



Department
for Work &
Pensions

Benefit Inspection/Reviews

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WORKSHOP ON

REDUCING ERROR, FRAUD & CORRUPTION (EFC) IN SOCIAL
PROTECTION PROGRAMS

June 8-12, 2014, Opatija, Croatia



Deciding risk and allocation for intervention



- Fraud and Error Prevention
 - Risk based approach to selection
- Customer Compliance
 - Risk based pre payment checks
 - Referrals from data matching
 - Referrals from fraud investigators
 - Direct referrals assessed as more appropriate to CC than investigation
 - Not suitable for investigation
 - Not suitable for criminal prosecution
- Fraud Investigation
 - Direct referrals assessed as more appropriate to investigation than CC
 - Suitable for criminal prosecution
 - Referrals from data matching

Case Cleansing



Case cleanse

- Centres have been cleansing the Working Age benefit caseloads since November 2010 and have had an incredible 3 years, resulting in exceeded targets and delivering savings in excess of £595 million.
- In addition in Pension Centres, £395.65 million has been saved over the last 3 years.
- The Department has teams cleansing cases by risk-targeted interventions across working age, pension age and disability benefits.
- We have dedicated teams reviewing over one million claims a year.
- These have produced excellent results in that for every £1 spent we have saved £7 across the major benefits.

Fraud and Error Prevention



- The Fraud and Error Prevention teams provide a single DWP response to case cleanse work which involves:
 - rectifying both claimant and official error on cases
 - identifying suspected fraud
 - educating customers in how to report changes in their circumstance

This is integral to the Department's drive to reduce Fraud and Error and to maintaining the integrity of the benefits system

- We recognise that the contact with many claimants can be minimal and where it does occur the contact is normally about helping the unemployed back to work.

Fraud and Error Prevention



- Using risk profiles and selection techniques, cases are selected for a contact by telephone and a thorough review of the claim is carried out.
- Working Age claimants are called without any advance warning. Pension age claimants are given an appointment.
- Referrals are made for fraud investigation if information is obtained during the interview. This could be a suspicion during the answers to questions or it could be because the member of staff hears something.
- The outstanding results achieved so far have drawn praise from high profile visitors including Ministers
- The work is vital as it will help DWP to move forward with significantly less fraud and error in our benefits system, which in turn will make the implementation of Welfare Reforms such as Universal credit and Pension Credit Plus less risky.

Customer Compliance

Customer Compliance action sits between Fraud & Error Prevention activity and a full criminal investigation

A case can be referred from Investigation to Customer Compliance or from Customer Compliance to Investigation at any point in time

Customer Compliance

The purpose of a Customer Compliance intervention is to:

- Find out if there is anything incorrect about the claim
- Correct the benefit in payment if necessary
- Ensure the claimant is fully aware of the rules for claiming benefit
- Get a statement to record what has occurred
- Ensure the claimant is aware of the consequences should anything similar occur again
- Refer for overpayment recovery action



Customer Compliance

Referrals

Compliance staff receive fraud referrals that have insufficient detailed information to proceed with a criminal investigation. These can include:

- Living together case with no named partner
- Working case where there is no named employer and financial checks have revealed no further information
- The fraud has been reported soon after it began
- An intervention would produce a small overpayment

A referral sent for criminal investigation is transferred to compliance when:

- Not suitable for further investigation
- Lack of intelligence or evidence
- Unsafe to conduct surveillance
- Initial Investigation shows overpayment is probably below £2,000

Customer Compliance

In addition, five risk areas are used to identify new claims requiring additional checks before payments are made.

The way Customer Compliance staff operate is:

- Most customer compliance contact is face to face in an office interview.
- Some telephone interviews.
- Some home visits – either notified or unnotified.

DWP Fraud & Error Service

