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A G E N C Y

# SSA Annual Report on Decision Making and Financial Accuracy

1 January to 31 December 2014







# Annual Report on

## Decision Making and Financial Accuracy

**1 January to 31 December 2014**

*The Social Security Agency is an Executive Agency within the Department for Social Development.  
The Report is laid before the Northern Ireland Assembly under Article 76 of the Social Security  
(Northern Ireland) Order 1998 by the Department for Social Development.*

*Date: 18 December 2015*



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# Foreword by the Standards Committee Chairperson

## Introduction

The Standards Committee for Northern Ireland was established on foot of the reorganisation of adjudication and appeals provided for in the Social Security (Northern Ireland) Order of 1998. Appendix 1 of this report sets out the background to the creation of the Committee and its terms of reference. Put simply, the Order placed responsibility for monitoring the standard of decisions against which there is a right of appeal on the Department. The duties involved were then delegated to the Chief Executive of the Social Security Agency (the Agency) and the Head of Division (now the Chief Executive) of the Child Maintenance Service (CMS) formerly known as the Child Support Agency. These were major changes which raised issues relating to credibility and transparency. To allay these concerns, the Westminster government gave assurances that committees would be established with independent members to ensure independent oversight of decision making. In consequence, the Committee for Northern Ireland has an independent Chair and two independent members. The full membership of the Committee is set out on page 13 of this report. Appendix 1 also details the very broad responsibilities of the Committee. We are required to provide assurances to the Chief Executives of the Agency and CMS that robust arrangements are in place to monitor the quality of decision making and to ensure that there is a process to feed back the results of monitoring to secure continuous improvement. We are also required to oversee the standard of decision making, to identify weaknesses in performance and to make recommendations to address these.

With regard to the Agency, the Committee discharges these responsibilities in various ways. The quarterly reports on decision making produced by the Standards Assurance Unit (SAU) within the Agency are closely examined by the full Committee which meets four times a year. In the main, the focus is on outcomes but there is also an on-going discussion about the methodology employed to monitor performance and, as a safety net, the Committee can request SAU to conduct special exercises if it is felt that there is an issue requiring further exploration. Additionally, to obtain a fuller understanding of the data presented, there is a programme of meetings with staff across the Agency and there are other informal meetings as required. We also meet with those outside the Agency who can assist us in discharging our responsibilities. This year we had very helpful discussions with the Northern Ireland Audit Office (NIAO) and members of the voluntary advice sector.

Drawing on all of this experience, I am pleased to report that the Agency's arrangements to monitor the quality of decision making are robust and effective. The work of SAU is of a high standard and I should note that this view is endorsed by the NIAO. I can also confirm that there is an on-going process of feedback to promote continuous improvement which is summarised on page 17 of this report.

### The work of the Committee in 2014

As the minutes of all of our meetings indicate this has been a very busy year. In addition to its main business, the Committee has received regular updates on the work being done to assist claimants of the Employment and Support Allowance who find the completion of the ESA 50 and/or attendance for assessment difficult. As such claimants have an atypically high success rate at appeal, we will continue to monitor the efforts being made by staff to address this problem. We have also received regular updates on the work being done with regard to feedback from appeals hearings and the reorganisation of the administration of overpayments for which the standard of decision making has been of concern for some time. Across the year we have had meetings with staff in the Disability and Carers Service, the Employment and Support Allowance, the Northern and Southern Regions, the Financial Support Service Pilot, the Pensions Centre and the Decision Making Services.

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At all points, we have been impressed by the commitment and expertise of staff. The Disability and Carers Service continues to provide a service of a high standard despite difficulties which I discuss more fully below. The staff of the Employment and Support Allowance continue to effectively manage a volume of work which at many points is greater than forecast. The Northern and Southern regions continue to provide an effective front-line service and, despite staffing difficulties, the Pensions Centre, which is responsible for 53.9% of the benefit expenditure associated with the 6 main benefits listed at Appendix 7, continues to make a strong contribution to the task of ensuring that the right money goes to the right person. Underpinning all of this are the staff of the Decision Making Services, who deliver training, advice and guidance and provide representation in, for example, appeals to Commissioners and the higher courts. As usual, we have been impressed by the knowledge and expertise of staff, which is not available from any other source, and the contribution made to the standard of decision making.

It should be noted that one issue has overshadowed much of this work: the delay in the enactment of the Welfare Reform Bill for Northern Ireland. We have been conscious of concern that if, or when, the Bill is passed a massive programme of

change will have to be undertaken in a very short period of time within a context of reduced staffing and the additional uncertainties to which the voluntary exit scheme may give rise. There is the problem of staff who are unsure of their future roles and, at the same time, are having to cope with the anxieties of claimants. Both the Agency and the voluntary sector have had the task of minimising the confusion caused by DWP generated letters which have been sent to claimants in Northern Ireland to whom the changes set out do not yet apply. The independent members of the Committee have become concerned about aspects of the new sanctions regime in operation in GB which give rise to questions relating to the standard of decision making. I am grateful to SAU for completing a special exercise which will provide a starting point for future work if needed. In the face of such a range of difficulties, all staff are to be commended for focusing on delivering the service and doing so to the high standard set out below.

### Monitoring the standard of decision making

The methodology employed to monitor the standard of decision making by the Agency is set out in Part 2 of the report. In essence, each month a random sample of cases is selected from across the live load. These cases are then checked for financial accuracy: the correctness of the amounts being paid. The core purpose here is to determine the proportion of total expenditure which is appropriately disbursed. Because the sample is drawn from across the live load, many of the decisions checked at this stage will have been made some time ago. Their inclusion is necessary for accounting purposes but a further exercise is conducted to establish the current standard of decision making. Under this process, cases from the sample used for the measurement of financial accuracy are checked to identify those where the most recent decision was made in the preceding twelve months. The quality of these decisions is assessed by reference to four criteria which include the correct interpretation and application of the law and sufficiency of evidence. An error is recorded where there is a financial consequence.

Three comments can be made on this methodology. First, the recording of errors only where there is a financial consequence is in line with procedures in Great Britain but has been controversial. In Northern Ireland therefore we include additional material to provide information on all errors. The table in Appendix 2 indicates that, for the major benefits, the inclusion of all errors makes no difference to the number of benefits meeting the targets set. This is a very satisfactory result. Secondly, the sampling methodology used can generate a very small number of recent decisions for checking. Where this gives cause for concern the Committee can use the safety net referred to above and ask for

further work to be done. Thirdly, it is important to note that where an error is recorded this does not mean the decision was flawed throughout but rather that it was deficient by reference to one or more of the four criteria used.

### The standard of decision making accuracy in 2014

Appendix 4 provides an example of the legislation which decision makers are required to apply correctly. The complexity of their work is, I fear, much underrated as, indeed is the quality of the work done. Part 3 of the report sets out details of performance, with regard to decision making accuracy, in 2014. The table on page 22 indicates that eight of the eleven benefits hit, and more typically, exceeded the benchmark set. Four of the six main benefits exceeded the benchmark set with the performance of State Pension being within the confidence level. The outcome for Employment and Support Allowance is particularly creditable in the light of all of the challenges faced by staff in recent years which I have discussed at length in previous forewords. On the face of it the only poor performer is State Pension Credit with accuracy dropping from 97% to 92%. My understanding is that a significant proportion of this difference is accounted for by a change in the methodology this year whereby cases with a consequence of less than 50p were recorded as errors. Comparing performance this year with previous years, it can be seen that Disability Living Allowance continues to achieve a very high standard of decision making. For Employment and Support Allowance and Income Support the data indicate an improved performance over last year. For Job Seeker's Allowance the data show a slight decline but the performance remains comfortably above the benchmark. Taken as a whole this is a satisfactory performance.

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### Financial accuracy

Part 4 of the report sets out the performance of the Agency with regard to financial accuracy. The table on page 32 indicates that, contrary to public perception, money is being spent for the purposes intended. The table indicates that five of the eight benefits exceeded the targets set and two were within the upper confidence levels. Employment and Support Allowance narrowly missed the target. Whilst this was a slight improvement in performance over the previous year, I am aware that this is a matter of concern to the Agency and would hope to see some improvement next year so that the benchmark is achieved. Taken as a whole, however, this is a good performance. The effectiveness of the Agency in guarding the public purse is also evident in Appendix 7. This sets out the estimated monetary value of error for the six main benefits. From this it can be seen that the total value of monetary error is 0.9% of total expenditure. The table also indicates that error is not synonymous with damage to the public purse.

Indeed, the table indicates that the loss via overpayments is more than outweighed by the volume of underpayments.

## Other issues

Other matters of interest in the report relate to overpayments, appeals and clearance times. Page 36 indicates a standard (81%) of decision making for overpayments which is utterly unacceptable. It is to be hoped this position will be remedied by the reorganisation referred to above. With regard to appeals submissions, this is a complex area of work and I am pleased to note the low number of comments recorded. Finally, Appendix 3 suggests that clearance times are generally satisfactory. The main area of concern relates to ESA appeals and this is a consequence of the various difficulties which I have dealt with at length in previous forewords. I am very aware of the efforts made by staff to overcome these difficulties and would hope to see some progress in the near future.

## Conclusion

I am pleased to be able to provide a generally positive assessment of the quality of decision making by the Agency. I would wish to record my thanks to my fellow Committee members. I am particularly grateful to my two independent members, Laura McPolin and Kevin Higgins, for the expertise they bring to our work and to Clare Cull, our secretary for the support she provides to the Committee.



**Chairperson of the Standards Committee**

## Introduction by the Chief Executive

I am pleased to introduce the Social Security Agency's 16th Annual Report on Decision Making and Financial Accuracy prepared for the Joint Standards Committee (the Standards Committee).

This report focuses on two main areas; the level of Decision Making Accuracy in social security benefits and the level of Financial Accuracy. The purpose is to establish if the decisions to award claims to benefit are correct and also to provide robust estimates of the percentage of benefit expenditure which is paid correctly. Accuracy underpins the Agency's key business plan commitment to ensure that customers are receiving the right benefit at the right time.

Decision making standards have remained robust during this year, with 8 of the 11 benefits measured either meeting or exceeding their benchmark target. State Pension and Industrial Injuries Disablement Benefit both missed their target, with one decision making error being detected in both benefits. Some of the errors (7 in total) detected in relation to State Pension Credit were included following a change in measurement methodology from previous years and these now include recorded errors of less than 50 pence.

Financial accuracy results have also remained positive during 2014 with 5 of the 6 main benefits, namely Disability Living Allowance, State Pension, State Pension Credit, Income Support and Job Seeker's allowance all meeting their financial accuracy target either fully, or within their upper confidence level.

Although Employment Support Allowance missed its 2014 financial accuracy target of 98%, there was a notable and steady reduction in financial premium errors detected by the Agency's Standards Assurance measurement staff. This trend, supported via a continued focus through Error Reduction Division's targeted activity to detect and remove this error, and, despite the significant rise in ESA customers through 2014 / 2015, should result in ESA improving its financial accuracy position throughout 2015.

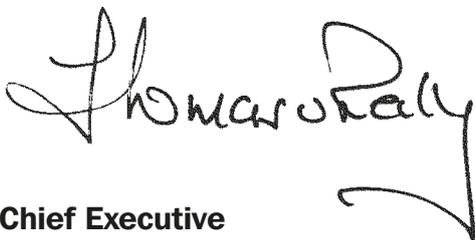
The Agency is also very much focused on the issue of performance in decision making accuracy in overpayments, and has already embarked on a programme of work to identify the causes to drive improvement. Workshops have already taken place, areas of potential weakness identified, and senior managers have oversight and input on the development of recovery plans. The Agency is optimistic that decision making accuracy will improve steadily during 2015.

I would like to thank all staff for their continued commitment and hard work during this year. The sustained good results outlined in this report clearly demonstrate that Agency staff have retained their focus on delivering excellent customer service and are resilient and capable in a climate of change and uncertainty.

In 2015, the Agency will continue to face many new and demanding challenges, and I am confident that our staff will continue to provide a high quality and professional service to all our customers.

I would like to pass on my sincere appreciation and thanks to Professor Eileen Evason, Laura McPolin and Kevin Higgins in the Joint Standards Committee. The important role of the Committee in providing independent scrutiny and assurance to me on the standards of decision making and making recommendations for improvement, where necessary, is highly valued by myself and the senior management team of the Agency.

Finally, I would also take the opportunity to thank staff involved in the preparation of this report.

A handwritten signature in black ink that reads "Thomas Kelly". The signature is written in a cursive style with a large, stylized 'T' and 'K'.

**Chief Executive**



# Background

## Part 1

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## Background

The Chief Executive of the Social Security Agency (the Agency) is responsible for monitoring and reporting on decision making standards. He also reports on the financial accuracy of payments for Disability Living Allowance, Employment and Support Allowance, Income Support, Jobseeker's Allowance, State Pension, State Pension Credit, Attendance Allowance, Bereavement Benefit, Carer's Allowance, Industrial Injuries Disablement Benefit, Maternity Allowance and Social Fund. The standard of financial accuracy for these benefits along with Incapacity Benefit and Widows Benefit is also shown in the Social Security Agency's Annual Report and Accounts.

In 1999, a Northern Ireland Joint Standards Committee (the Standards Committee) for the Social Security and Child Support Agencies was set up to oversee monitoring arrangements and report on performance. From 1 April 2008 the Northern Ireland Child Support Agency became a division within the Department for Social Development called the Child Maintenance and Enforcement Division and was later renamed Child Maintenance Service from 1 April 2013. The Standards Committee is responsible for the following:

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- assuring the Chief Executive of the Agency and Director of Child Maintenance Service that the Agency and Child Maintenance Service are –
  - (a) monitoring their decision making procedures effectively;
  - (b) applying the relevant legislation properly; and
  - (c) monitoring and reporting on their performance;
- identifying common trends in the quality of the Agency's and Child Maintenance Service's decision making and highlighting those areas where they need to improve;
- making specific recommendations on any area the Standards Committee considers appropriate;
- assuring the Chief Executive and Director that the Agency and Child Maintenance Service have procedures in place to get feedback from their monitoring results so that they can keep improving;
- reporting to the Chief Executive and Director on the decision making process and, where necessary, recommending changes to it; and
- reporting on how well the Agency and Child Maintenance Service have improved their performance.

The Standards Committee members are:

|   |  |
|---|--|
| <b>Eileen Evason (CBE)<br/>Chair</b>        | Emeritus Professor in Social Administration,<br>University of Ulster               |
| <b>Kevin Higgins<br/>Independent Member</b> | Head of Policy, Advice NI  |
| <b>Laura McPolin<br/>Independent Member</b> | Barrister, Civil and Family Law  |
| <b>John McKervill</b>                       | Director of Pensions, Disability and Corporate<br>Services, Social Security Agency |
| <b>Conrad McConnell</b>                     | Assistant Director Benefit Security, Social<br>Security Agency                     |
| <b>Jonathan Furphy</b>                      | Business Analytics & Training Senior Manager,<br>Child Maintenance Service         |
| <b>Eileen Donnelly</b>                      | Performance and Planning, Child Maintenance<br>Team                                |
| <b>Lacey Walker</b>                         | Head of Audit, Department for Social<br>Development                                |

Appendix 1 sets out the terms of reference for the Standards Committee.



# Measurement and Sampling Methodology

## Part 2

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# Measurement and Sampling Methodology

The Social Security Agency's Annual Report on Decision Making and Financial Accuracy for the period 1 January to 31 December 2014 (the Report) summarises the monitoring results for standards of decision making and financial accuracy within the Social Security Agency for 2014. Measurement of decision making and financial accuracy in the Agency is carried out by Standards Assurance Unit. Decision making and financial accuracy checks are carried out using the one common random sample of cases for each benefit.

Until 31 December 2013 the de-minimus rule was applied to both Decision Making and Financial Accuracy meaning that errors of less than 50p (£1 for JSA) were treated as correct. From 1 January 2014 the methodology was changed and these errors are now treated as incorrect for both Decision Making and Financial Accuracy.

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## Monitoring

Standards Assurance Unit completes the following checks on a case in the common sample:

- **Decision Making** – The monitor checks if a decision has been made on the case within the last 12 months and if so, the case is used to measure the standard of decision making. The purpose of this check is to establish if the actual decision awarding a new claim to benefit or changing the rate of benefit in payment is correct. A decision making error is only recorded where the incorrect decision also results in the payment being incorrect. The standard of decision making is expressed as a percentage. It is important to note that when Standards Assurance Unit reports on the standard of decision making it is only on decisions made by offices within the last 12 months so that the quality of current decision making can be assessed. It does not cover the full live load. Until 31 March 2002 the decision making and official error standards were checked in different ways but with effect from May 2002 the checks were brought into line with each other and a decision making error will only be reported if a payment error also exists. The errors which would have previously been reported as full decision making errors are noted as Additional Errors and shown in Appendix 2 to the Report. For revision and supersession decisions, the check is based on the last business event.

The decision making check continues to examine the 4 main areas as follows:

- *evidence* – is there enough evidence on which to base a decision?
- *determination of questions* – have all relevant questions been decided?
- *findings of fact* – have the correct facts been found from the evidence available at the time of the decision?
- *interpretation and application of the law* – has statute law and case law (previous commissioner/court decisions) been correctly interpreted and applied?

In addition to the 4 main areas, the effect of evidence received since the date of the last decision is also considered, where this would have caused a revision or supersession of the award.

- **Financial Accuracy** – The financial accuracy standard represents the estimate of the percentage of the benefit expenditure that is paid correctly. Financial accuracy is measured by considering the monetary value of each error, either overpayment or underpayment, identified during the official error check. The monetary value of each error identified is passed to Analytical Services Unit who extrapolate the figures to estimate the likely level of financial error in the live load for the benefit concerned.

All errors identified in the decision making and financial accuracy checks, including errors which do not cause a payment error, are reported back to operational managers and staff for the purpose of continuous improvement and to enable them to take corrective action. A further analysis of the financial accuracy results can be found in Part 4 of this report.

## Clearance Times

Appendix 3 sets out the Agency's standard in achieving clearance time benchmarks across the social security benefits.

## Legislation Extract

Appendix 4 sets out an extract from the Income Support (General) Regulations (Northern Ireland) 1987 (legislation governing "persons from abroad" for the purposes of Income Support) to illustrate the complexity of the law.

## Sample Size and Selection

### Random Sample, Confidence Level and Confidence Intervals

On a monthly basis, statisticians provide Standards Assurance Unit with a random sample of cases from across each benefit live load. This means that the sample can contain a range of cases from the oldest in the live run to the most recent. This is necessary to meet Northern Ireland Audit Office requirements to reflect the full live load. The samples provided for each benefit aim to ensure that the results of the financial accuracy exercise are to a confidence interval of no more than +/- 1% for all benefits and the results of the decision making exercise expected to achieve a confidence interval of no more than +/- 5% for all benefits.

The financial accuracy (percentage of annual benefit expenditure paid correctly) of a social security benefit is estimated from random samples selected throughout the year.

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The overall sample size required to measure financial accuracy is based on a confidence level, a confidence interval and an estimate of the financial accuracy in the benefit population. Using the weekly monetary amounts paid in error, benefit expenditure and the appropriate statistical formula, the sample size required to measure financial accuracy in 2014, at the 95% confidence level, was calculated for each benefit.

The process was repeated for decision making to calculate the sample size required to measure decision making in 2014 at the 95% confidence level and an expected confidence interval of no more than 5% for each benefit.

## Stratification

The financial accuracy of each social security benefit was estimated from stratified random samples of benefit cases selected throughout the year. Stratification serves to ensure that the sample is distributed over the sample in the same way as the overall benefit population. The sample therefore better reflects the population than it would have been likely to if it were selected entirely at random. For this reason, stratification acts to increase the precision of the estimates.

For example, Jobseeker's Allowance and Income Support, the total benefit population was sub-divided by benefit processing centre. The benefit population within each benefit processing centre was further sub-divided by client group. A sample of cases was then selected randomly from each client group. Cases for each benefit were randomly selected on a monthly basis.

## Variability and Sample Size

The variability in the attribute being measured within the population is an important factor in determining the sample size required. The more variability in the population, the larger the sample size required to achieve a given confidence interval.

For example, the sample size needed to measure financial accuracy to a given confidence interval would depend on the proportion of cases paid correctly. If over 90% of cases were paid correctly, this indicates that the variability in the population is low i.e. a large majority of cases are paid correctly. However, if 50% of cases were paid incorrectly, this indicates a high level of variability in the population. This greater level of variability means that a larger sample size would be needed to achieve a given confidence interval.



# Results - Decision Making

## Part 3

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## Results - Decision Making

The table below sets out the standard achieved against the decision making benchmarks for all social security benefits. These results are also shown in the graph in Appendix 5 to the Report with comparison to last year's result.

Appendix 6 to the Report details the type of decision making errors made under the 5 main headings.

| Decision Making                          | Total Cases Monitored | Number of Incorrect Cases | Error Rate | Decision Making Standard | Decision Making Benchmark | Variance |
|--|-----------------------|---------------------------|------------|--------------------------|---------------------------|----------|
| <b>Main Benefits</b>                     |                       |                           |            |                          |                           |          |
| Disability Living Allowance              | 62                    | 0                         | 0%         | 100%                     | 98%                       | 2%       |
| Employment and Support Allowance         | 120                   | 0                         | 0%         | 100%                     | 95%                       | 5%       |
| Income Support                           | 130                   | 2                         | 2%         | 98%                      | 95%                       | 3%       |
| Jobseeker's Allowance                    | 144                   | 1                         | 1%         | 99%                      | 95%                       | 4%       |
| State Pension                            | 28                    | 1                         | 4%         | 96%                      | 97%                       | -1%      |
| State Pension Credit                     | 216                   | 18                        | 8%         | 92%                      | 95%                       | -3%      |
| <b>Other Benefits</b>                    |                       |                           |            |                          |                           |          |
| Attendance Allowance                     | 39                    | 0                         | 0%         | 100%                     | 98%                       | 2%       |
| Bereavement Benefit                      | 150                   | 0                         | 0%         | 100%                     | 97%                       | 3%       |
| Carer's Allowance                        | 59                    | 0                         | 0%         | 100%                     | 98%                       | 2%       |
| *Industrial Injuries Disablement Benefit | 11                    | 1                         | 9%         | 91%                      | 96%                       | -5%      |
| Maternity Allowance                      | 120                   | 3                         | 2%         | 98%                      | 98%                       | 0%       |

\*IIDB reporting period is Jan - Aug 14 (It was not possible to monitor IIDB cases properly from Sep 14 onwards, due to information no longer being available from the Data Image Processing System).

SF cases were not monitored for Decision Making in 2014 due to Funeral Payments and Sure Start Maternity Grants no longer being included in the yearly sample. The discretionary aspects of SF were monitored for **Financial Accuracy only** i.e. Budgeting Loans, Community Care Grants and Crisis Loans.

The results from the Decision making Table shows that:

- 8 of the 11 decision making benchmarks have been achieved with 7 actually exceeding their benchmark.

### **Additional Errors**

Appendix 2 details the impact on the overall decision making standard if additional errors were included for all benefits. The additional errors are extremely important for the purposes of correct decision making and are given the same profile as full decision making errors for the purposes of continuous improvement.

### **Decision Making Performance of the Six Main Benefits**

This part of the Report details the standard of decision making for the 6 main benefits: Disability Living Allowance, Employment and Support Allowance, Income Support, Jobseeker's Allowance, State Pension and State Pension Credit.

## Disability Living Allowance Decision Making

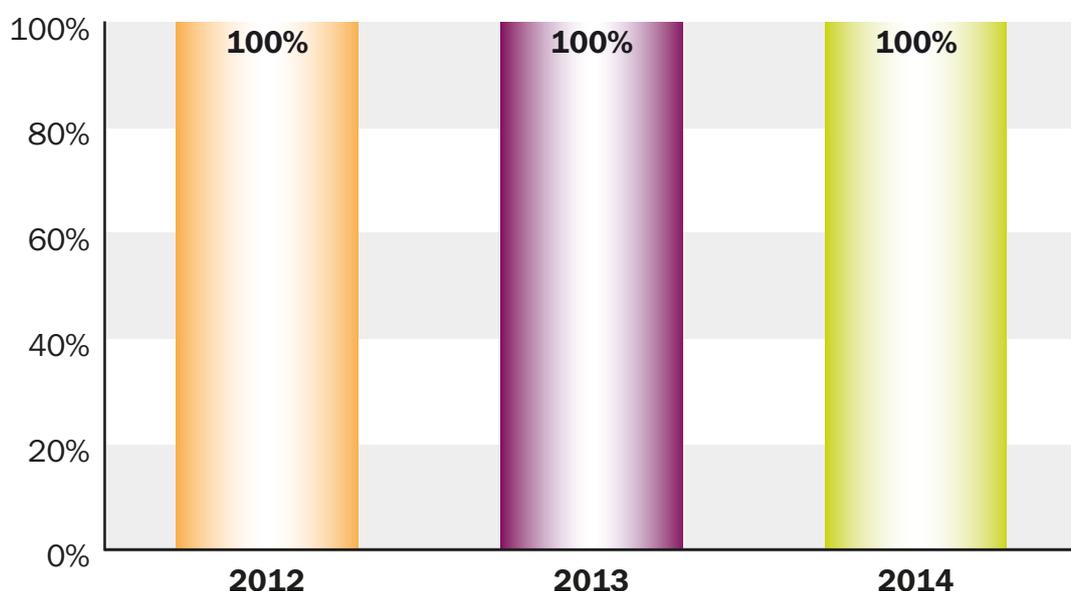
To find out the standard of decision making, 62 cases were examined and all cases (100%) were correct. The decision making standard was 2 percentage points above the benchmark of 98%. The table below shows the breakdown of performance under each type of decision monitored.

| DLA Type of Decision       | Total Cases Checked | Number of Cases Incorrect | Error Rate | Percentage of Decisions Correct | Confidence Interval |
|----------------------------|---------------------|---------------------------|------------|---------------------------------|---------------------|
| Claims                     | 53                  | 0                         | 0%         | 100%                            |                     |
| Reconsiderations           | 1                   | 0                         | 0%         | 100%                            |                     |
| Revisions                  | 1                   | 0                         | 0%         | 100%                            |                     |
| Supersessions              | 7                   | 0                         | 0%         | 100%                            |                     |
| <b>Overall performance</b> | <b>62</b>           | <b>0</b>                  | <b>0%</b>  | <b>100%</b>                     | <b>N/A</b>          |

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The chart below compares decision making standard over the last 3 years.

### DLA Standard of Decision Making



## Employment and Support Allowance Decision Making

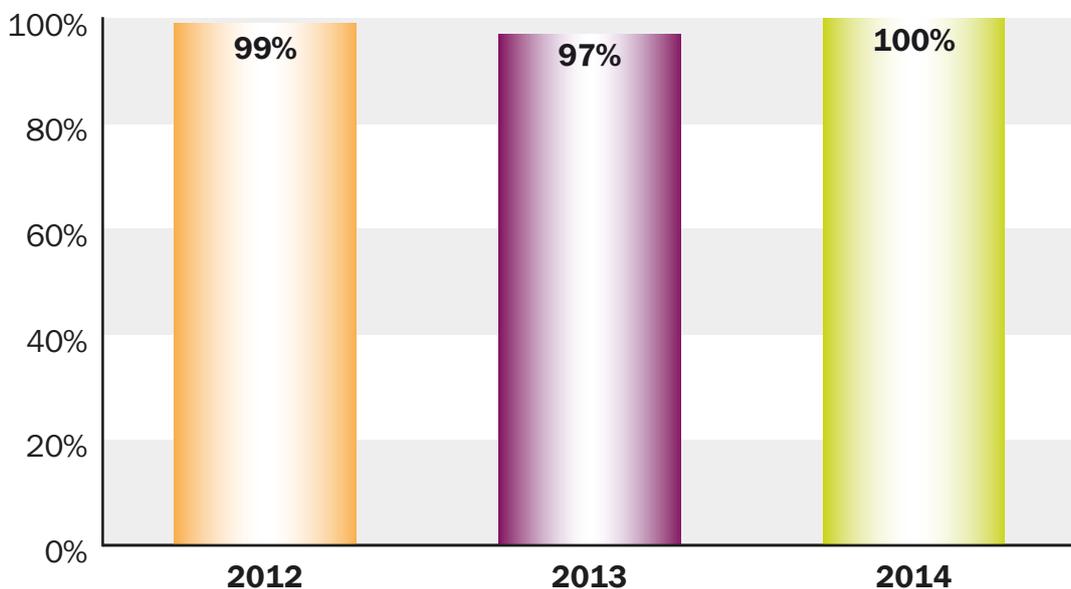
To find out the standard of decision making, 120 cases were examined and all cases (100%) were correct. The decision making standard was 5 percentage points above the benchmark of 95%. The table below shows the breakdown of performance under each type of decision monitored.

| ESA Type of Decision       | Total Cases Checked | Number of Cases Incorrect | Error Rate | Percentage of Decisions Correct | Confidence Interval |
|----------------------------|---------------------|---------------------------|------------|---------------------------------|---------------------|
| Claims                     | 14                  | 0                         | 0%         | 100%                            |                     |
| IB-IS Reassessment         | 64                  | 0                         | 0%         | 100%                            |                     |
| Revisions                  | 2                   | 0                         | 0%         | 100%                            |                     |
| Supersessions              | 40                  | 0                         | 0%         | 100%                            |                     |
| <b>Overall performance</b> | <b>120</b>          | <b>0</b>                  | <b>0%</b>  | <b>100%</b>                     | <b>N/A</b>          |

The chart below compares decision making standard over the last 3 years.

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## ESA Standard of Decision Making



## Income Support Decision Making

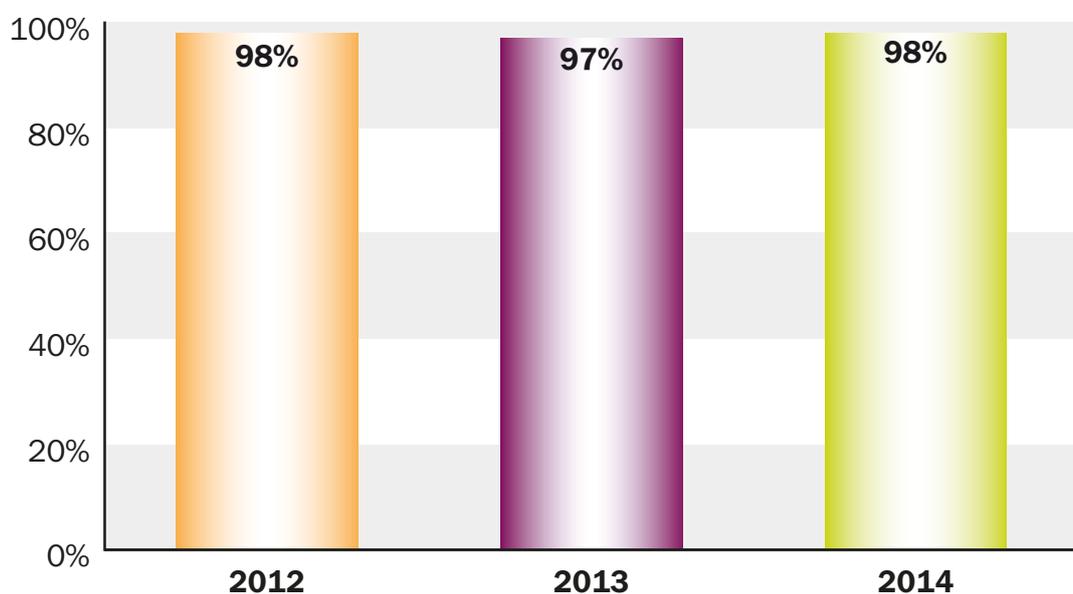
To find out the standard of decision making, 130 cases were examined and 128 cases (98%) were correct. The decision making standard was 3 percentage points above the benchmark of 95%. The table below shows the breakdown of performance under each type of decision monitored.

| IS Type of Decision        | Total Cases Checked | Number of Cases Incorrect | Error Rate | Percentage of Decisions Correct | Confidence Interval |
|----------------------------|---------------------|---------------------------|------------|---------------------------------|---------------------|
| Claims                     | 54                  | 0                         | 0%         | 100%                            |                     |
| Reconsiderations           | 2                   | 0                         | 0%         | 100%                            |                     |
| Revisions                  | 4                   | 0                         | 0%         | 100%                            |                     |
| Supersessions              | 70                  | 2                         | 3%         | 97%                             |                     |
| <b>Overall performance</b> | <b>130</b>          | <b>2</b>                  | <b>2%</b>  | <b>98%</b>                      | <b>+/- 2.1%</b>     |

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The chart below compares decision making standard over the last 3 years.

## IS Standard of Decision Making



The areas of error were *findings of fact and interpretation and application of the law* (1 error each) and related to income taken into account incorrectly and sanction imposed incorrectly, respectively.

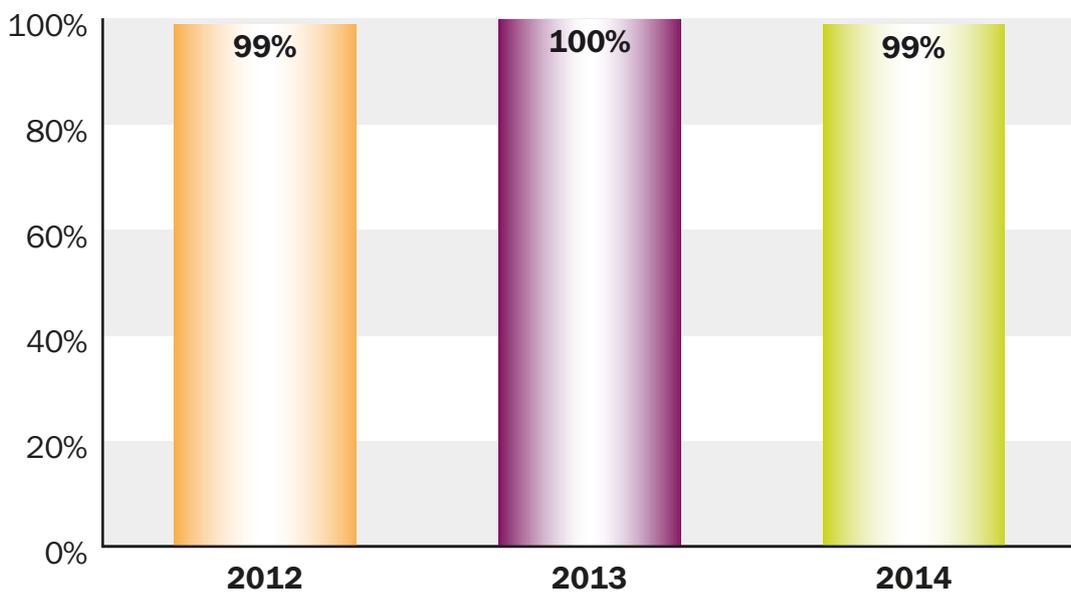
## Jobseeker's Allowance Decision Making

To find out the standard of decision making, 144 cases were examined and 143 cases (99%) were correct. The decision making standard was 4 percentage points above the benchmark of 95%. The table below shows the breakdown of performance under each type of decision monitored.

| JSA Type of Decision       | Total Cases Checked | Number of Cases Incorrect | Error Rate | Percentage of Decisions Correct | Confidence Interval |
|----------------------------|---------------------|---------------------------|------------|---------------------------------|---------------------|
| Claims                     | 140                 | 1                         | 1%         | 99%                             |                     |
| Supersessions              | 4                   | 0                         | 0%         | 100%                            |                     |
| <b>Overall performance</b> | <b>144</b>          | <b>1</b>                  | <b>1%</b>  | <b>99%</b>                      | <b>+/- 1.4%</b>     |

The chart below compares decision making standard over the last 3 years.

## JSA Standard of Decision Making



The area of error was *evidence* and related to income taken into account incorrectly.

## State Pension Decision Making

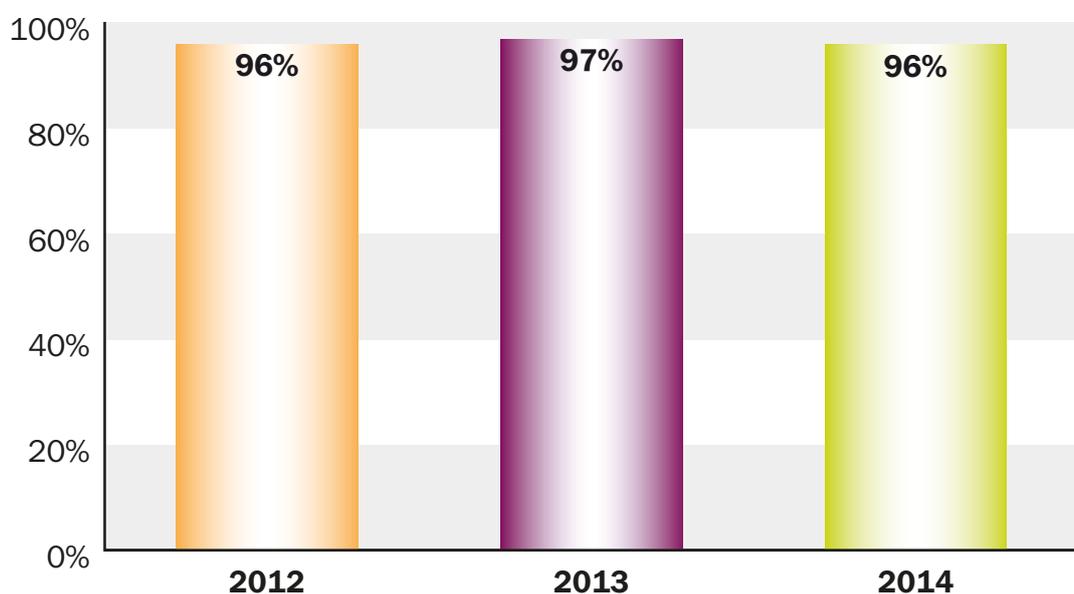
To find out the standard of decision making, 28 cases were examined and 27 cases (96%) were correct. The decision making standard was 1 percentage point below the benchmark of 97%. The table below shows the breakdown of performance under each type of decision monitored.

| SP Type of Decision        | Total Cases Checked | Number of Cases Incorrect | Error Rate | Percentage of Decisions Correct | Confidence Interval |
|----------------------------|---------------------|---------------------------|------------|---------------------------------|---------------------|
| Claims                     | 16                  | 0                         | 0%         | 100%                            |                     |
| Revisions                  | 2                   | 0                         | 0%         | 100%                            |                     |
| Supersessions              | 10                  | 1                         | 10%        | 90%                             |                     |
| <b>Overall performance</b> | <b>28</b>           | <b>1</b>                  | <b>4%</b>  | <b>96%</b>                      | <b>+/- 6.9%</b>     |

The chart below compares decision making standard over the last 3 years.

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## SP Standard of Decision Making



The area of error was *findings of fact* and related to rate of benefit being incorrect.

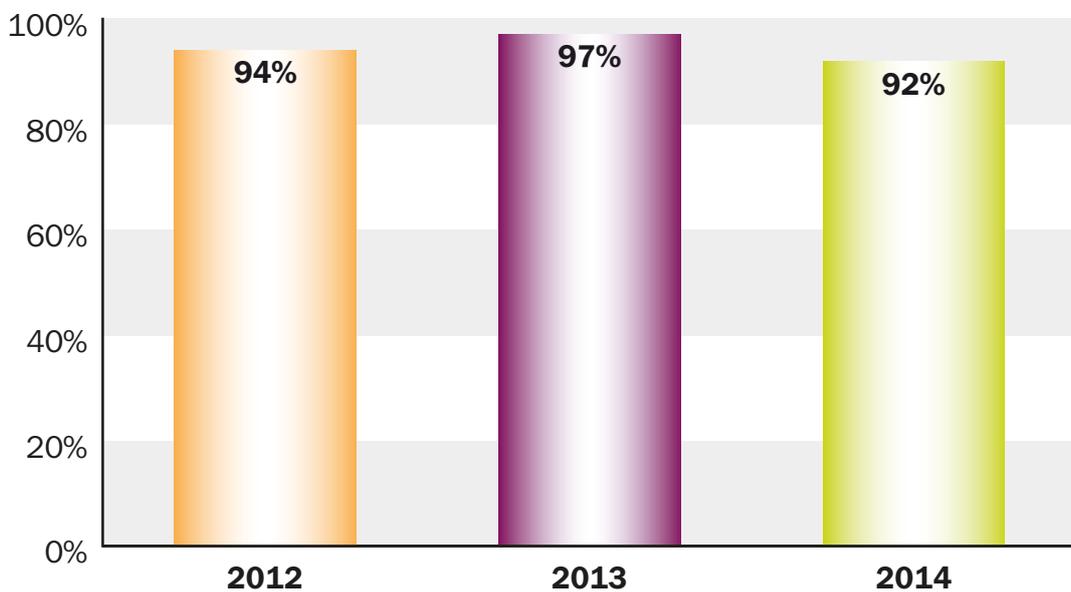
## State Pension Credit Decision Making

To find out the standard of decision making, 216 cases were examined and 198 cases (92%) were correct. The decision making standard was 3 percentage points below the benchmark of 95%. The table below shows the breakdown of performance under each type of decision monitored.

| SPC Type of Decision       | Total Cases Checked | Number of Cases Incorrect | Error Rate | Percentage of Decisions Correct | Confidence Interval |
|----------------------------|---------------------|---------------------------|------------|---------------------------------|---------------------|
| Claims                     | 139                 | 12                        | 9%         | 91%                             |                     |
| Revisions                  | 14                  | 0                         | 0%         | 100%                            |                     |
| Supersessions              | 63                  | 6                         | 10%        | 90%                             |                     |
| <b>Overall performance</b> | <b>216</b>          | <b>18</b>                 | <b>8%</b>  | <b>92%</b>                      | <b>+/- 3.6%</b>     |

The chart below compares decision making standard over the last 3 years.

## SPC Standard of Decision Making



The main areas of error were *findings of fact* 10 errors (56%) and *evidence* 7 errors (39%). The main type of error within *findings of fact* related to income taken into account incorrectly (6 errors) and for *evidence* it concerned incorrect mortgage/housing costs (4 errors).

## Other Social Security Benefits

The following paragraphs are a summary of the main findings for the rest of the benefits administered by the Social Security Agency.

### Attendance Allowance Decision Making

The decision making standard for Attendance Allowance was 100%, as all of the 39 cases examined were correct.

### Bereavement Benefit Decision Making

The decision making standard for Bereavement Benefit was 100%, as all of the 150 cases examined were correct.

### Carer's Allowance Decision Making

The decision making standard for Carer's Allowance was 100%, as all of the 59 cases examined were correct.

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### Industrial Injuries Disablement Benefit Decision Making

The decision making standard for Industrial Injuries Disablement Benefit was 91%, as 10 of the 11 cases examined were correct. The area of error was *findings of fact* and was due to aggregation not being considered.

### Maternity Allowance Decision Making

The decision making standard for Maternity Allowance was 98%, as 117 of the 120 cases examined were correct. The areas of error were *evidence, determination of questions and findings of fact* (1 error each) and were due to incorrect date of claim (2 errors) and rate of award.

# Results - Financial Accuracy

## Part 4

31



## Results - Financial Accuracy

Financial Accuracy is the estimate of the percentage of the benefit paid correctly. From April 2003 financial accuracy targets (the targets for 2014 year are shown in brackets) were introduced for Disability Living Allowance (99%), Income Support (99%) and Jobseeker's Allowance (99%). From April 2004 financial accuracy for State Pension (99%) and State Pension Credit (98%) was introduced and from April 2010 financial accuracy for Employment and Support Allowance (98%) was also introduced. The table below shows current performance against target for all the benefits and Appendix 7 details the estimated levels of financial error (Monetary Value of Error) for each of the 6 main benefits.

| Benefit                                  | 2014 Target   | 2014 Financial Accuracy Result | 2013 Financial Accuracy Result |
|--|---------------|--------------------------------|--------------------------------|
| <b>Main Benefits</b>                     |               |                                |                                |
| Disability Living Allowance              | 99%           | 99.7%                          | 99.6%                          |
| Employment and Support Allowance         | 98%           | 97.0%                          | 96.9%                          |
| Income Support                           | 99%           | 98.9%                          | 99.1%                          |
| Jobseeker's Allowance                    | 99%           | 98.9%                          | 98.9%                          |
| State Pension                            | 99%           | 99.8%                          | 99.8%                          |
| State Pension Credit                     | 98%           | 98.1%                          | 97.1%                          |
| <b>Other Benefits</b>                    |               |                                |                                |
| Attendance Allowance                     | 99%           | 99.8%                          | 99.9%                          |
| Bereavement Benefit                      | No Target Set | 99.4%                          | 99.6%                          |
| Carer's Allowance                        | 99%           | 100.0%                         | 100.0%                         |
| *Industrial Injuries Disablement Benefit | No Target Set | 99.8%                          | n/a                            |
| *Maternity Allowance                     | No Target Set | 99.8%                          | n/a                            |
| #Social Fund                             | No Target Set | 98.6%                          | 97.6%                          |

\*Industrial Injuries Disablement Benefit (IIDB) & Maternity Allowance financial accuracy results are now included for the first time.

For IIDB the period Jan - Aug 14 was used to approximate the calendar year (It was not possible to monitor IIDB cases properly from Sep 14 onwards, due to information no longer being available from the Data Image Processing System).

#From 2014 only the discretionary aspects of Social Fund (SF) were used for financial accuracy i.e. Budgeting Loans, Community Care Grants and Crisis Loans. Funeral Payment and Sure Start Maternity Grant elements are no longer included in the yearly sample. Due to the nature of its sampling methodology, the period for SF is one month in arrears i.e. December 2013 to November 2014.

The results from the table across show that

- Of the 6 main benefits DLA, SP and SPC exceeded their targets.
- IS with a result of 98.9% met its target of 99% within the upper confidence level of 99.5%.
- JSA with a result of 98.9% met its target of 99% within the upper confidence level of 99.5%.
- ESA with a result of 97.0% narrowly missed its target of 98% within the upper confidence level of 97.7%.
- The remaining 2 benefits with targets (Attendance Allowance and Carer's Allowance) also exceeded the 99% target set with results of 99.8% and 100.0% respectively.

## Analysis of the data used to calculate Financial Accuracy for 2014

The table below shows the number of cases used to calculate the 2014 Financial Accuracy results.

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| Benefit                                  | January - December 2014 |                      |
|--|-------------------------|----------------------|
|  | Total Cases Checked     | Total Cases in Error |
| Disability Living Allowance              | 744                     | 5                    |
| Employment and Support Allowance         | 1344                    | 117                  |
| Income Support                           | 864                     | 30                   |
| Jobseeker's Allowance                    | 864                     | 26                   |
| State Pension                            | 456                     | 59                   |
| State Pension Credit                     | 1008                    | 156                  |
| Attendance Allowance                     | 396                     | 1                    |
| Bereavement Benefit                      | 408                     | 14                   |
| Carer's Allowance                        | 516                     | 0                    |
| *Industrial Injuries Disablement Benefit | 136                     | 1                    |
| *Maternity Allowance                     | 120                     | 3                    |
| #Social Fund                             | 860                     | 56                   |

\*Industrial Injuries Disablement Benefit & Maternity Allowance data is now included.

IIDB cases are for the period Jan - Aug 14 (It was not possible to monitor IIDB cases properly from Sep 14 onwards, due to information no longer being available from the Data Image Processing System).

#Social Fund includes the discretionary aspects only i.e. Budgeting Loans, Community Care Grants and Crisis Loans. Funeral Payment and Sure Start Maternity Grant elements are no longer included. Due to the nature of its sampling methodology, the period for Social Fund is one month in arrears i.e. December 2013 to November 2014.



# Results – Overpayments and Appeals

## Part 5

35



## Results - Overpayments and Appeals

### Overpayment Decisions

A total of 384 cases were examined and 74 comments were raised resulting in an overall standard of 81%. The main area of error was *findings of fact*, which accounted for 39 comments (53%). The main type of error within *findings of fact* related to the amount of the recoverable overpayment being incorrect (35 comments).

| Year | Total Cases Monitored | Number of Comments | Error Rate | Decision Making Standard |
|------|-----------------------|--------------------|------------|--------------------------|
| 2014 | 384                   | 74                 | 19%        | 81%                      |
| 2013 | 384                   | 44                 | 11%        | 89%                      |
| 2012 | 384                   | 44                 | 11%        | 89%                      |

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### Appeal Submissions

A total of 334 cases were examined and 17 comments were raised resulting in an overall standard of 95%. All of the errors related to the submission defending an incorrect decision. The decision making standard for 2014 remained the same as that achieved in the 2 previous years.

| Year | Total Cases Monitored | Number of Comments | Error Rate | Decision Making Standard |
|------|-----------------------|--------------------|------------|--------------------------|
| 2014 | 334                   | 17                 | 5%         | 95%                      |
| 2013 | 366                   | 17                 | 5%         | 95%                      |
| 2012 | 376                   | 20                 | 5%         | 95%                      |

# Social Security Agency Strategy to Reduce Error in Decision Making and Financial Accuracy

## Part 6

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# Social Security Agency Strategy to Reduce Error in Decision Making and Financial Accuracy

The Agency's Fraud and Error Reduction Board steers the Agency's strategic approach to reducing error in the social security benefit system. This Board comprises senior Agency managers therefore ensuring a collaborative approach in securing high accuracy levels across the benefit system.

**The Agency's official error strategy** is based around four key principles:

- **Prevention** – prevent new error entering the system
- **Detection** – target and identify error that has already entered the system
- **Correction** – correct all error detected; and
- **Learning** – educate and learn from error detected to reduce the likelihood of recurrence.

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Prevention of error is fundamental to the success of the strategy. Preventing error entering the benefit system impacts on the amount of money lost through overpayment of benefit and minimises the risk of underpayment of benefit to customers.

The need for a strategic approach is emphasised by the scale of transactions handled by the Agency. In 2014 the Agency paid out around £5bn. Staff handled 541,000 new claims as well as taking action on some 746,000 changes of circumstances notified by customers. This large volume of activity has the potential to allow a significant amount of error into the benefit system.

## Standards Assurance Unit

However, prevention on its own is not enough. To maintain accuracy we need to detect and correct error that is already in the system. The Agency's Standards Assurance Unit undertakes random sample monitoring of live benefit cases, and produces detailed information about the level of error and error trends. Standards Assurance Unit data is analysed by Analytical Services Unit (ASU) statisticians

and this information is used, by Benefit Security Division, Agency business managers as well as the independent Joint Standards Committee, to direct a broad range of prevention and detection activities.

The Agency works very closely with ASU, not only in developing risk models, but also specific scans targeting known areas of weakness, for example Severe Disability Premium cases for State Pension Credit.

## Official Error

The latest overall figures across all social security benefits administered by the Social Security Agency show an overall reduction in losses through official error overpayments - down from 0.8% of benefit expenditure in 2003-04 to 0.3% in 2014. The Agency remains committed to doing all it can to reduce staff error and has a wide range of control mechanisms built into its system of benefit administration to ensure high levels of financial accuracy. These include extensive training and consolidation of training; the continued application of benchmark standards for staff; and a programme of regular checks and controls to prevent potential incorrectness and measure and report on Agency performance within this area.

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## Error Reduction Division Activity

During 2014-15 the Agency's Error Reduction Division continued to direct dedicated resources within benefit offices to identify and correct error. This resourcing funds specialist teams across the Agency to perform full checks on cases which, through statistical analysis, are deemed to be at greatest risk of error. It also funds activity to remove anomalies identified by matching data from various information systems. Resources are allocated to each benefit based on the level of risk, and within each benefit all cases are targeted further using risk based selection models. This approach ensures maximum impact from targeted error reduction activity.

During 2014-15, error reduction activity carried out by benefit areas amounted to over 80,500 checks or case reviews which led to the adjustment of benefit in over 11,500 cases, with a total monetary value of over £32 million. This total included just over £17.5 million of adjustments to payments where customers were entitled to additional benefits.

Following a successful outcome of the checking review in State Pension Credit, the Fraud and Error Reduction Board approved a similar exercise in Employment and Support Allowance (ESA) branch to ensure that accuracy checking is providing optimum results in reducing official error. The review focussed on

baseline accuracy checking selection, the type of checking conducted and the availability and use of management information. Changes following the review will allow for better analysis of checking and help to capture detail on error types and individual errors.

### **Implementation of the Agency's fraud and error strategy**

Throughout 2014-15 the Agency continued to work towards the planned implementation of the Welfare Reform Programme. Enhancements to the Agency's counter fraud and customer error initiatives included working with the Department for Work and Pensions (DWP) to utilise earnings and non state pension information via Her Majesty Revenue and Custom's Real Time Information matching service. Alongside the current range of activities, the new measures will ensure that the Agency maintains its focus on addressing benefit losses and underpayments, with the aim of maintaining, or further improving, the current low levels of customer fraud and customer error in Northern Ireland.

# Glossary

## Attribute

An attribute is a characteristic of the case being examined. The characteristic may refer to the category a case belongs to or a numerical measure. For decision making the attribute is whether the case is correct or incorrect. For financial accuracy the attribute is the amount of money paid in error.

## Benchmarks

Benchmarks are standards set by senior management against which performance can be measured.

## Clearance Times

The Average Actual Clearance Time measures how quickly we process claims to the main benefits. It measures the average number of working days we take to process claims to benefit. The purpose of this target is to make sure that our customers' new claims to benefit are processed in a reasonable length of time.

The end of year level of performance against target is calculated by dividing the total cumulative number of days taken to process all claims by the total number of new claims actually processed.

## Confidence Intervals

The confidence interval gives an indication of the degree of uncertainty surrounding the estimate obtained from the sample, by giving a range that the true value is likely to be within. The quoted confidence intervals are based on a 95% confidence level, which means that we are 95% confident that the true value will lie within the specified range.

## Decision Making

Decision making is carried out on behalf of the Department by decision makers. The decision maker must make a decision by considering all the evidence, establishing the facts and applying the law, including any relevant case law, in each case. Where legislation specifies or implies discretion, the decision maker's judgement must be reasonable and made on balance of probabilities with unbiased discretion. The decision making standard represents the

percentage of cases in the sample found to be correct when checked by Standards Assurance Unit.

### Financial Accuracy

The financial accuracy standard represents the estimate of the percentage of the benefit expenditure which is paid correctly.

### Standards Assurance Unit

Standards Assurance Unit is part of the Pensions, Disability and Corporate Services Directorate within the Social Security Agency. Standards Assurance Unit provides a reliable and independent measure of decision making, financial accuracy and customer fraud and customer error against benchmarks and targets and assists operational staff in the drive to improve accuracy in benefit administration.

### Targets

Targets are attainable goals set by senior management for staff to achieve within an agreed timetable or to a set standard.

### Variability

The variability within a population refers to the percentage of the population with/without the attribute or the range of values in the attribute being measured. The more varied the population the larger the sample size required to achieve a given confidence interval.

# Social Security Benefits

## Main Benefits

|     |                                  |
|-----|----------------------------------|
| DLA | Disability Living Allowance      |
| ESA | Employment and Support Allowance |
| IS  | Income Support                   |
| JSA | Jobseeker's Allowance            |
| SP  | State Pension                    |
| SPC | State Pension Credit             |

## Other Benefits

|      |   |
|------|---|
| AA   | Attendance Allowance                    |
| BB   | Bereavement Benefit                     |
| CA   | Carer's Allowance                       |
| IIDB | Industrial Injuries Disablement Benefit |
| MA   | Maternity Allowance                     |
| SF   | Social Fund                             |

## Key to Appendices

- Appendix 1** Terms of reference for the Standards Committee
- Appendix 2** Decision making additional errors
- Appendix 3** Clearance times performance at 31 March 2015
- Appendix 4** Extract from the Income Support (General) Regulations (Northern Ireland) 1987 (Legislation governing “persons from abroad” for the purposes of Income Support)
- Appendix 5** Decision making standards versus benchmarks: 2013 and 2014
- Appendix 6** Types of decision making errors
- Appendix 7** Estimated monetary value of error information for Disability Living Allowance, Employment and Support Allowance, Income Support, Jobseeker’s Allowance, State Pension and State Pension Credit

## Appendix 1

### Terms of Reference for the Standards Committee

- 1 The Social Security (Northern Ireland) Order 1998 removed the distinction between adjudication decisions made by adjudication officers and departmental decisions and introduced single status decision makers. This removed the statutory requirement for a Chief Adjudication Officer and by default, his responsibility for reporting on the standard of adjudication.
- 2 In addition to being responsible for the delivery of the decision-making process and the standard of decisions made, the Department was made responsible for reporting on the standard of decisions against which there is a right of appeal. These responsibilities were delegated to the Chief Executives of the Social Security Agency (Agency) and the Northern Ireland Child Support Agency. From 1 April 2008 the Northern Ireland Child Support Agency became a division within the Department for Social Development called the Child Maintenance and Enforcement Division and was later renamed Child Maintenance Service from 1 April 2013.
- 3 The responsibility for reporting on standards requires the Chief Executive of the Agency and Director of Child Maintenance Service to have monitoring programmes in place to determine the standards which are to be reported. It has been recognised however, that to enhance this programme and its credibility and transparency with the public, some independent oversight of the arrangements is necessary. Accordingly a Joint (Northern Ireland) Standards Committee has been appointed with an independent chairperson, together with two other independent members, and having terms of reference agreed by the Chief Executive and Director.
- 4 The Standards Committee will have an advisory rather than executive role. Its objectives will be to;
  - provide assurance to the Chief Executive and Director that effective decision making monitoring procedures are in place to confirm legislation is properly applied and to monitor and report performance against quality targets;
  - identify common trends relating to the quality of the Agency's and Child Maintenance Service's decision making and to highlight those areas where improvement is needed;

- make specific recommendations on any area considered appropriate;
  - provide assurance to the Chief Executive and Director that mechanisms are in place to feed back monitoring results to the Agency and Child Maintenance Service to enable continuous improvement;
  - report to the Chief Executive and Director on the operation of the decision-making process and where necessary to make recommendations for changes to it. The Chief Executive and Director should be free to meet informally and discuss issues that may arise during the year;
  - provide the Chief Executive and Director with an annual assurance in the form of reports on the quality of decision making in the Agency and Child Maintenance Service and such other reports as the Chief Executive, Director or the Standards Committee consider appropriate.
- 5 Standards Committee meetings will be held 4 times yearly to coincide with the monitoring programmes and minutes will be taken and agreed by Committee members.
- 6 An agenda will be prepared in advance of each meeting and circulated to Committee members for consideration.

## Appendix 2

## 2014 Decision making additional errors

| Benefit                                 | Total Cases Monitored | No of Cases Incorrect | No of Additional Decision Making Errors | Total no of Errors | DM Benchmark | DM Standard % Achieved | DM Standard % Achieved if Additional errors were included |
|---|-----------------------|-----------------------|---|--------------------|--------------|------------------------|---|
| Disability Living Allowance             | 62                    | 0                     | 1                                       | 1                  | 98%          | 100%                   | 98%   |
| Employment and Support Allowance        | 120                   | 0                     | 0                                       | 0                  | 95%          | 100%                   | 100%  |
| Income Support                          | 130                   | 2                     | 0                                       | 2                  | 95%          | 98%                    | 98%   |
| Jobseeker's Allowance                   | 144                   | 1                     | 1                                       | 2                  | 95%          | 99%                    | 99%   |
| State Pension                           | 28                    | 1                     | 1                                       | 2                  | 97%          | 96%                    | 93%   |
| State Pension Credit                    | 216                   | 18                    | 0                                       | 18                 | 95%          | 92%                    | 92%   |
| Attendance Allowance                    | 39                    | 0                     | 1                                       | 1                  | 98%          | 100%                   | 97%   |
| Bereavement Benefit                     | 150                   | 0                     | 1                                       | 1                  | 97%          | 100%                   | 99%   |
| Carer's Allowance                       | 59                    | 0                     | 1                                       | 1                  | 98%          | 100%                   | 98%   |
| Industrial Injuries Disablement Benefit | 11                    | 1                     | 1                                       | 2                  | 96%          | 91%                    | 82%   |
| Maternity Allowance                     | 120                   | 3                     | 1                                       | 4                  | 98%          | 98%                    | 97%   |

## Clearance Times

| Benefit                        | Target 2014/2015 | Year to date performance at March 2015 | Variance against target March 2015 |
|--------------------------------|------------------|--|------------------------------------|
| AA (Claims)                    | 23 days (PM)     | 27                                     | -4                                 |
| AA (Special Rules)             | 4 days (PM)      | 2                                      | +2                                 |
| AA (Appeals)                   | 35 days (PM)     | 22                                     | +13                                |
| DLA (Claims)                   | 35 days (BP)     | 38                                     | -3                                 |
| DLA (Special Rules)            | 4 days (PM)      | 3                                      | +1                                 |
| DLA (Appeals)                  | 35 days (PM)     | 27                                     | +8                                 |
| IB (Claims)                    | N/A              | *                                      | *                                  |
| IB (Appeals)                   | N/A              | 18                                     | -                                  |
| ESA (Claims)                   | 14 days (BP)     | 14                                     | -                                  |
| ESA (Changes)                  | 4 days (PM)      | 2                                      | +2                                 |
| ESA (Appeals)                  | 45 days (PM)     | 56                                     | -11                                |
| IIB (Claims)                   | 55 days (PM)     | 55                                     | -                                  |
| IIB (Appeals)                  | 90% in 90 days   | 100%                                   | +10%                               |
| CA (Claims)                    | 21 days (PM)     | 19                                     | +2                                 |
| IS (Claims)                    | 8 days (BP)      | 7                                      | +1                                 |
| IS (Changes)                   | 4 days (PM)      | 3                                      | +1                                 |
| IS/JSA/SF (Appeals)            | 40 days (PM)     | 21                                     | +19                                |
| JSA (Claims)                   | 11 days (BP)     | 10                                     | +1                                 |
| JSA (Changes)                  | 4 days (PM)      | 3                                      | +1                                 |
| State Pension (Claims)         | 7 days (BP)      | 5                                      | +2                                 |
| State Pension (Changes)        | **3 days (PM)    | **                                     | **                                 |
| State Pension Credit (Claims)  | 9 days (BP)      | 8                                      | +1                                 |
| State Pension Credit (Changes) | 4 days (PM)      | 4                                      | /                                  |
| IS/JSA Overpayment Processing  | 15 days (PM)     | 14                                     | +1                                 |
| Budgeting Loans                | 4 days (PM)      | 3                                      | +1                                 |
| Community Care Grants          | 12 days (PM)     | 7                                      | +5                                 |
| Crisis Loans                   | 2 days (PM)      | 1                                      | +1                                 |
| Funeral Payments               | 11 days (PM)     | 8                                      | +3                                 |
| Sure Start Maternity Grants    | 5 days (PM)      | 3                                      | +2                                 |
| Social Fund Reviews            | 10 days (PM)     | 5                                      | +5                                 |

## Key To Targets

PM = Performance Measure

BP = Business Plan

Clearance times, are reported in Actual Average Clearance Times for 2014 / 2015, there are no longer any targets for IB. \* No new IB customers so no claims figure. \*\* Data unavailable

## Appendix 4

**Extract from Income Support (General)  
Regulations (Northern Ireland) 1987  
(Legislation governing “persons from abroad”  
for the purposes of Income Support)**

**“Special cases: supplemental—persons from abroad**

**21AA.** — (1) “Person from abroad” means, subject to the following provisions of this regulation, a claimant who is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.

(2) No claimant shall be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless he has a right to reside in (as the case may be) the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland other than a right to reside which falls within paragraph (3).

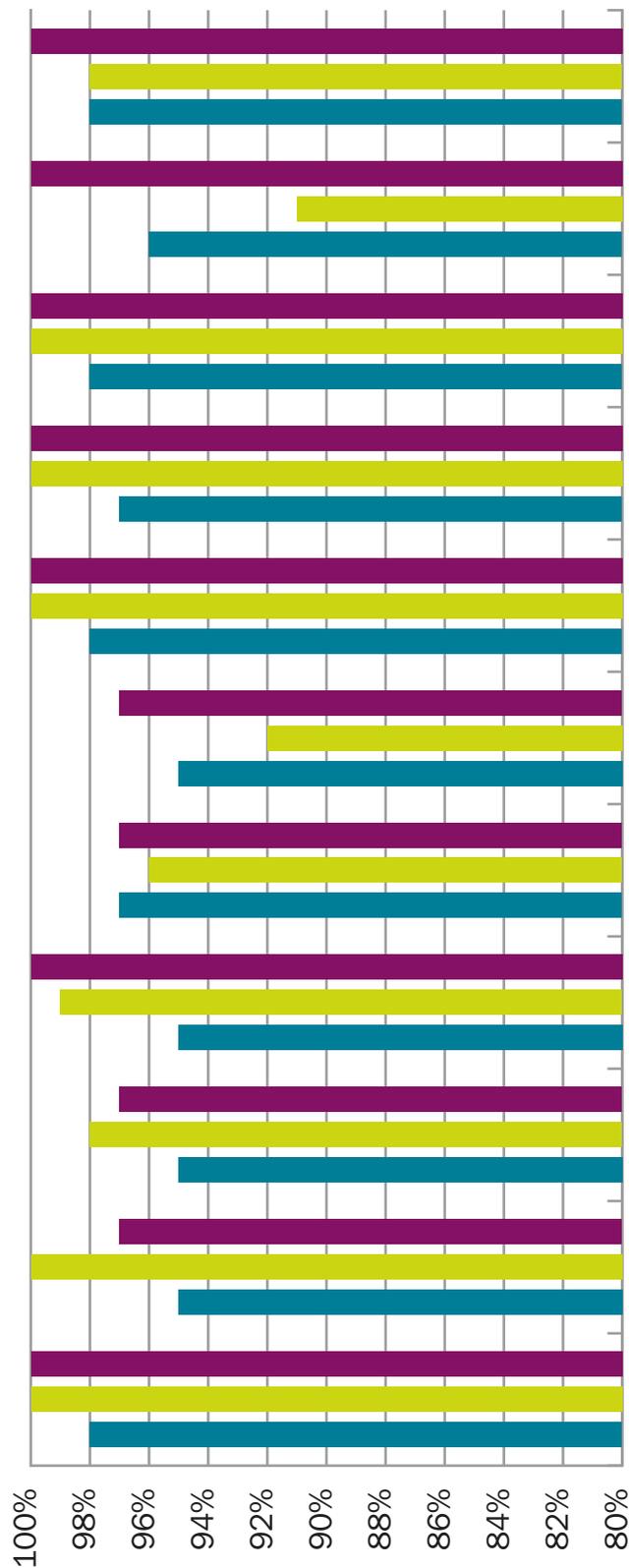
(3) A right to reside falls within this paragraph if it is one which exists by virtue of, or in accordance with, one or more of the following—

- (a) regulation 13 of the Immigration (European Economic Area) Regulations 2006;
  - (b) regulation 14 of those Regulations, but only in a case where the right exists under that regulation because the claimant is—
    - (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
    - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
  - (c) Article 6 of Council Directive No. 2004/38/EC; or
  - (d) Article 39 of the Treaty establishing the European Community (in a case where the claimant is a person seeking work in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland).
- (4) A claimant is not a person from abroad if he is—
- (a) a worker for the purposes of Council Directive No. 2004/38/EC;
  - (b) a self-employed person for the purposes of that Directive;
  - (c) a person who retains a status referred to in sub-paragraph (a) or (b) pursuant to Article 7(3) of that Directive;

- (d) a person who is a family member of a person referred to in sub-paragraph (a), (b) or (c) within the meaning of Article 2 of that Directive;
- (e) a person who has a right to reside permanently in the United Kingdom by virtue of Article 17 of that Directive;
- (f) a person who is treated as a worker for the purpose of the definition of “qualified person” in regulation 6(1) of the Immigration (European Economic Area) Regulations 2006 pursuant to—
  - (i) regulation 5 of the Accession (Immigration and Worker Registration) Regulations 2004 (application of the 2006 Regulations in relation to a national of the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Slovenia, or the Slovak Republic who is an “accession State worker requiring registration”),
  - (ii) regulation 6 of the Accession (Immigration and Worker Authorisation) Regulations 2006 (right of residence of a Bulgarian or Romanian who is an “accession State national subject to worker authorisation”);
- (g) a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (h) a person who has exceptional leave to enter or remain in the United Kingdom granted outside the rules made under section 3(2) of the Immigration Act 1971;
- (hh) a person who has humanitarian protection granted under those rules;
- (i) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;
- (j) a person in Northern Ireland who left the territory of Montserrat after 1st November 1995 because of the effect on that territory of a volcanic eruption, or;
- (k) a person who—
  - (i) arrived in Great Britain on or after 28th February 2009 but before 18th March 2011;
  - (ii) immediately before arriving there had been resident in Zimbabwe; and
  - (iii) before leaving Zimbabwe had accepted an offer, made by Her Majesty’s Government, to assist that person to move to and settle in the United Kingdom.”

Appendix 5

Decision making standards versus benchmarks:  
2013 and 2014



|                               | DLA  | ESA  | IS  | JSA  | SP  | SPC | AA   | BB   | CA   | IIDB | MA   |
|-------------------------------|------|------|-----|------|-----|-----|------|------|------|------|------|
| Decision making Benchmark     | 98%  | 95%  | 95% | 95%  | 97% | 95% | 98%  | 97%  | 98%  | 96%  | 98%  |
| Decision making Standard 2014 | 100% | 100% | 98% | 99%  | 96% | 92% | 100% | 100% | 100% | 91%  | 98%  |
| Decision making Standard 2013 | 100% | 97%  | 97% | 100% | 97% | 97% | 100% | 100% | 100% | 100% | 100% |

## 2014 Type of decision making errors

## Appendix 6

| Benefit                                 | Decision making Comment Rate % | Evidence         |                              | Determination of Questions |                              | Findings of Fact |                              | Interpretation and Application of the Law |                              | Evidence Received After Date of Decision – Not Actioned |                              | Total Number of Errors |
|---|--------------------------------|------------------|------------------------------|----------------------------|------------------------------|------------------|------------------------------|---|------------------------------|---|------------------------------|------------------------|
|   |                                | Number of Errors | Percentage of Overall Errors | Number of Errors           | Percentage of Overall Errors | Number of Errors | Percentage of Overall Errors | Number of Errors                          | Percentage of Overall Errors | Number of Errors  | Percentage of Overall Errors |                        |
| Income Support                          | 2%                             |                  |                              |                            |                              | 1                | 50%                          | 1   | 50%                          |   |                              | 2                      |
| Jobseeker's Allowance                   | 1%                             | 1                | 100%                         |                            |                              |                  |                              |   |                              |   |                              | 1                      |
| State Pension                           | 4%                             |                  |                              |                            |                              | 1                | 100%                         |   |                              |   |                              | 1                      |
| State Pension Credit                    | 8%                             | 7                | 39%                          | 1                          | 5%                           | 10               | 56%                          |   |                              |   |                              | 18                     |
| Industrial Injuries Disablement Benefit | 9%                             |                  |                              |                            |                              | 1                | 100%                         |   |                              |   |                              | 1                      |
| Maternity Allowance                     | 2%                             | 1                | 33%                          | 1                          | 33%                          | 1                | 33%                          |   |                              |   |                              | 3                      |

## Appendix 7

### Estimated Monetary Value of Error Information 2014 for Disability Living Allowance, Employment and Support Allowance, Income Support, Jobseeker's Allowance, State Pension and State Pension Credit

| Benefit                          | Estimated Annual Monetary Value of Error | Overpayments | Underpayments | Total Expenditure | Estimated Financial Error Rate |
|----------------------------------|--|--------------|---------------|-------------------|--------------------------------|
| Disability Living Allowance      | £3,134,065                               | £0           | £3,134,065    | £941,783,887      | 0.3%                           |
| Employment and Support Allowance | £21,002,990                              | £9,440,861   | £11,562,130   | £695,364,654      | 3.0%                           |
| Income Support                   | £1,997,700                               | £1,385,053   | £612,647      | £182,401,406      | 1.1%                           |
| Jobseeker's Allowance *          | £2,307,778                               | £1,086,913   | £1,220,866    | £203,689,564      | 1.1%                           |
| State Pension                    | £4,492,560                               | £1,291,155   | £3,201,405    | £2,052,991,404    | 0.2%                           |
| State Pension Credit             | £6,004,861                               | £3,279,589   | £2,725,272    | £312,566,969      | 1.9%                           |

\*includes training monies







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