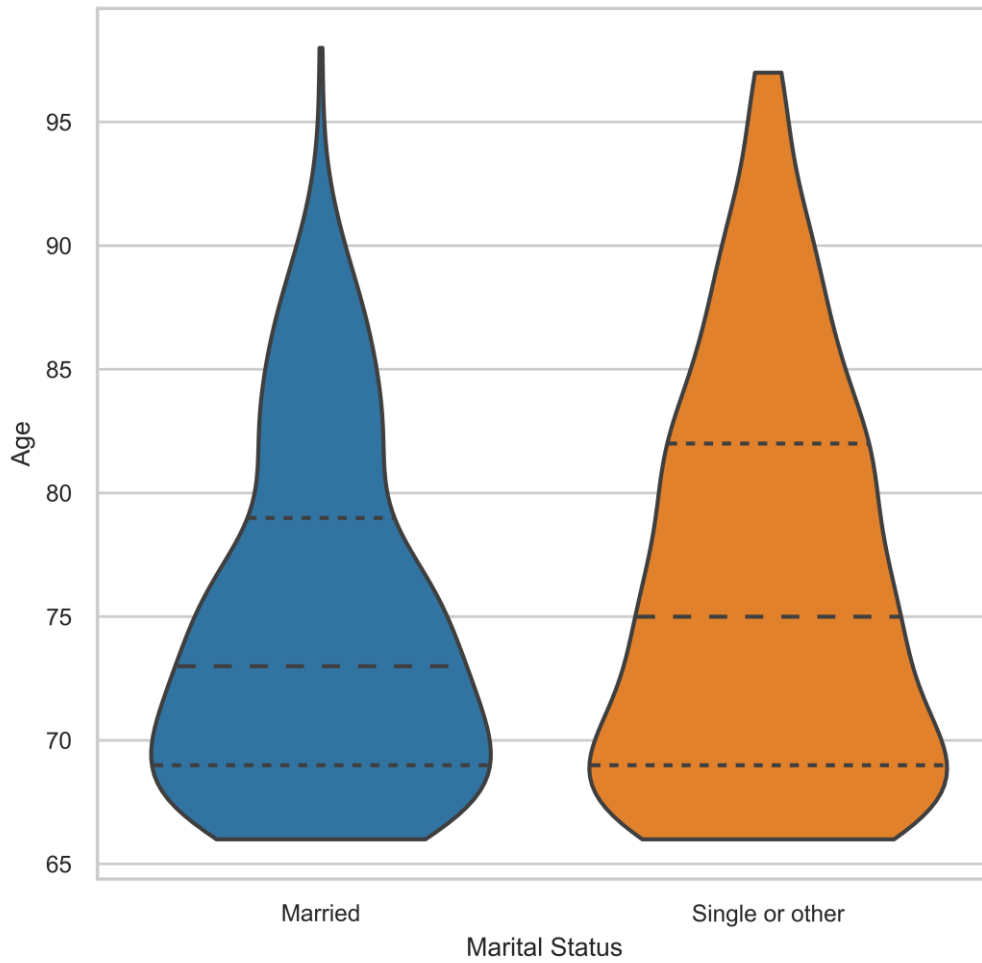*Figure 13 – Sex and marital status profile of State Pension Non contributory*

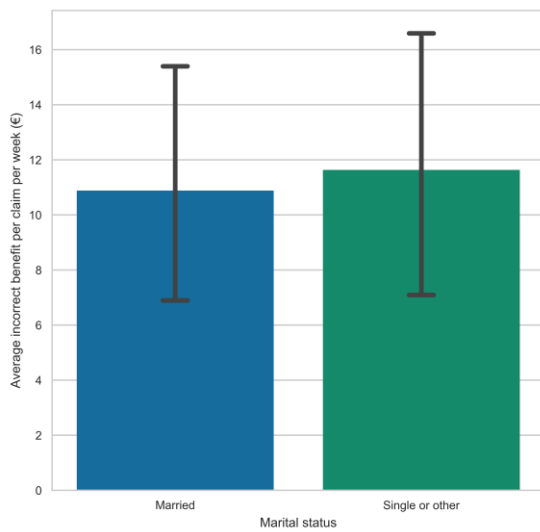*Figure 14 – Incorrect benefit by marital status (average monetary value incorrect per claim)*

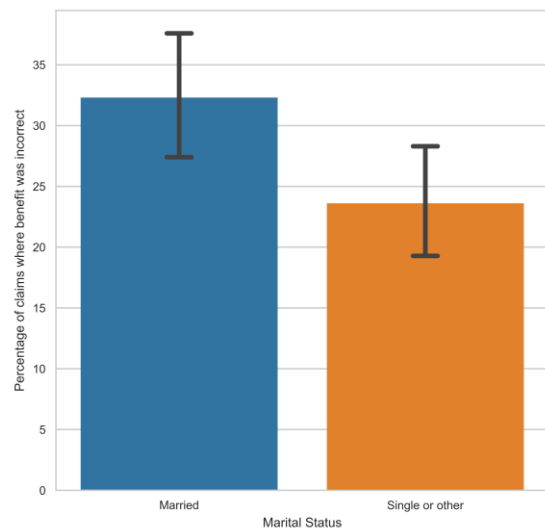*Figure 15: Incorrect Benefit by marital Status (% of cases affected)*

Table II-7 Marital Stats Profile of SPNC at the time the sample was drawn

	Married	Single or other	Overall
Estimated Weekly Expenditure (€m)	€9.8m	€9.3m	€19.1m
Number	48,554	46,408	94,962

Table II-8 Incorrect benefit by eligibility component and marital status (% of expenditure)

Incorrect benefit eligibility component	Incorrect benefit by marital status (% of expenditure)		
	Married	Single or other	Overall
Customer failed to supply required information	0.0	0.3	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.2	0.2	0.2
Additional allowances are not correct	0.0	0.4	0.2
Customer means not correct	4.9	4.7	4.8
All benefit eligibility components	**5.2**	**5.6**	**5.4**
Lower bound 95% confidence interval	*3.3*	*3.4*	*3.9*
Upper bound 95% confidence interval	*7.4*	*8.0*	*7.1*

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

Table II-9 - Incorrect benefit by component and marital status, with 95% confidence intervals (% of cases affected)

Incorrect benefit eligibility component	Incorrect benefit by marital status (% of cases affected)		
	Married	Single or other	Overall
Customer failed to supply required information	0.1	0.3	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.7	0.3	0.5
Additional allowances are not correct	0.7	1.5	1.1
Change in customer means	30.8	21.8	26.2
All benefit eligibility components	**32.3**	**22.6**	**27.8**
Lower bound 95% confidence interval	*27.4*	*19.2*	*24.6*
Upper bound 95% confidence interval	*37.4*	*28.2*	*31.2*

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

II.4   Province of residence

Figure 16 – Place of residence profile of State Pension Non Contributory recipients
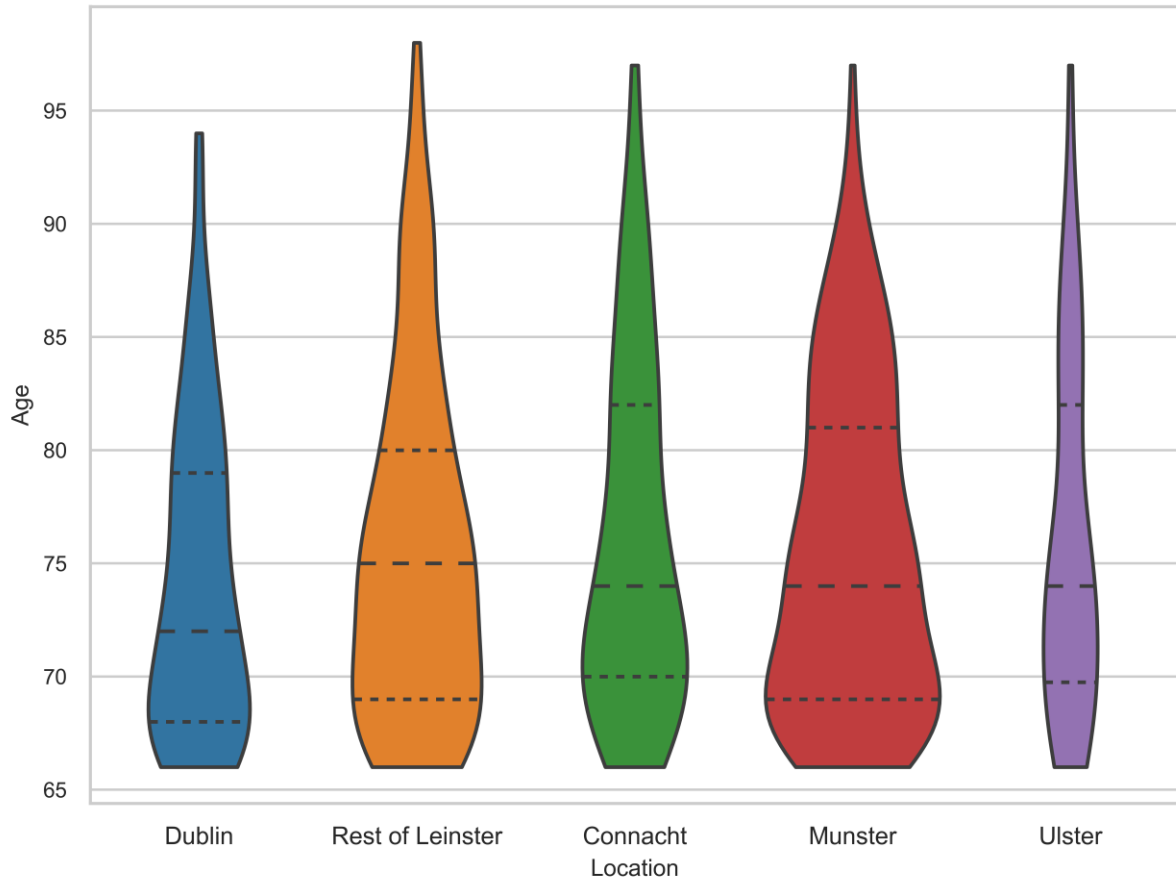

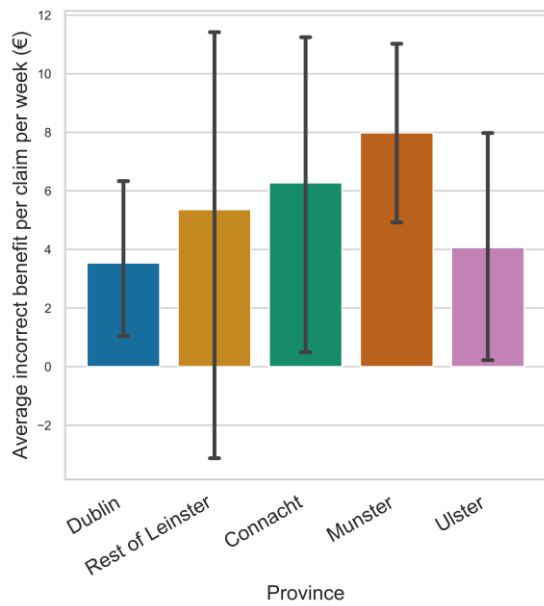*Figure 17 – Incorrect benefit by location (average monetary value incorrect per claim)*

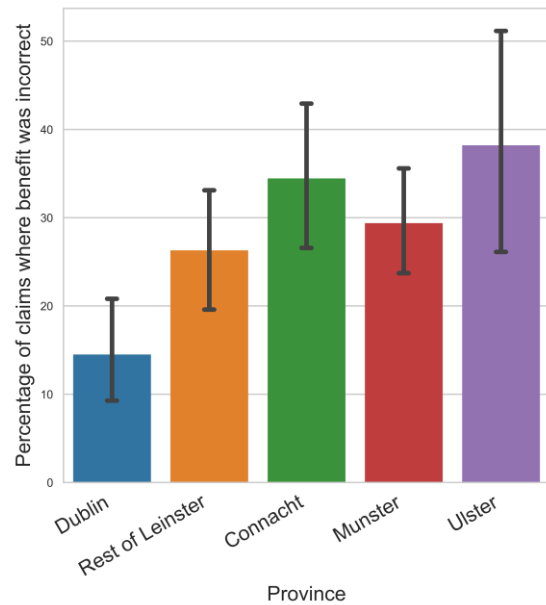*Figure 18 – Incorrect benefit by location (% of cases affected)*

Table II-10 Residence Profile of SPNC at the time the sample was drawn

	Dublin	Other Leinster	Connacht	Munster	Ulster
Estimated Weekly Expenditure (€m)	€2.8m	€4.5m	€3.7m	€5.8	€2.3m
Number	13,980	22,511	18,269	28,913	11,289

Table II-11 Incorrect benefit by eligibility component and location (% of expenditure)

Incorrect benefit eligibility component	Incorrect benefit by Customer's province of residence (% of expenditure)					
	Dublin	Other Leinster	Connacht	Munster	Ulster	Overall
Customer failed to supply required information	0.1	0.8	0.0	0.0	0.0	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0	0.0	0.0	0.0
Customer does not meet residence requirements	0.1	0.0	0.7	0.2	0.0	0.2
Additional allowances are not correct	0.0	0.1	0.0	0.0	1.8	0.2
Customer means incorrect	3.4	5.6	4.8	5.5	3.7	4.8
All benefit eligibility components	**3.6**	**6.4**	**5.6**	**5.7**	**5.4**	**5.4**
Lower bound 95% confidence interval	*1.1*	*2.8*	*2.2*	*3.0*	*1.3*	*3.9*
Upper bound 95% confidence interval	*6.7*	*10.4*	*9.4*	*8.7*	*10.4*	*7.0*

Table II-12 - Incorrect benefit by eligibility component and location, with 95% confidence intervals (% of cases affected)

Incorrect benefit eligibility component	Incorrect benefit by Customer's province of residence (% of cases affected)					
	Dublin	Other Leinster	Connacht	Munster	Ulster	Overall
Customer failed to supply required information	0.1	0.9	0.0	0.0	0.0	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0	0.0	0.0	0.0
Customer does not meet residence requirements	0.1	0.7	1.2	0.3	0.0	0.5
Additional allowances are not correct	1.1	1.3	0.8	0.6	3.1	1.1
Customer means incorrect	13.3	23.6	32.5	29.0	35.6	26.2
All benefit eligibility components	**14.5**	**26.4**	**34.5**	**29.4**	**38.6**	**27.8**
Lower bound 95% confidence interval	*8.8*	*19.6*	*25.9*	*23.5*	*26.6*	*24.5*
Upper bound 95% confidence interval	*20.9*	*33.6*	*43.3*	*35.5*	*51.5*	*31.1*

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

II.5   Nationality

Figure 19: Nationality Profile of the population
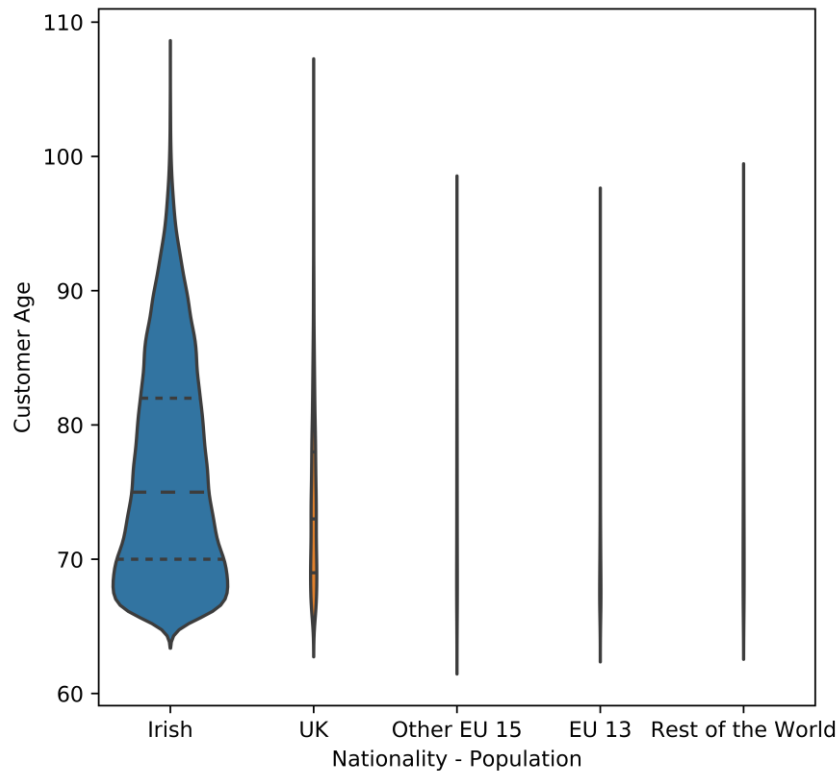

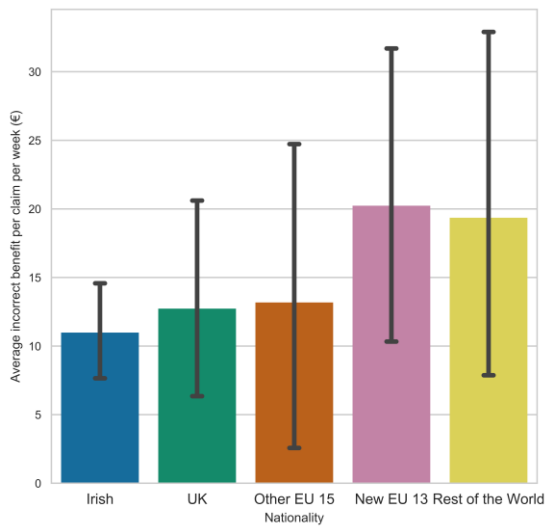*Figure 20: Incorrect benefit by nationality (average monetary value incorrect per claim)*

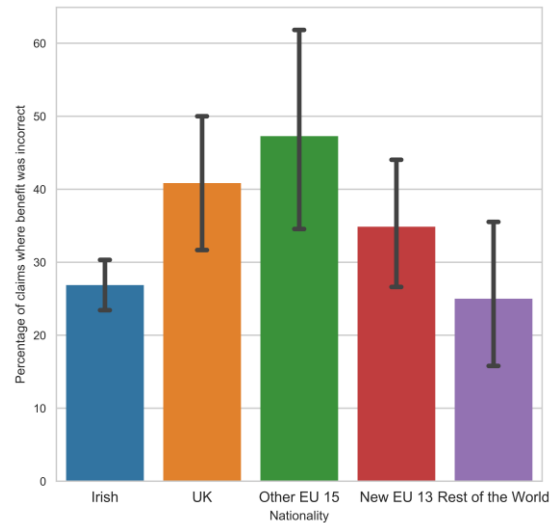*Figure 21: Incorrect benefit by nationality (% of cases affected)*

Table II-13 Nationality Profile of SPNC at the time the sample was drawn

	Irish	UK	Other EU-15	New EU-13	Rest of the World
Estimated Weekly Expenditure (€m)	€17.7m	€0.9m	€0.1m	€0.2m	€0.1m
Number	87,992	4,746	499	982	743

Table II-14 Incorrect benefit by eligibility component and nationality, with 95% confidence intervals (% of expenditure)

Incorrect benefit eligibility component	Incorrect benefit by Customer's nationality (% of expenditure)					
	Ireland	UK	Other EU-15	New EU-13	Rest of the World	Overall
Customer failed to supply required information	0.2	0.2	0.0	0.7	1.4	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0	0.0	0.0	0.0
Customer does not meet residence requirements	0.1	0.6	0.6	5.9	5.5	0.2
Additional allowances are not correct	0.2	0.1	0.0	0.0	0.0	0.2
Customer means not correct	4.6	7.0	6.3	2.8	2.3	4.8
All benefit eligibility components	**5.1**	**7.9**	**6.9**	**9.4**	**9.2**	**5.4**
Lower bound 95% confidence interval	3.5	3.9	1.3	4.7	3.8	3.9
Upper bound 95% confidence interval	6.7	12.9	12.8	15.0	15.4	7.0

Table II-15: Incorrect Benefit by eligibility component and nationality, with 95% confidence intervals (% of cases affected)

Incorrect benefit eligibility component	Incorrect benefit by Customer's nationality (% of cases affected)					
	Ireland	UK	Other EU-15	New EU-13	Rest of the World	Overall
Customer failed to supply required information	0.2	0.8	0.0	0.9	1.3	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0	0.0	0.0	0.0
Customer does not meet residence requirements	0.3	0.8	1.8	10.1	6.6	0.5
Additional allowances are not correct	1.0	1.7	0.0	1.8	0.0	1.1
Customer means not correct	25.5	37.5	45.5	22.9	17.1	26.2
All benefit eligibility components	**26.9**	**40.8**	**47.3**	**34.9**	**25.0**	**27.8**
Lower bound 95% confidence interval	23.4	31.7	34.6	26.6	15.8	24.6
Upper bound 95% confidence interval	30.3	50.0	60.0	44.0	35.5	31.2

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

II.6   Previously recorded Means

Figure 22 – Age and presence of means profile of State Pension (Non-Contributory), October 2017
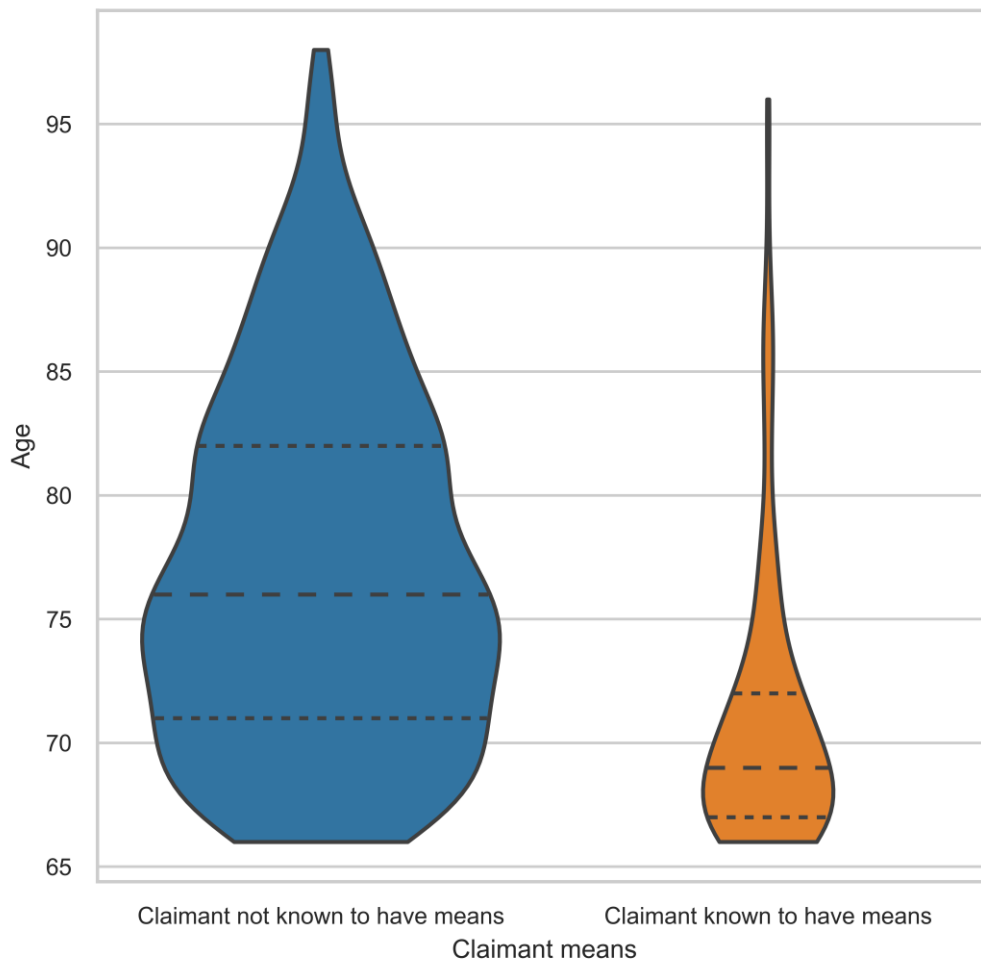

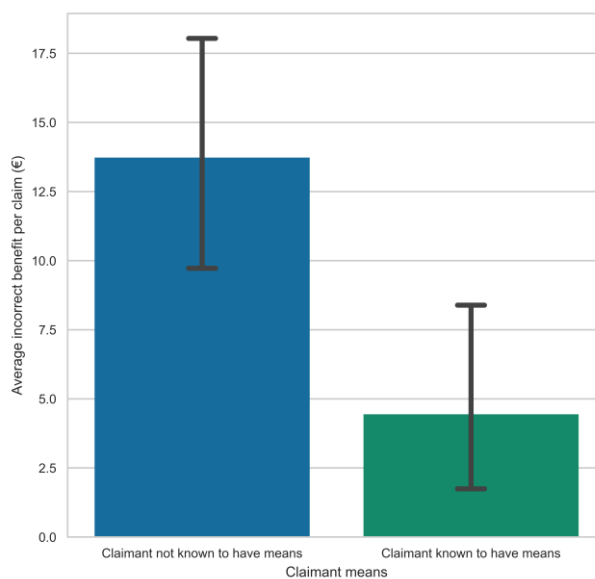*Figure 23 – Incorrect benefit by Means (average monetary change (€) per claim)*

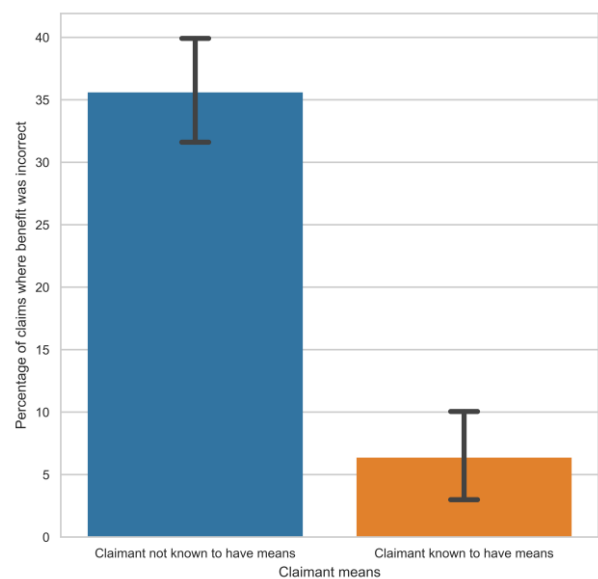*Figure 24 – Incorrect benefit by Means (% of cases affected)*

Table II-16 Means Profile of SPNC at the time the sample was drawn

	Not known to have means	Known to have Means	Overall
Estimated Weekly Expenditure (€m)	€14.2m	€4.9m	€19.1m
Number	70,519	24,443	94,962

Table II-17 Incorrect benefit by eligibility component and means (% of expenditure)

Incorrect benefit eligibility component	Incorrect benefit by Means(% of expenditure)		
	Means	No Means	Overall
Customer failed to supply required information	0.0	0.3	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.2	0.2	0.2
Additional allowances are not correct	0.0	0.3	0.2
Customer Means not correct	1.7	6.2	4.8
All benefit eligibility components	**1.9**	**6.9**	**5.4**
Lower bound 95% confidence interval	*0.8*	*4.8*	*3.9*
Upper bound 95% confidence interval	*3.4*	*9.1*	*7.0*

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

Table II-18 - Incorrect benefit by component and Means, with 95% confidence intervals (% of cases affected)

Incorrect benefit eligibility component	Incorrect benefit by Means (% of cases affected)		
	Means	No Means	Overall
Customer failed to supply required information	0.0	0.3	0.2
Customer does not meet basic eligibility criteria	0.0	0.0	0.0
Customer does not meet residence requirements	0.2	0.6	0.5
Additional allowances are not correct	0.5	1.3	1.1
Customer Means not correct	5.6	33.7	26.2
All benefit eligibility components	**6.4**	**35.7**	**27.8**
Lower bound 95% confidence interval	*3.1*	*31.4*	*24.5*
Upper bound 95% confidence interval	*10.1*	*40.0*	*31.1*

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

Annex III **Methodology**

III.1 Survey principles

The Statistics and Business Intelligence Unit of the Department, a part of the Irish Statistical System, oversees the design, sample selection, analysis and reporting of the Department's Control Surveys, to ensure that they are produced in an objective, transparent and independent manner, in line with the requirements of the Irish Statistical System Code of Practice[4].

The Department, in agreement with the Comptroller & Auditor General (C&AG), applies the following principles to the design and implementation of these surveys:

 ➢ All cases for inclusion in the survey must be selected randomly from the population of cases in payment at a specific time;

 ➢ The sample size must be sufficiently large to yield reasonably reliable estimates;

 ➢ The reviews should be carried out as promptly as possible;

 ➢ Cases should be tested fully for all possible breaches of regulations;

 ➢ The monetary values of any changes as a result of the review, together with the monetary value of the sample, should be captured so that the results can be extrapolated to draw conclusions about the estimated value of the loss; and

 ➢ The results of the survey should be capable of being audited.

III.2 Survey procedures

For every survey, a **stratified random sample** is created from the population to be surveyed (the population is the total number of benefit recipients on a given date).

A **benefit correctness assessment** is then completed for all sample cases. This requires assessing sufficient information to determine the *base payment rate* and *assessed payment rate* for each customer in the sample. This involves a desk assessment by a Deciding Officer or equivalent, and typically also requires an in-person customer inspection by a Social Welfare Inspector (SWI).

 ➢ The **base payment rate** is the customer's weekly payment rate in the last week of payment before the customer is first contacted by the Department for the purposes of the survey[5].

 ➢ The **assessed payment rate** is the correct weekly payment rate as established by the benefit correctness assessment.

Claim decisions are reviewed by a Departmental expert group, chaired by the Department's Chief Statistician and including representatives of the Control Division and the scheme area,

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[4] *http://www.isscop.ie/codeofpractice/*

[5] *For the purposes of the control survey, if it is not possible or necessary to contact the customer – for example, where a customer has very recently been inspected, or where the customer has died - the relevant week for establishing the base payment rate is the week before the desk assessment of that claim.*

before arriving at a final categorisation. This report and the data underpinning the analysis is made available to the Comptroller and Auditor-General (C&AG). The C&AG may subsequently inspect a sub-sample of the survey sample cases to verify the quality of the results and test the application of the methodology.

III.3   Categorisation of case results

The result categories outlined here are based on the decisions taken on each case, according to the survey procedures outlined above.

i.   Correct versus Incorrect Benefit

The primary categorisation for each case is between **Correct** and **Incorrect benefit**.

> **Benefit Correct**: In these cases, no evidence was found that any conditions for receipt of benefit, or the rate of benefit in payment, were not satisfied. Included in this category are cases where:
>
>> – the rate of benefit did not change
>>
>> – the rate of benefit changed or was due to change at the time the case was reviewed, but the change in rate of benefit does not relate to the fact that the case was reviewed. For example, if a customer informed the Department of a change in their means prior to first contact for the survey, or if a customer has recently died
>>
>> – The rate of benefit changed due to the impact of minor currency exchange rate fluctuations[6]
>
> **Incorrect Benefit**: One or more 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.

ii.   Benefit eligibility conditions assessed

The eligibility criteria assessed for this survey are detailed in Annex IV.

iii.   Case-wise outcome measures

The primary case-wise outcome measure is *Final Incorrect Benefit Excluding Recoveries (FIBER)*, as this best reflects the financial impact on the Department of a customer's overall benefit entitlement.   This metric comprises overpayment, underpayment and transfer impacts as follows:

> **Overpayment**: the base payment rate is *higher* than the assessed payment rate – that is, the customer was previously receiving *too high a rate of benefit* each week.
>
> **Underpayment**: the base payment rate is *lower* than the assessed payment rate – that is, the customer was previously receiving *too low a rate of benefit* each week.

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[6] In cases where all elements of a claim were satisfied but a change in the rate of payment of ±€10 occurred, and this change in payment was directly attributable to a change in non-Euro denominated means, the case was marked as Benefit Correct.

> **Transfers**: Incorrect benefit claims where the customer subsequently established an entitlement to another benefit[7].

> **Final Incorrect Benefit Excluding Recoveries (FIBER):** Overpayments minus underpayments and transfers.

iv. Error categories: Suspected Fraud, Customer Error, Official Error

Cases with error outcomes may be broken down by *incorrect benefit category*. The principal categories are Suspected Fraud[8], Official Error[9] and Customer Error, derived as follows:

Table III-1 – Derivation of Incorrect benefit categories

Category	Detail	Basis	Reference
Suspected Fraud	False Declaration	The claimant "knowingly makes any statement or representation (whether written or verbal) which is to his or her knowledge false or misleading in any material respect" which is materially relevant to his/her benefit entitlement	Social Welfare Consolidation Act 251, 302(a), 325(a)
	Wilful Concealment	The claimant "knowingly conceals any material fact" in relation to his/her entitlement	
Official Error	Mistaken decision	"by reason of some mistake having been made in relation to the law or the facts"	Social Welfare Consolidation Act 301(1), 302(b), 325(b)
	Failure to act on available information	"the decision [previously in force] was erroneous in the light of new evidence or new facts"	
	Length of time since last claim review	Operational guidelines of the Department's schemes require periodic claim reviews to confirm that the correct payment is being made to the correct person and that the qualifying conditions continue to be fulfilled. For the purpose of Control Surveys, an incorrect claim which has not been reviewed in the last 3 years (working age schemes) or 5 years (pension schemes) is deemed to be affected by this error category.	
Customer Error	Inaccurate or incomplete information	"the decision [previously in force] was erroneous in the light of new evidence or new facts"	Social Welfare Consolidation Act 301(1), 302(b), 325(b)
	Unreported change in circumstances	"relevant change of circumstances which has come to notice since that decision was given"	

Source: DEASP

It is possible for one of Suspected Fraud and Customer Error to be present on a given case, alongside Official Error. For example, this may happen where a customer has failed to report

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[7] Transferred claims are still claims where an incorrect benefit was originally assessed, so that transfers reduce the expenditure cost to the Department of incorrect benefit expenditure, but do not reduce the number of cases affected.
[8] This category has been applied to cases only where a Deciding Officer is satisfied that there is sufficient evidence that the claimant deliberately provided false or misleading information or wilfully concealed relevant information.
[9] In this survey, this category includes claims where the previous review was conducted over 5 years previously and where the rate of payment changed. The length of time since the last review was considered to be the most important source of error in these cases and, therefore, they have been ascribed as official error.

a change in means but there was an unreasonable delay on the part of the Department in reviewing the case and reflecting the change in means in the rate of payment.

To ensure clarity of reporting, where more than one type of incorrect benefit is detected, the *predominant category* is assigned according to the following hierarchy:

1. Suspected fraud by the customer;

2. Official error; and

3. Customer error.

That is, any case which shows evidence of Suspected Fraud *and* Official Error is recorded with a predominant category of Suspected Fraud, while any case which shows evidence of both Official Error and Customer Error is recorded with a predominant category of Official Error.

III.4   Outcome metrics

The headline Control Survey outcome metric is shown as Net Loss to Government, defined as the total **expenditure impact** of *incorrect benefit* cases on a *final outcome* basis.

Results are also presented in terms of the proportion of **cases** where the benefit paid was incorrect.

i.   Net Loss to Government

For all surveys starting with the State Pension (Non-Contributor) survey 2019, the primary outcome metric will be shown as Net Loss to Government.

This measure is more comprehensive than FIBER because it takes compliance and anti-fraud activity into account when estimating the overall impact of Incorrect Benefit on the scheme being assessed. The calculation of Net Loss to Government is as follows[10]:

➤ The estimated **monetary value** of the Net Loss to Government arising from Incorrect Benefit is calculated by subtracting the monetary value of overpayments recovered in a specified period from the estimated monetary value of Incorrect Benefit over the same period.

➤ The **percentage** estimate for Net Loss to Government is then calculated by dividing the monetary value of the net loss by total expenditure over the same period.

Because overpayment recoveries are not categorised in the same way as Incorrect Benefit cases (between Suspect Fraud, Official Error, and Claimant Error), it is only possible to produce this metric at the overall Incorrect Benefit level.

ii.   Expenditure impact

Overpayment cases *increase* the overall expenditure impact of incorrect benefit payments, whereas underpayment cases *decrease* it. The expenditure impact can be expressed in two ways:

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[10] The metric brings Ireland into line with international best practices, and was originally developed by the UK Department of Work and Pensions with oversight from the UK National Audit Office.

- The ***percentage expenditure impact*** is the total net change in payment rates in a given category detected in the survey, divided by the total of all base payment rates of the customers in the survey sample.

- The ***monetary expenditure impact*** is the percentage expenditure impact multiplied by the total scheme expenditure for a given period (a week).

As well as the overall result, results according to the *expenditure impact* metric are also presented for every sub-category of incorrect benefit payment.

iii. Cases affected

Both overpayment and underpayment cases count towards the number of cases affected metric for overall incorrect benefit payments. The metric may be presented either as a number or as a proportion:

- The ***number of cases affected*** is a count of all incorrect benefit cases in a given category[11].

- The **proportion of cases affected** is the number of cases affected divided by the sample size.

Results according to the cases affected metric are also presented for every sub-category of incorrect benefit. Transferred claims are still claims where an incorrect benefit was originally assessed, so that transfers reduce the expenditure cost to the Department of incorrect benefit expenditure, but do not reduce the number of cases affected.

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[11] This count is reweighted where necessary if differential sampling rates have been used.

Annex IV **Eligibility criteria assessed**

Eligibility Component	Detail	Reference
Engage with the Department	Claimants must engage with the Social Welfare Inspector and supply the requested information.	SWCA 2005, s. 250
Basic Eligibility Criteria	Claimant must be 66 or older Claimant must be alive whilst claiming	SWCA 2005, s.153(a) S.I. No. 142 of 2007, s. 205
Residence Requirements	Claimant must be entitled to reside, and habitually resident in, the State	SWCA 2005, s.153(c)
Means	Claimants (and their spouse or partner) must satisfy a means test for income and capital	SWCA 2005, s.153

Additional Statutory Allowances	Increase for Qualified Adult, who:
	➢ lives with the claimant;
	➢ satisfies a means test;
	➢ is aged under 66.
		SWCA 2005, s.157
		
		SWCA 2005, s.153

	Increase(s) for Qualified Child(ren), who are: ➢ aged under 18, live with the claimant and are maintained by the claimant,; or ➢ aged 18-22, enrolled in full-time education at a recognised school or college	SWCA 2005, s.156-159
	Living Alone Allowance	SWCA 2005, s.157, (b)
	Over-80s Allowance	SWCA 2005, s.157 (c)
	Island Allowance	SWCA 2005, s.157 (d)

Annex V **Sampling frame and raw results**

V.1   Sampling frame

For this survey, the Statistics and Business Intelligence Unit selected a stratified random sample of 1,000 cases from the SPNC claims in payment in October 2017.

In order to produce reliable estimates for the much smaller non-Irish nationality groupings, disproportionate stratified random sampling was applied. This means that non-Irish nationality groupings were sampled at higher rates than the Irish nationality grouping (column B in the table below).

The overall results of the survey were then re-weighted by the inverse of the sample weighting, so as to reflect the population distributions (column D in the table below).

In other words, each sampled case in the UK, Other EU-15, New EU-13, and Rest of World groups has a lower weighting in the overall results than each sampled case in the Irish group.

Table V-1: Population and Sample Distributions, Sample Weighting

Nationality	A. Population Distribution	B. Sample weighting applied (1/D)	C. Sample Distribution	D. Results weighting applied (1/B)
Ireland	87,992	1 / 1	640	1
UK	4,746	1 / 0.19	120	0.19
New EU-13	499	1 / 0.17	109	0.17
Other EU-15	982	1 / 0.09	55	0.09
Rest Of World	743	0.12 / 1	76	0.12

Source: DEASP

V.2   Raw results

The results presented on the following pages are the unweighted results of the sub-samples analysed, and so are reflective of the sample rather than the entirety of the SPNC scheme.

i. Irish nationality

Table V-2 Population and Sample Description

	Number	%	Weighting Applied
Population	**94,962**	**100.00**	
Population - Irish	87,992	92.66	
Sample	*640*	*64.00*	*1*

Table V-3: Total and Percent of Cases classified as Benefit Correct / Benefit Incorrect - Irish customers

	Detail	Number of cases	Percent within group
Benefit Correct		**468**	**73.1**
All Benefit Incorrect Cases	**All cases**	**172**	**26.9**
	Claimant failed to supply required information	1	0.2
	Claimant does not meet basic eligibility criteria	0	0
	Claimant does not meet residence requirements	2	0.3
	Additional allowances are not correct	6	0.9
	Claimant means incorrect	163	25.5
Suspected Fraud	**Suspected Fraud Cases**	**2**	**0.3**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	0	0.0
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	2	0.3
Official Error	**Official Error Cases**	**72**	**11.3**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	0.2
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	71	11.1
Claimant Error	**Claimant Error Cases**	**98**	**15.3**
	Claimant failed to supply required information	1	0.2
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	0.2
	Additional allowances are not correct	6	0.9
	Claimant means incorrect	90	14.1

Source: DEASP

ii. UK nationality

Table V-4 Population and Sample Description

	Number	%	Weighting Applied
Population	**94,962**	**100**	
Population – UK	4,746	5.0	
Sample	*120*	*12.0*	*0.19*

Table V-5: Total and Percent of Cases classified as Benefit Correct / Benefit Incorrect - UK customers

	Detail	Number of cases	Percent within group
Benefit Correct		**71**	**59.2**
All Benefit Incorrect Cases	**All cases**	**49**	**40.8**
	Claimant failed to supply required information	1	0.8
	Claimant does not meet basic eligibility criteria	0	0
	Claimant does not meet residence requirements	1	0.8
	Additional allowances are not correct	2	1.7
	Claimant means incorrect	45	37.5
Suspected Fraud	**Suspected Fraud Cases**	**2**	**1.7**
	Claimant failed to supply required information	1	0.8
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	0	0.0
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	1	0.8
Official Error	**Official Error Cases**	**20**	**16.7**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	0	0.0
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	20	16.7
Claimant Error	**Claimant Error Cases**	**27**	**22.5**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	0.8
	Additional allowances are not correct	2	1.7
	Claimant means incorrect	24	20.0

Source: DEASP

iii. Other EU-15 (pre-enlargement Member-States excluding Ireland and UK) nationality

Table V-6: Population and sample description

	Number	**%**	**Weighting Applied**
Population	**94,962**	**100**	
Population – Other EU 15[12]	499	0.5	
Sample	*55*	*5.5*	*0.09*

Table V-7: Total and Percent of Cases classified as Benefit Correct / Benefit Incorrect – EU-13 customers

	Detail	**Number of cases**	**Percent**
Benefit Correct		**29**	**59.2**
All Benefit Incorrect Cases	**All cases**	**26**	**47.3**
	Claimant failed to supply required information	0	0.00
	Claimant does not meet basic eligibility criteria	0	0
	Claimant does not meet residence requirements	1	1.8
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	25	45.5
Suspected Fraud	**Suspected Fraud Cases**	**0**	**0.0**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	0	0.0
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	0	0.0
Official Error	**Official Error Cases**	**6**	**10.9**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	0	0.0
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	6	10.9
Claimant Error	**Claimant Error Cases**	**20**	**36.4**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	1.8
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	19	34.5

Source: DEASP

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[12] These are: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden

iv. New EU-13 (post-2004 enlargement EU Member-States) nationality

Table V-8: Population and Sample description

	N	%	Weighting Applied
Population	**94,962**	**100**	
Population – New EU13[13]	982	1.0	
Sample	*109*	*10.9*	*0.17*

Table V-9: Total and Percent of Cases classified as Benefit Correct / Benefit Incorrect – EU 15-28 customers

	Detail	Number of cases	Percent within group
Benefit Correct		**71**	**65.1**
All Benefit Incorrect Cases	**All cases**	**38**	**34.9**
	Claimant failed to supply required information	1	0.9
	Claimant does not meet basic eligibility criteria	0	0
	Claimant does not meet residence requirements	11	10.1
	Additional allowances are not correct	1	0.9
	Claimant means incorrect	25	22.9
Suspected Fraud	**Suspected Fraud Cases**	**1**	**0.9**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	0	0.0
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	1	0.9
Official Error	**Official Error Cases**	**4**	**3.7**
	Claimant failed to supply required information	1	0.9
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	0.9
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	2	1.8
Claimant Error	**Claimant Error Cases**	**33**	**30.3**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	10	9.2
	Additional allowances are not correct	1	0.9
	Claimant means incorrect	22	20.2

Source: DEASP

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[13] These are: Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia

v. Rest of the World nationality

Table V-10: Population and Sample Description

	Number	%	Weighting Applied
Population	**94,962**	**100**	
Population – Rest of the world	743	0.8	
Sample	*76*	*7.6*	*0.12*

Table V-11: Total and Percent of Cases classified as Benefit Correct / Benefit Incorrect – Rest of the World customers

	Detail	Number of cases	Percent
Benefit Correct		**57**	**75.0**
All Benefit Incorrect Cases	**All cases**	**19**	**25.0**
	Claimant failed to supply required information	1	1.3
	Claimant does not meet basic eligibility criteria	0	0
	Claimant does not meet residence requirements	5	6.6
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	13	17.1
Suspected Fraud	**Suspected Fraud Cases**	**2**	**2.6**
	Claimant failed to supply required information	1	1.3
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	1.3
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	0	0.0
Official Error	**Official Error Cases**	**8**	**10.5**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	1	1.3
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	7	9.2
Claimant Error	**Claimant Error Cases**	**9**	**11.8**
	Claimant failed to supply required information	0	0.0
	Claimant does not meet basic eligibility criteria	0	0.0
	Claimant does not meet residence requirements	3	3.9
	Additional allowances are not correct	0	0.0
	Claimant means incorrect	6	7.9

Source: DEASP

Annex VI **Household Benefits (HHB)**

As part of the continuing analysis of the Household Benefits (HHB) package, eligibility for HHB was also assessed.

In this survey 539 SPNC customers were in receipt of HHB prior to commencement of the survey. Of these, 525 continued to receive HHB after the survey.

Table VI-1: Estimated Final Incorrect Benefit Excluding Recoveries for HHB customers in receipt of SPNC

	Ireland	UK	EU 13	EU 15-28	World	**Overall**
Rate (% of cases)	2.2%	2.7%	0.0%	6.1%	5.3%	**2.3%**

Source: DEASP

For HHB customers receiving SPNC, the FIBER rate was found to be 2.3% of cases, representing 2.3% of expenditure.

Table VI-2 shows that recent surveys have assessed HHB eligibility for cohorts covering about 69% of all HHB claimants.

Based on these surveys, it is estimated that the overall FIBER rate for HHB is 1.3% of HHB expenditure.

Table VI-2: Estimated Final Incorrect Benefit Excluding Recoveries for HHB customers in surveyed schemes

Scheme	Survey start	Survey publication	% of HHB claimants	Error rate
Household Benefits (only)	Q1 2016	Q3 2016	7%	5.4%
State Pension (contributory)	Q1 2016	Q2 2017	43%	0.3%
Carer's Allowance	Q1 2017	Q3 2018	6%	7.8%
State Pension (non-contributory)	Q4 2017	Q4 2018	13%	2.3%
Total			**69%**	**1.3%**