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SSA Annual Report on Decision Making and Case Accuracy

1 January to 31 December 2010



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Annual Report on

Decision Making and Case Accuracy

1 January to 31 December 2010

*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 of Social Development*

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Contact details on back cover.

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Foreword by the Standards Committee Chairperson

Introduction

The Northern Ireland Standards Committee (“the Committee”) was created in 1999 in consequence of the reorganisation of adjudication and appeals provided for in the Social Security (Northern Ireland) Order of 1998. The Order transferred responsibility for monitoring the quality of decision making in the Social Security Agency (“the Agency”) and the Child Maintenance and Enforcement Division (“CMED” - formerly the Child Support Agency) to the Chief Executives of these bodies (CMED now has Head of Division). The establishment of the Standards Committee in Northern Ireland was part of a broader process across the UK in response to concern in parliament that an independent element should be injected into the structures being set up to monitor decision making in both the Agency and CMED. Accordingly, the Committee has an independent Chair and two independent members. The full composition of the Committee and its terms of reference are set out in Part 1 of the Report and Appendix 1 to this Report.

Put briefly, the Committee has three main tasks. Firstly, we are required to provide assurance that the arrangements in place for monitoring decision making are robust and effective. Beyond this, our focus is on identifying weaknesses in performance and working with, and supporting, the staff in both the Agency and CMED to secure improvement. We discharge these functions in a variety of ways: close examination of the quarterly reports presenting the results of the monitoring exercises conducted; formal and informal meetings with staff and formal meetings with other relevant bodies and individuals.

Within the Agency, the procedures to monitor the quality of decision-making are the responsibility of the Standards Assurance Unit (“SAU”). The role of this Unit should not be underestimated. It is pivotal in the task of promoting and maintaining a high standard of decision making which in turn is central to the tasks of delivering a service of a high standard to the public and ensuring that public funds are properly managed and disbursed. I am therefore pleased to report that the Committee is satisfied that the mechanisms in place to monitor decision making are robust and effective. Whilst there is an ongoing discussion between the Committee and SAU with regard to matters such as sample size, it is evident to me, that the staff bring a rigour and competence to this work which is to be commended. It should also be noted that my confidence in the quality of our monitoring procedures is shared by the Northern Ireland Audit Office.

As the minutes of our quarterly meetings indicate, this has been a busy year for the Committee. Apart from informal contacts, we have had seven meetings with different groups of staff from across the Agency. More broadly, we have had discussions with the Northern Ireland Audit Office, staff in the Department of Employment and Learning and benefits advisors in the voluntary sector. Additionally, there have been meetings with the Minister for Social Development and Chief Executive of the Social Security Agency, attendance at events relating to the transition from Incapacity Benefit to the Employment and Support Allowance (“ESA”) and I presented a paper at the senior managers conference. All of these contacts have been extremely useful to us in identifying issues of concern and seeking improvement and reform. I am grateful to all of those who have given their time to assist us.

In terms of specific issues addressed by the Committee this year, we have, for example, continued our ongoing interest in staff training and have been impressed with the volume and quality of provision which has been developed by the Decision Making Services. Additionally, we have taken a close interest in the efforts to secure improvements in performance in the new arrangements for managing overpayments and are pleased to note the progress made. Above all else, however, we have been engaged with issues relating to ESA.

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ESA replaced Incapacity Benefit and Income Support for new claimants in October 2008. Over the following year, the Committee had a number of concerns, most obviously, that the administrative difficulties which attended the introduction of State Pension Credit - an equally complex benefit - should not be repeated. I am pleased to note that the introduction of ESA has been a much smoother process than expected. However, during the early part of 2010 there was growing concern, in Great Britain (“GB”) as well as Northern Ireland, about this benefit. The rate of disallowances for new claims was unexpectedly high. The volume of appeals lodged was unprecedented and the success rate at appeal was atypically high. After much discussion, I and my independent colleagues wrote to, and met with, the then Minister, Alex Attwood, MLA. We are grateful to him for the concern and interest he showed in this matter. Whilst, given the principle of parity, we cannot make any significant departures from GB policy in this area, it is clear that there is a willingness on the part of the Agency to seek to minimise the hardship ESA has the capacity to cause. This is very welcome.

Over the coming year, as old Incapacity Benefit claimants migrate to ESA, the Committee will be concerned to ensure that claimants receive adequate support as they go through these complex processes. We would also wish to see decision makers being encouraged to make decisions on the fullest range of information having particular regard to the needs of those with mental health problems.

Additionally, there will have to be sound mechanisms in place to ensure claimants who are disallowed secure any other help they are entitled to and to track what happens to this group as a whole.

Decision making in 2010

Turning to the central elements in this year's report, key data relating to decision making performance in 2010 is presented in Tables 1 and 2 on pages 17 and 18 of the Report. Table 1 details the results of the checks on the quality of the most recent decisions made in the cases selected. Two caveats should be noted here. First, decisions are assessed against four criteria as set out on pages 14 and 15 of the Report. The recording of an error, therefore, does not mean that the most recent decision was flawed throughout. It may mean that the decision was deficient in relation to only one of the criteria applied. Secondly, in line with GB practice, an error is recorded only if there is a financial consequence. This aspect of monitoring has been the subject of some debate and, for the sake of completeness, Appendix 2 presents information on all errors. This indicates that, with regard to major benefits such as State Pension Credit, adding in all errors does not dramatically alter the picture presented in Table 1.

Leaving aside these methodological issues, the data contained in Table 1 indicate that the Agency has performed extremely well. Eleven benefits have exceeded the benchmarks set for them. These include Jobseeker's Allowance and Income Support. From our visits to local offices - which administer these two benefits - we are very aware of the severe pressure placed on staff by the steep increase in unemployment that has occurred over the past year. It is noteworthy that staff have, nevertheless, continued to deliver a service exceeding the high standard set. Beyond this, the performance of ESA should be noted. Given the complexity of this benefit and its very recent introduction, this is a very good result. The data here demonstrate that, whatever problems there are with ESA, they do not arise from poor administration.

With regard to those benefits which fell below the bar, the sample for Carer's Allowance is too small to warrant observation and the difficulty with regard to the Social Fund (Compilation) relates to the tension between clearing applications for Crisis Loans within 24 hours and getting the decision absolutely right. In sum, therefore, the only aspect of the table giving rise to concern is the performance of State Pension Credit (SPC). I have rehearsed before the obstacles staff have faced in trying to get this right and I am very aware of the continued efforts to deal with these. Nevertheless, the slight falling back from the very good result last year is worrying. SPC has a central role in tackling pensioner poverty and the

Agency must ensure the resources are in place to prevent any further decline in performance.

Table 2 details performance with regard to case accuracy: whether or not the right amount of money is being paid to the right person in the week selected. Here again, this is a good performance. The majority of benefits (nine) exceeded the benchmarks with two near misses. The figure for Widow's / Bereavement Benefit is distorted by system fault errors outside of the control of staff in the Branch. This leaves ESA and SPC as the poorest performers. Clearly, there is room for improvement here but these figures should be read in conjunction with the data in Appendix 3 to the Report. These show that the estimated monetary value of error for ESA and SPC were £4.6m and £11.2m respectively but nearly half of these amounts, in total, relate to underpayments of benefit. In other words, much of the cost of error falls on claimants. This is less than satisfactory but undermines the popular perception that the cost of error falls wholly on the taxpayer. Moreover, the table as a whole indicates that overpayments totalled approximately £19 million. Given that the total expenditure of the Agency is of the order of £4.4 billion, this is a very good result. Further evidence of sound financial management is to be found in Table 3 on page 19 of the Report. This demonstrates that, again contrary to popular perception, the funds allocated to the Agency are, in the main, correctly disbursed. This is a record that many private sector bodies would envy.

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Finally, attention should be drawn to three other aspects of the report. First, I am pleased to note the improvement in the standard of decision making for overpayment decisions. The level of correctness has moved from 87% last year to 91% in 2010. Clearly, there is some way to go here but the trend is in the right direction. Secondly, Table 5 on page 20 of the Report indicates that the standard of appeal submissions remains high but there has been a slight decline in performance this year which needs to be addressed. Thirdly, a good decision is a timely decision and, on this basis, Appendix 4 which deals with clearance times demonstrates a strong performance with reference to this aspect of the quality of the service provided.

Conclusion

Clearly this has been a very satisfactory year by reference to the matters we are charged with monitoring. As ever, I am conscious of the broader context in which the staff of the Agency operate. There is the sheer complexity of the work of which the critics of the Agency often appear to have little understanding. Some insight into this is provided in Appendix 5 to the Report which contains a tiny fragment of the vast body of legislation the staff of the Agency have to administer

and get right. On top of all of this, there is the difficulty of hardly having the time to implement one massive change before another, equally formidable, shake up in the benefits system goes through parliament. Having devoted considerable effort to the task of delivering ESA, the Agency must now prepare for what will probably be the most testing challenge of all: Universal Credit. I am confident the Agency will rise to this challenge.

Finally, looking back over the year, I am conscious of the support I have received from the Committee as a whole and, in particular, from my independent members: Kevin Higgins and Laura McPolin. Their expertise has been of considerable help to the Committee. I am also grateful to our Secretary Ian Boyd and look forward to another busy year.



Chairperson of the Standards Committee

Introduction by the Chief Executive

I am pleased to introduce the Social Security Agency's 12th Annual Report on Decision Making and Case Accuracy prepared for the Joint Standards Committee (the Standards Committee).

I agree with comments made by Professor Evason, Chair of the Standards Committee in her Foreword to this Report, and I too, am pleased to note that the Agency continues to provide the public with the high level of service that they expect and deserve. I am delighted with the positive attitude shown by staff during what are difficult times, with continuously high levels of demand for the Agency's services. Despite this the Agency has been able to report a very creditable set of results, maintaining high levels of financial accuracy, reduced the percentages of customer fraud and error and also cleared these claims faster.

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I would like to take this opportunity to thank all staff for their contribution to the excellent performance by the Agency during 2010.

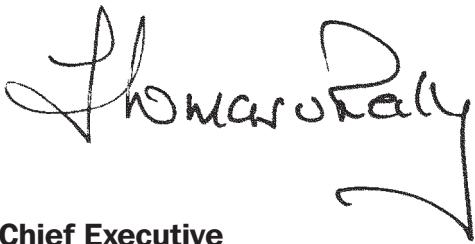
I am extremely pleased to note, that overall, 11 out of the 14 benefits met their decision making benchmarks, with all 11 actually exceeding their benchmark.

It is also very satisfying to note that 9 out of the 14 benefits met their case accuracy benchmark, with all 9 actually exceeding their benchmark.

These achievements are a direct result of the commitment and hard work of all Agency staff, who have continued to drive forward improvements and changes whilst delivering a high quality service to our customers.

Looking ahead to 2011, the Agency continues to face many challenges, not least dealing with the ongoing impact of the recession, implementing change – especially working to introduce Universal Credit and continuing to provide a high level of service to our customers. I am confident the staff of the Social Security Agency is ready to meet these challenges.

Finally, I wish to pass on my sincere appreciation to Professor Eileen Evason and her colleagues in the Joint Standards Committee for their work in providing an independent oversight of the Agency's arrangements for monitoring quality and their advice as to how the Agency can continue to improve performance. I would also like to thank my own staff for their work throughout the year and in the preparation of this report.

A handwritten signature in black ink, appearing to read 'Thomas Kelly', with a large, stylized flourish at the end.

Chief Executive

Summary

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 accuracy of payments for Disability Living Allowance, Employment and Support Allowance, Incapacity Benefit, Income Support, Jobseeker’s Allowance, State Pension and State Pension Credit. The Agency’s standard in these areas is also shown in the Social Security Agency 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. The Standards Committee is responsible for the following:

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

The Standards Committee members are:

Eileen Evason Chair	Emeritus Professor in Social Administration, University of Ulster
Kevin Higgins Independent Member	Head of Policy, Advice NI
Laura McPolin Independent Member	Barrister, Civil and Family Law
Colin Sullivan	Director of Operations, Social Security Agency
Conrad McConnell	Assistant Director of Benefits Assurance, Social Security Agency
Catherine McCallum	Director of Operations, Child Maintenance and Enforcement Division
Conrad Murphy	Performance and Planning, Child Maintenance and Enforcement Division
Michael Woods	Head of Internal Audit, Department for Social Development

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

Measurement and Sampling Methodology

The Social Security Agency Annual Report on Decision Making and Case Accuracy for the period 1 January to 31 December 2010 (“the Report”) summarises the monitoring results for standards of decision making and case accuracy within the Social Security Agency for 2010. Measurement of decision making, case accuracy and financial accuracy in the Agency is carried out by Standards Assurance Unit. Decision-making and case-accuracy checks are carried out using the one common random sample of cases for each benefit.

Monitoring

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

- Case Accuracy – the monitor determines case accuracy, which is simply a measure of whether the case is right or wrong and is expressed as a percentage. The purpose of the check is to establish if the correct rate of benefit has been paid in a selected week, which is identified by ¹Analytical Services Unit, by looking at all the evidence that is available to support the rate of benefit in payment.
- Decision Making – using the same case the monitor checks if a decision has been made on the case within the last 6 months. 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, e.g. 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 6 months (12 months in the case of “quieter” benefits, for example where decisions are not subject to frequent change i.e. State Pension) 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 case-accuracy 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.

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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?

¹ This unit was formerly known as Social Welfare, Statistics and Consultancy Branch until it was renamed on 12 October 2010

- *interpretation and application of the law* – have 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 case-accuracy check. The monetary value of each error of all the errors 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 case-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.

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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 case accuracy (percentage of cases paid correctly) and financial accuracy (percentage of annual benefit expenditure paid correctly) of a social security benefit are estimated from random samples selected throughout the year.

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 2010, 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 2010, at the 95% confidence level and a confidence interval of no more than 5% for each benefit.

Stratification

The case accuracy of a 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 strata in the same way as the wider 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 district. The benefit population within each district 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.

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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 case accuracy to a given confidence interval would depend on the proportion of cases paid correctly. If 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

Tables 1 and 2, which follow, set out the standard achieved against the decision-making and case-accuracy benchmarks for all social security benefits. These results are also shown in the graphs in Appendices 6 and 7 to the Report.

Appendix 8 to the Report details the type of decision-making errors made under the 5 main headings.

Table 1 Decision Making

Benefit	Total Cases Monitored	Number of Incorrect Cases	Error Rate	Decision Making Standard	Decision Making Benchmark	Variance
Disability Living Allowance	104	0	0%	100%	97%	3%
Employment and Support Allowance	360	19	5%	95%	92%	3%
Incapacity Benefit	24	0	0%	100%	95%	5%
Income Support	104	4	4%	96%	92%	4%
Jobseeker's Allowance	144	1	1%	99%	95%	4%
#State Pension	28	0	0%	100%	97%	3%
#State Pension Credit	202	16	8%	92%	94%	-2%
Attendance Allowance	30	0	0%	100%	97%	3%
Carer's Allowance	36	2	6%	94%	97%	-3%
Industrial Injuries Disablement Benefit	19	0	0%	100%	96%	4%
Maternity Allowance	111	2	2%	98%	96%	2%
Severe Disablement Allowance	2	0	0%	100%	97%	3%
Social Fund (Compilation)	348	21	6%	94%	95%	-1%
Widow's Benefit/ Bereavement Benefit	31	0	0%	100%	97%	3%

#£1.50 De-minimus rule applies

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Table 2 Case Accuracy

Benefit	Total Cases Monitored	Number of Incorrect Cases	Error Rate	Case Accuracy Standard	Case Accuracy Benchmark	Variance
Disability Living Allowance	816	9	1%	99%	97%	2%
Employment and Support Allowance	1284	153	12%	88%	92%	-4%
Incapacity Benefit	594	20	3%	97%	95%	2%
Income Support	810	31	4%	96%	95%	1%
Jobseeker's Allowance	810	25	3%	97%	95%	2%
#State Pension	456	21	5%	95%	96%	-1%
#State Pension Credit	1152	135	12%	88%	95%	-7%
Attendance Allowance	564	2	0.35%	99.65%	97%	2.65%
Carer's Allowance	576	5	1%	99%	97%	2%
Industrial Injuries Disablement Benefit	204	1	0.5%	99.5%	96%	3.5%
Maternity Allowance	111	2	2%	98%	96%	2%
Severe Disablement Allowance	270	3	1%	99%	97%	2%
Social Fund (Compilation)	683	38	6%	94%	95%	-1%
Widow's Benefit/ Bereavement Benefit**	168	16	10%	90%	96%	-6%

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#£1.50 De-minimus rule applies

**WB/BB – this includes 4 system fault errors which were outside the control of the officials in the Branch.

Financial Accuracy

From April 2003 financial accuracy targets (current targets shown in brackets) were introduced for the 4 main benefits, Disability Living Allowance (99%), Incapacity Benefit (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 (95%) has also been measured and details of this are also included in the Report. The target set reflects the financial value of benefit paid accurately. Results for end of year 2010 show that 3 out of 7 targets were achieved. Both Incapacity Benefit with a result of 98.4% (lower confidence interval 97.2% and upper confidence interval 99.4%) and Income Support with a result of 98.8% (lower confidence interval 98.2% and upper confidence interval 99.4%) met the target within statistical tolerance. Of the two remaining benefits, Employment and Support Allowance with a result of 94.6% also met its target of 95% within statistical tolerance. State Pension Credit missed its target with a result of 96.9% against target of 98%. However, this represents steady progress since it is a 0.3 percentage point increase compared with the previous 2009 result. (Table 3 below shows current performance against target and Appendix 3 details the estimated levels of financial error for each of the 7 benefits).

Table 3 Financial Accuracy

Benefit	Financial Accuracy	Target
Disability Living Allowance	99.6%	99%
Employment and Support Allowance	94.6%	95%
Incapacity Benefit	98.4%	99%
Income Support	98.8%	99%
Jobseeker's Allowance	99.0%	99%
State Pension	99.9%	99%
State Pension Credit	96.9%	98%

The results from Tables 1 to 3 above show that –

- 11 of the 14 decision-making benchmarks were met;
- 9 of the 14 case-accuracy benchmarks were met;
- 6 of the 7 financial accuracy targets were met (or met within confidence intervals).

Overpayments

Debt Centre NI is responsible for calculating the overpayment period, amount, recoverability and from whom it is recoverable for all new overpayments identified from January 2007. Standards Assurance Unit is responsible for the reporting on the standards of decisions made by staff in Debt Centre NI collectively across the Agency. The overpayment monitoring results for the period January to December 2010 are presented below in Table 4 (see page 41 also).

Table 4 Decision Making Standard of Overpayment Decisions

	Total Cases Monitored	Number of Comments	Error Rate	Decision Making Standard
Total	384	35	9%	91%

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Appeals

During 2010, SAU examined 371 appeal submissions to establish the standard of decision making on appeal submissions. The results are set out in Table 5 (see page 41 also).

Table 5 Decision Making Standard of Appeal Submissions

	Total Cases Monitored	Number of Comments	Error Rate	Decision Making Standard
Total	371	23	6%	94%

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.

Clearance Times

Appendix 4 sets out the Agency's standard in achieving clearance time benchmarks across the social security benefits.

Legislation Extract

Appendix 5 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.

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Decision Making and Case Accuracy Standards

Part 2

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Introduction

This part of the Report shows the standard of decision making and case accuracy for the 7 main benefits: Disability Living Allowance, Employment and Support Allowance, Incapacity Benefit, Income Support, Jobseeker's Allowance, State Pension and State Pension Credit. Monitoring exercises were done on all social security benefits during the year.

Disability Living Allowance Decision Making

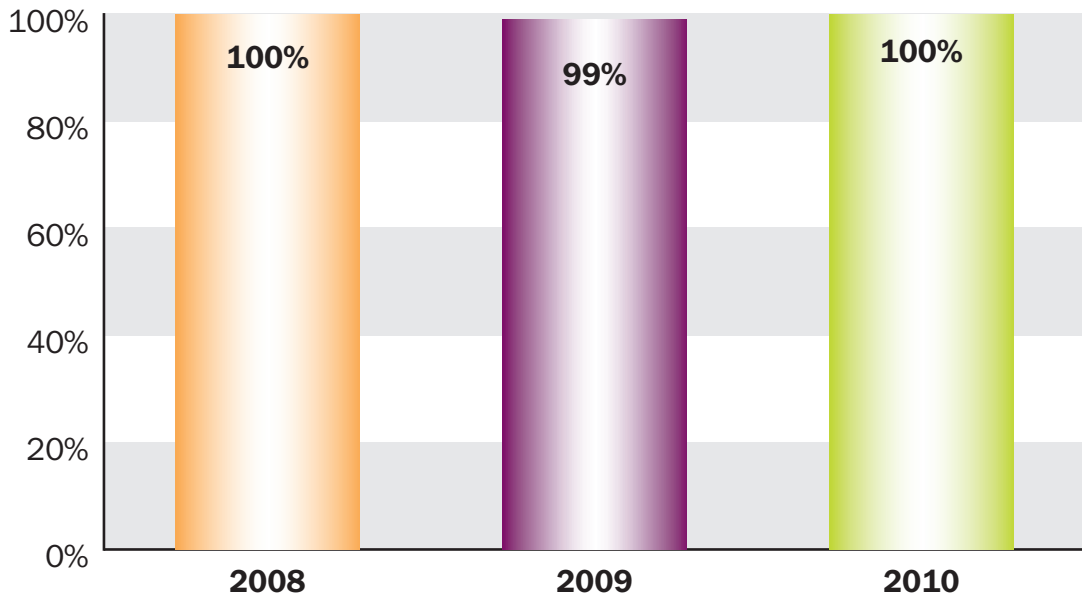
To find out the standard of decision making, 104 cases were examined and all cases (100%) were correct. The decision-making standard was 3 percentage points above the benchmark of 97%. The table below shows the breakdown of performance under each type of decision monitored.

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Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	69	0	0%	100%	
Revisions	1	0	0%	100%	
Supersessions	29	0	0%	100%	
Reconsiderations	5	0	0%	100%	
Overall performance	104	0	0%	100%	N/A

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

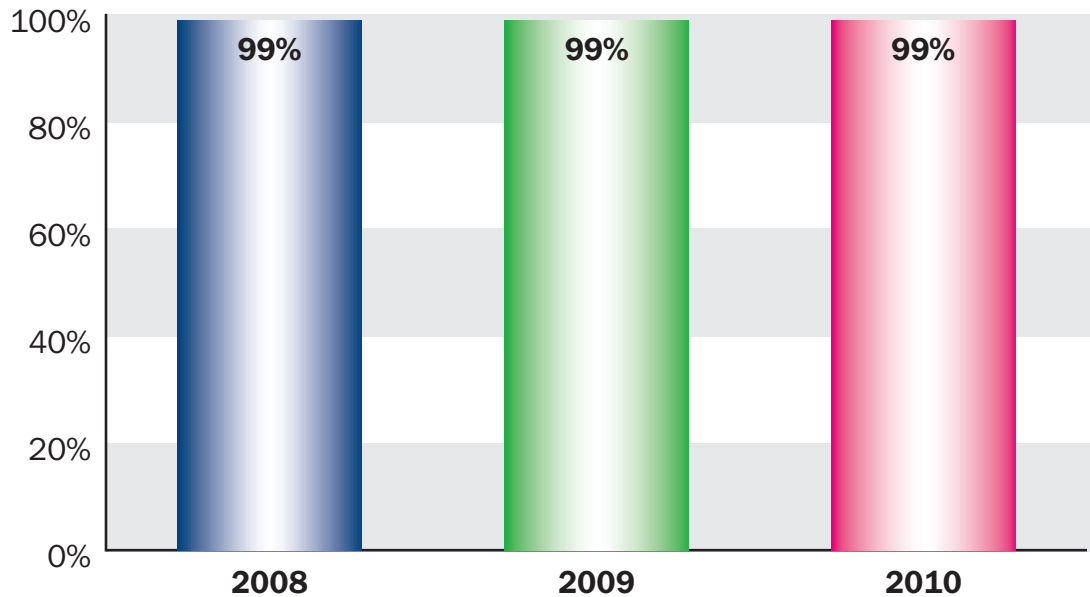
DLA Standard of Decision Making



Disability Living Allowance Case Accuracy

To find out the case-accuracy standard 816 cases were examined and 807 (99%) were found to be correct. The case-accuracy standard was 2 percentage points above the benchmark of 97%. The chart over compares case-accuracy standard over the last 3 years.

DLA Case-accuracy Standard



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Conditions of entitlement accounted for 7 of the 9 errors identified and were due to the incorrect award made for one or both components (6 errors) and disability conditions not satisfied (one error). *Payment Computation* accounted for the other 2 errors and these were due to transcription errors.

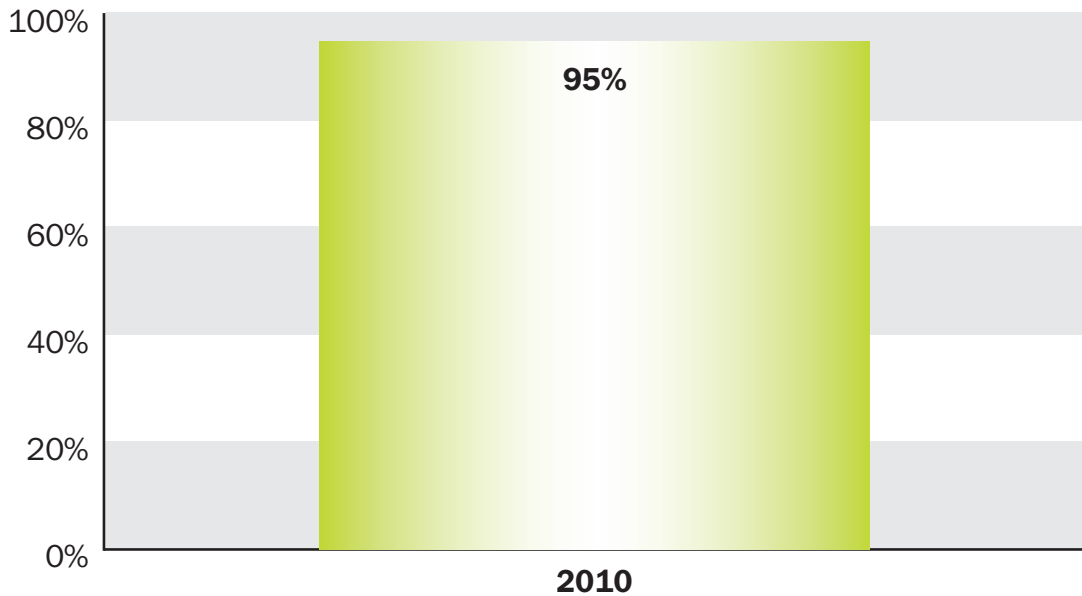
Employment and Support Allowance Decision Making

To find out the standard of decision making 360 cases were examined and 341 cases (95%) were correct. The decision-making standard was 3 percentage points above the benchmark of 92%. The table below shows the breakdown of performance under each type of decision monitored.

Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	258	13	5%	95%	
Supersessions	102	6	6%	94%	
Overall performance	360	19	5%	95%	+/- 2.3%

The chart below shows decision-making standard for this year.

ESA Standard of Decision Making

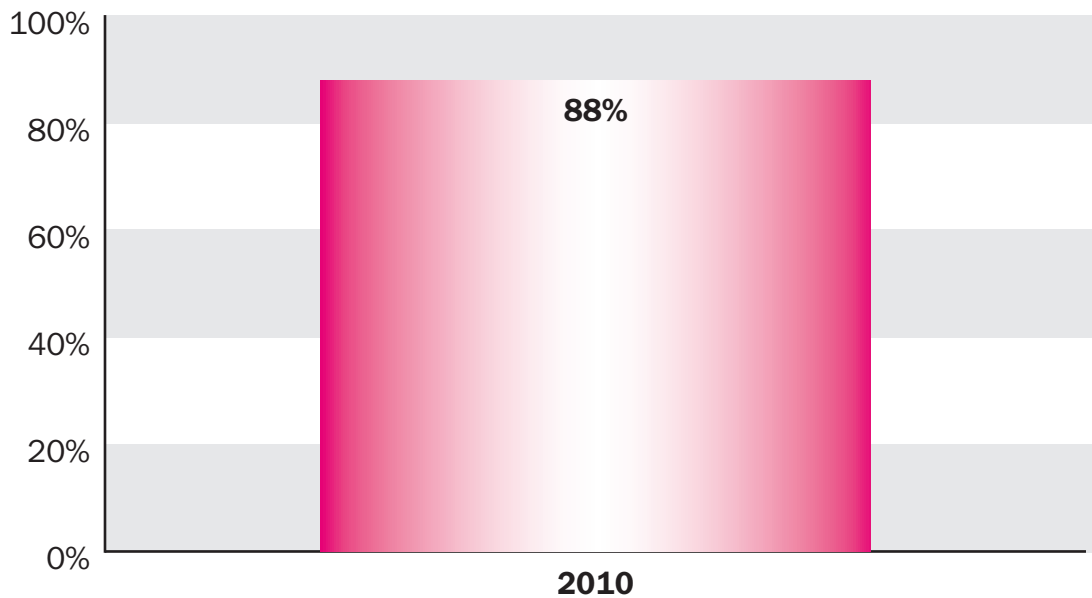


The 2 main areas of error were *interpretation and application of the law* which accounted for 9 (47%) of all the errors recorded and *findings of fact* which accounted for 5 (26%) of all the errors recorded. The main types of error within *interpretation and application of the law* related to conditions of entitlement applied incorrectly (4 errors) and contribution conditions applied incorrectly (3 errors). The main type of error within *findings of fact* related to rate of award calculated incorrectly (3 errors).

Employment and Support Allowance Case Accuracy

To find out the case-accuracy standard 1284 cases were examined and 1131 (88%) were correct. The case-accuracy standard was 4 percentage points below the benchmark of 92%. The chart below shows case-accuracy standard for this year.

ESA Case-accuracy Standard



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The 2 main areas of error identified were *conditions of entitlement* 72¹ errors (44%) and *premiums* 36¹ errors (22%). The main types of error within *conditions of entitlement* related to ESA (Youth) not considered, first/second contribution condition incorrect and customer awarded support group incorrectly. The main type of error within *premiums* concerned the failure to award severe disability premium.

¹ It should be noted that the number of errors can exceed the number of incorrect case(s), as a case can contain 2 or more errors.

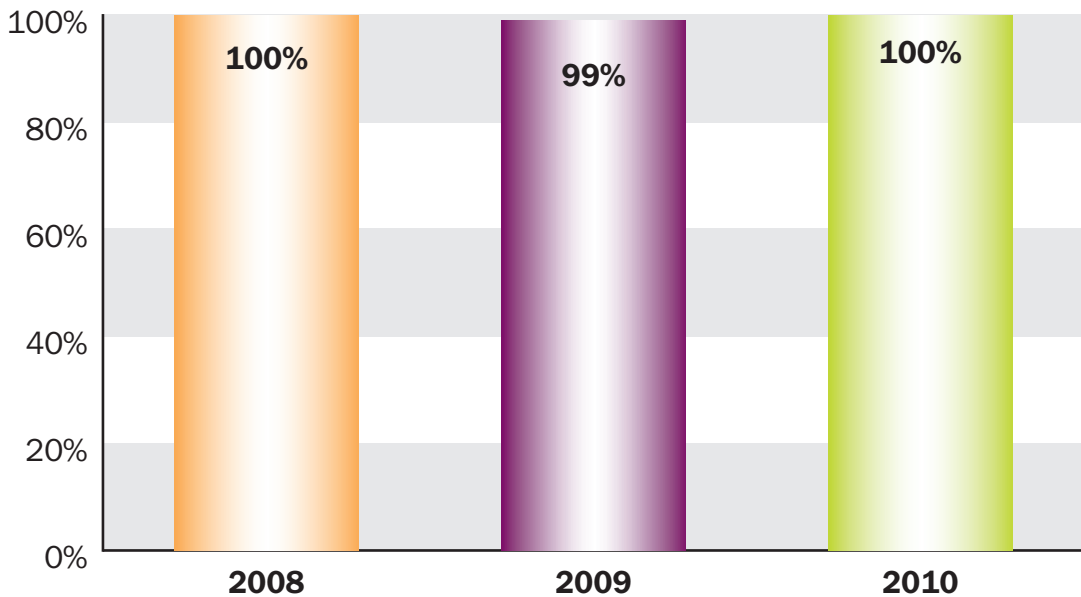
Incapacity Benefit Decision Making

To find out the standard of decision making 24 cases were examined and all (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.

Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	5	0	0%	100%	
Supersessions	19	0	0%	100%	
Overall performance	24	0	0%	100%	N/A

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

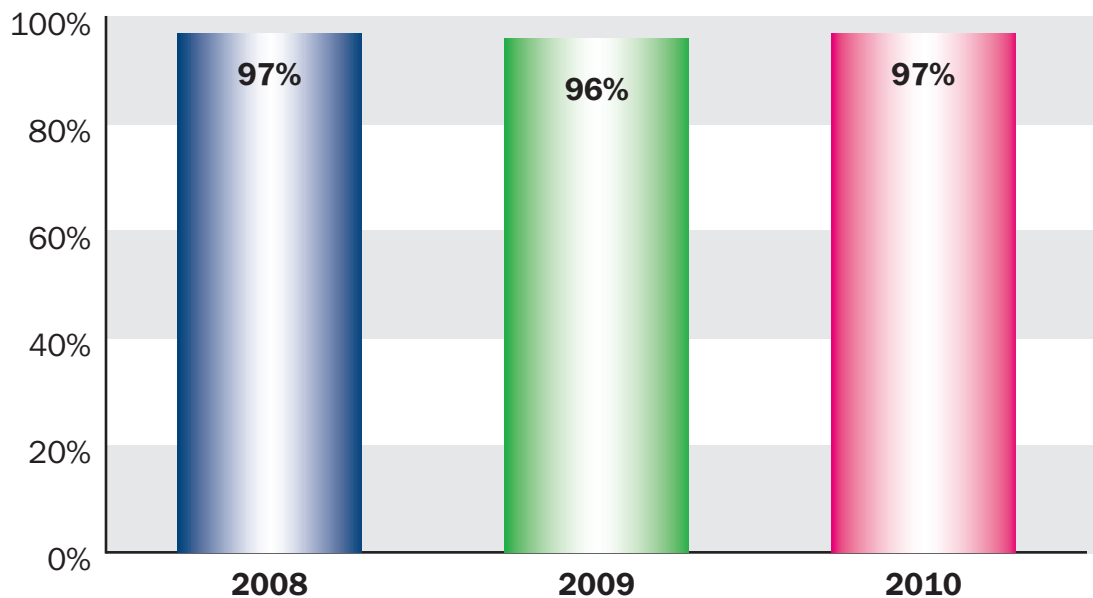
IB Standard of Decision Making



Incapacity Benefit Case Accuracy

To find out the case-accuracy standard 594 cases were examined and 574 (97%) were correct. The case-accuracy standard was 2 percentage points above the benchmark of 95%. The chart below compares case-accuracy standard over the last 3 years.

IB Case-accuracy Standard



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Conditions of entitlement accounted for 14¹ (58%) of the errors identified. The main type of error within this area were the first/second contribution conditions not being satisfied (7 errors).

1. It should be noted that the number of errors can exceed the number of incorrect case(s), as a case can contain 2 or more errors.

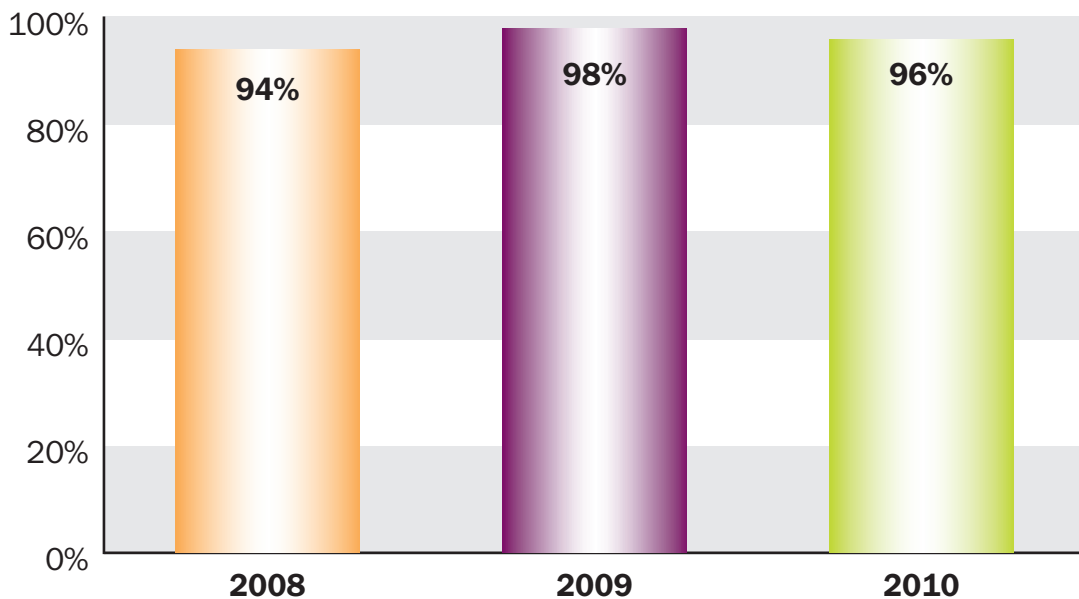
Income Support Decision Making

To find out the standard of decision making, 104 cases were examined and 100 cases (96%) were correct. The decision-making standard was 4 percentage points above the benchmark of 92%. The table below shows the breakdown of performance under each type of decision monitored.

Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	28	2	7%	93%	
Revisions	4	0	0%	100%	
Supersessions	72	2	3%	97%	
Overall performance	104	4	4%	96%	+/- 3.7%

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

IS Standard of Decision Making

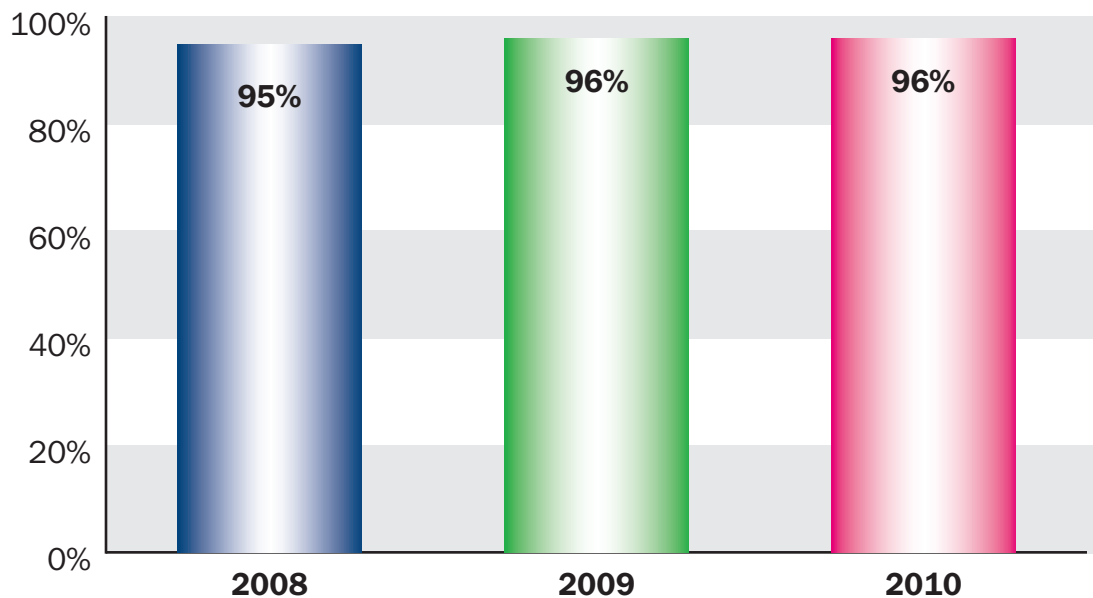


The main area of error was *interpretation and application of the law*, which accounted for 3 (75%) of all the errors identified. The errors related to conditions of entitlement not satisfied, income applied incorrectly and mortgage & housing costs calculated incorrectly (one error each).

Income Support Case Accuracy

To find out the case-accuracy standard 810 cases were examined and 779 (96%) were correct. The case-accuracy standard was one percentage point above the benchmark of 95%. The chart below compares the case-accuracy standard over the last 3 years.

IS Case-accuracy Standard



The main area of error identified was *income & other benefits* 11¹ errors (32%). The main types of error within this area were part-time earnings incorrect/not taken into account, occupational pension omitted and carer's allowance incorrect (2 errors each).

¹ It should be noted that the number of errors can exceed the number of incorrect case(s), as a case can contain 2 or more errors.

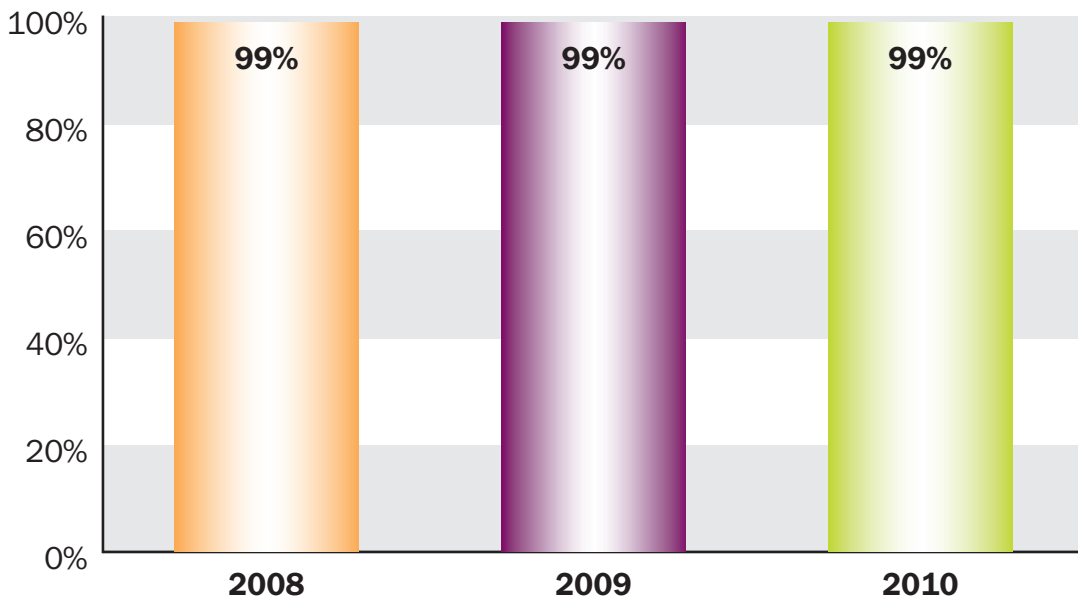
Jobseeker's Allowance Decision Making

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.

Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	141	1	1%	99%	
Supersessions	3	0	0%	100%	
Overall performance	144	1	1%	99%	+/- 1.4%

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

JSA Standard of Decision Making

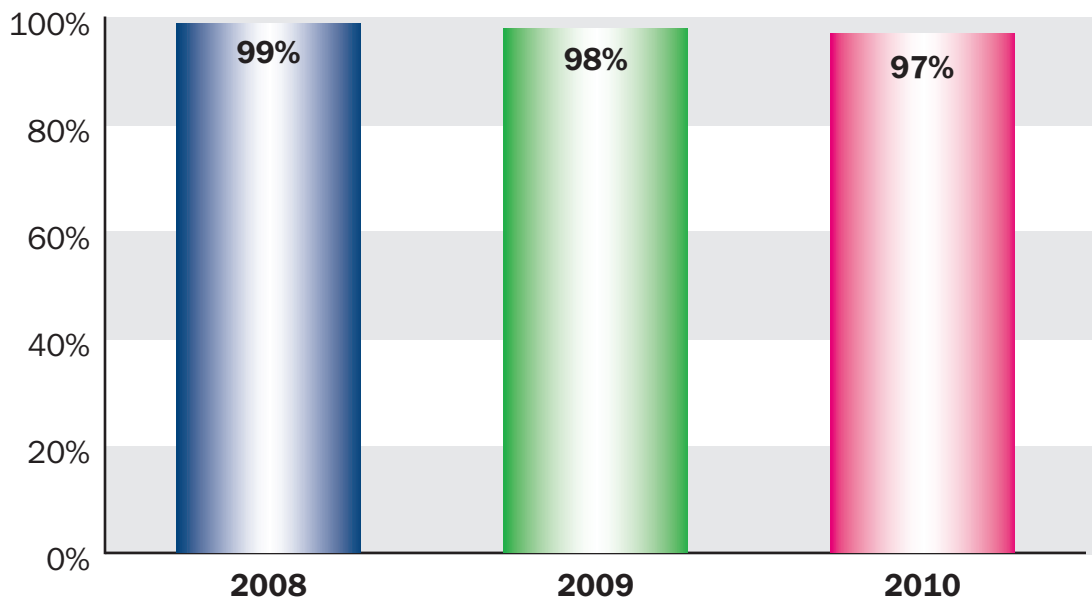


The area of error was *determination of questions* (100%) and related to the conditions of entitlement not satisfied.

Jobseeker's Allowance Case Accuracy

To find out the case-accuracy standard 810 cases were examined and 785 (97%) were correct. The case-accuracy standard was 2 percentage points above the benchmark of 95%. The chart below compares case-accuracy standard over the last 3 years.

JSA Case-accuracy Standard



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The main areas of error identified were *mortgage & housing costs* 9¹ errors (31%) and *income & other benefits* 9¹ errors (31%). The main type of error within *mortgage & housing costs* was capital outstanding incorrect. The main type of error within *income & other benefits* was due to Carer's Allowance missed/incorrectly applied.

1 It should be noted that the number of errors can exceed the number of incorrect case(s), as a case can contain 2 or more errors.

State Pension Decision Making

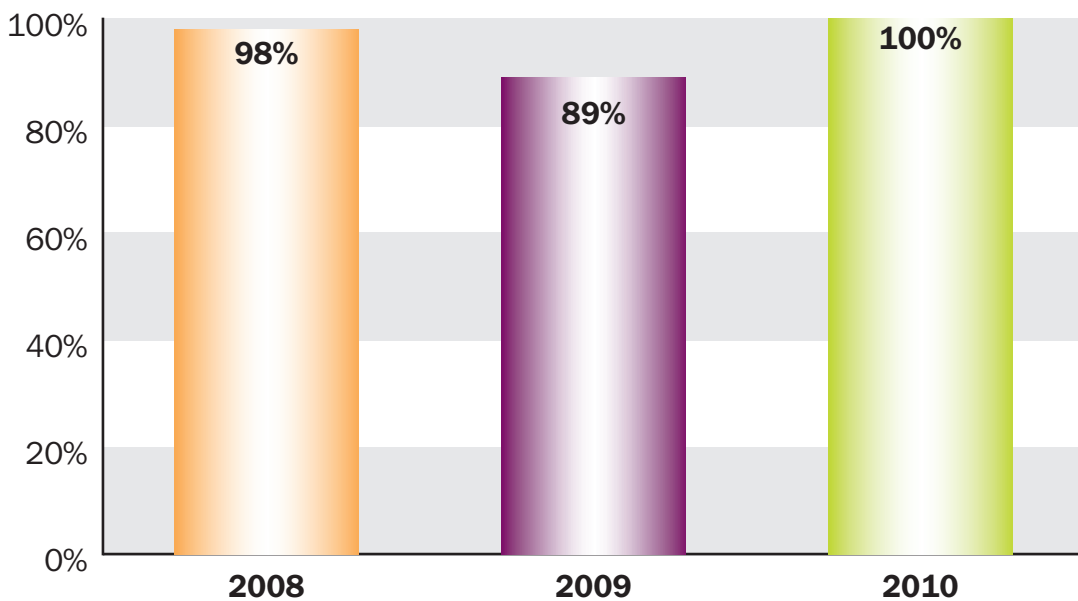
To find out the standard of decision making 28 cases were examined and all (100%) cases were found to be correct. The decision-making standard was 3 percentage points above the benchmark of 97%. The table below shows the breakdown of performance under each type of decision monitored.

Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	20	0	0%	100%	
Revisions	3	0	0%	100%	
Supersessions	5	0	0%	100%	
Overall performance	28	0	0%	100%	N/A

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

SP Standard of Decision Making

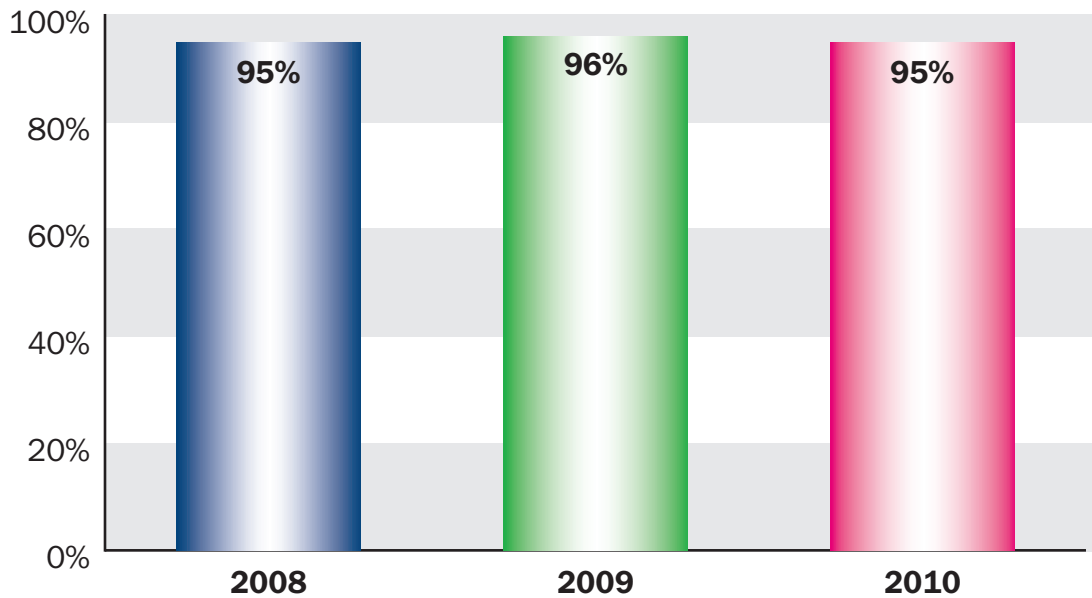
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State Pension Case Accuracy

To find out the case-accuracy standard 456 cases were examined and 435 (95%) were correct. The case-accuracy standard was one percentage point below the benchmark of 96%. The chart below compares case-accuracy standard over the last 3 years.

SP Case-accuracy Standard



36

Award accounted for 23¹ (92%) of the errors identified. The main types of error were due to the wrong amount awarded (7 errors), basic pension not awarded or awarded incorrectly (5 errors) and award revised incorrectly (4 errors). Of all errors identified 2 were system fault errors which were outside the control of the Agency staff in the Branch.

1 It should be noted that the number of errors can exceed the number of incorrect case(s), as a case can contain 2 or more errors.

State Pension Credit Decision Making

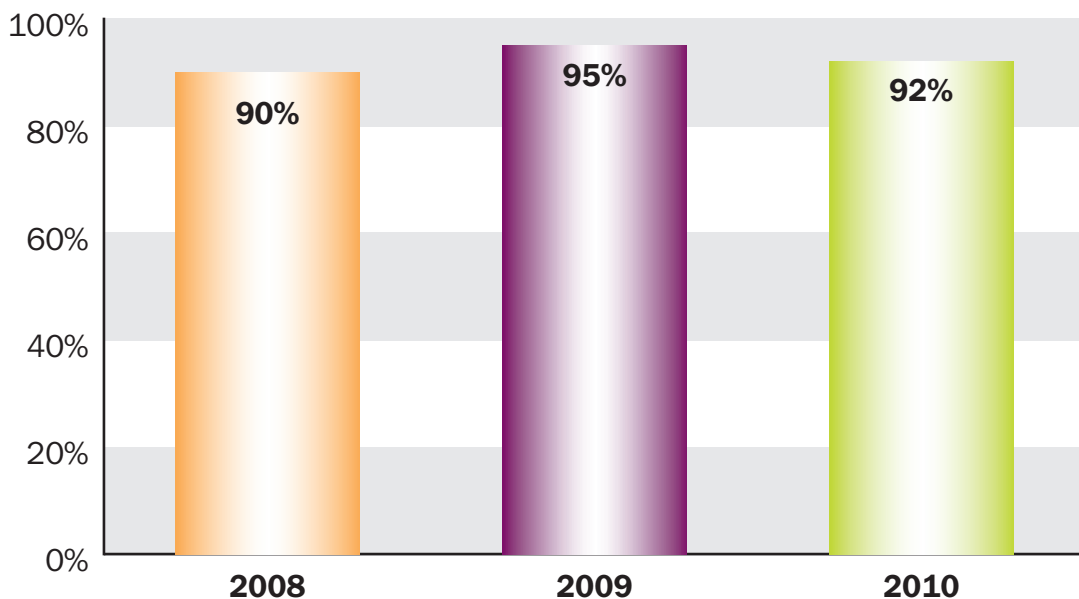
To find out the standard of decision making 202 cases were examined and 186 cases (92%) were correct. The decision-making standard was 2 percentage points below the benchmark of 94%. The table below shows the breakdown of performance under each type of decision monitored.

Type of Decision	Total Cases Checked	Number of Cases Incorrect	Error Rate	Percentage of Decisions Correct	Confidence Interval
Claims	85	7	8%	92%	
Revisions	30	1	3%	97%	
Supersessions	87	8	9%	91%	
Overall performance	202	16	8%	92%	+/- 3.7%

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

SPC Standard of Decision Making

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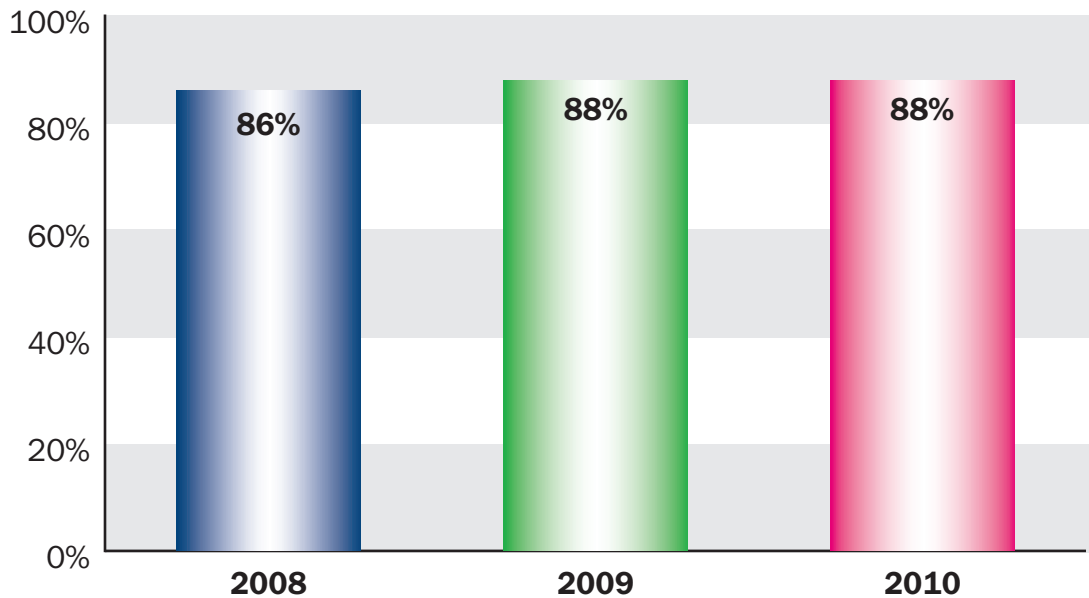


The main area of error was *findings of fact*, which accounted for 8 (50%) of all the errors recorded. The main types of error within this area related to income being taken into account incorrectly and capital applied incorrectly (3 errors each).

State Pension Credit Case Accuracy

To find out the case-accuracy standard 1152 cases were examined and 1017 (88%) were correct. The case-accuracy standard was 7 percentage points below the benchmark of 95%. The chart below compares case-accuracy standard over the last 3 years.

SPC Case-accuracy Standard



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The 2 main areas of error identified were *income & other benefits* 87¹ errors (52%) and *capital* 33¹ errors (20%). The main type of error within *income & other benefits* was due to occupational pension being incorrect/omitted. The main types of error within *capital* were due to assumed income being incorrect/not taken into account and failure to review.

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 30 cases examined were correct.

¹ It should be noted that the number of errors can exceed the number of incorrect case(s), as a case can contain 2 or more errors.

Attendance Allowance Case Accuracy

The case-accuracy standard for Attendance Allowance was 99.65%, as 562 of the 564 cases examined were correct. *Conditions of entitlement* accounted for the two errors recorded and were due to disability conditions not satisfied and incorrect award made for one or both components.

Carer's Allowance Decision Making

The decision-making standard for Carer's Allowance was 94%, as 34 of the 36 cases examined were correct. *Findings of fact* accounted for the 2 errors recorded and were raised as the customer should have been disallowed Carer's Allowance as they were earning over the required limit and the rate of benefit paid was incorrect.

Carer's Allowance Case Accuracy

The case-accuracy standard for Carer's Allowance was 99%, as 571 of the 576 cases examined were correct. The main area of error was *conditions of entitlement* which accounted for 3 errors (60%). Within *conditions of entitlement* the errors recorded were raised where the customer was gainfully employed and earning more than £75 per week (2 errors) and where the customer was not caring for 35 hours per week.

Industrial Injuries Disablement Benefit Decision Making

The decision-making standard for Industrial Injuries Disablement Benefit was 100%, as all of the 19 cases examined were correct.

Industrial Injuries Disablement Benefit Case Accuracy

The Industrial Injuries Disablement Benefit case-accuracy standard was 99.5%, as 203 of the 204 cases examined were correct. *Payment computation* accounted for the error recorded and was due to the amount of payment being incorrect.

Maternity Allowance Decision Making

The decision-making standard for Maternity Allowance was 98%, as 109 of the 111 cases examined were correct. The main area of error was *findings of fact*, which accounted for the 2 errors recorded. The errors were due to an incorrect rate of Maternity Allowance being awarded.

Maternity Allowance Case Accuracy

The case-accuracy standard for Maternity Allowance was 98%, as 109 of the 111 cases examined were correct. Both areas of error were *payment computation* and were due to arithmetical errors.

Severe Disablement Allowance Decision Making

The decision-making standard for Severe Disablement Allowance was 100%, as the 2 cases examined were correct.

Severe Disablement Allowance Case Accuracy

The case-accuracy standard for Severe Disablement Allowance was 99%, as 267 of the 270 cases examined were correct. The areas of error were *dependency, payment computation and recovery/deduction action* and were due to child exclusion date incorrect, incorrect rate of benefit was paid and Income Support recovery was not actioned, respectively.

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Social Fund Decision Making

Social Fund Compilation (Includes all elements of Social Fund)

The decision-making standard for the Social Fund was 94%, as 327 of the 348 cases examined were correct. The main area of error related to *evidence*. Most of these errors related to crisis loans and community care grants and concerned the failure to obtain sufficient evidence to support decision.

Social Fund Case Accuracy

Social Fund Compilation (Includes all elements of Social Fund)

The case-accuracy standard for the Social Fund was 94%, as 645 of the 683 cases examined were correct. The 2 main areas of error related to *awards/payments* and *qualifying conditions*. For *awards/payments* most of the errors related to the incorrect amount awarded for crisis loans. For *qualifying conditions* most of the errors related to crisis loan conditions not satisfied.

Widow's Benefit and Bereavement Benefit Decision Making

The decision-making standard for Widow's Benefit and Bereavement Benefit was 100%, as all of the 31 cases examined were correct.

Widow's Benefit and Bereavement Benefit Case Accuracy

The case-accuracy standard for Widow's Benefit and Bereavement Benefit was 90%, as 152 of the 168 cases examined were correct. Of the 16 errors identified 3 were system fault errors which were outside the control of the Agency staff in the Branch. *Award* accounted for 13 errors. Most of the errors were raised when the award was being revised and a payment error was discovered (4 errors) and others were due to the wrong amount awarded, basic pension not awarded / awarded incorrectly / overseas action not taken and contracted-out deductions overlooked / incorrect.

Overpayment Decisions

A total of 384 cases was examined and 35 comments were raised resulting in an overall standard of 91%. The main area of error was *findings of fact*, which accounted for 28 comments (80%). The main types of error within *findings of fact* related to the amount of the recoverable overpayment being incorrect (20 comments) and the decision to recover being incorrect (5 comments).

Appeal Submissions

A total of 371 cases was examined and 23 comments were raised resulting in an overall standard of 94%. Most of the errors related to the submission defending an incorrect decision (18 comments).

Decision Making and Case Accuracy Annual Report
1 January to 31 December 2010

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

Part 3

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

Our Approach

The Agency's Fraud and Error Reduction Board steers the Agency's strategic approach to reducing error in the Social Security benefit system. Mistakes caused by Agency staff "official error" may be associated with a range of factors – some of the most common include:

- the complex nature of the rules governing the benefits system;
- IT systems that are not as integrated as they might be;
- staff turnover, recruitment and retention; and
- human error.

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The Agency's Error Reduction Strategy

The Agency's Fraud and Error Reduction Board comprises senior Agency Managers thereby ensuring a collaborative approach to maintain and improve the delivery of high accuracy levels across the benefit system.

The Agency's strategy is based around two 2 strands:

- **Prevention** - the need to prevent new error entering the system;
- **Detection and Correction** - the need to detect and correct error that may already be in the system.

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.

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 monitoring of live benefit cases, and

produces detailed information about the level of error and error trends. Standards Assurance Unit data is analysed by statisticians and this information is used by Error Reduction Division, Agency business managers as well as the independent Joint Standards Committee to direct a broad range of prevention and detection activities. Using statistical analysis, the operational benefit branches undertake targeted interventions and checks to identify and remove existing error. This ensures the best use of resources and maximum impact in reducing official and customer error.

Key strategic actions

The Agency's strategy for tackling error in the benefit system focuses on a number of key areas: *Checking, Simplification, Information Technology and Learning and Development.*

Checking

Throughout the year Agency staff process over 600,000 new claims as well as taking action on some 800,000 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. Error Reduction Division 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. Error Reduction Division also fund activity to remove anomalies identified by matching data from various information systems. Where these activities discover error it is corrected and, where appropriate, unpaid entitlement is reimbursed. Error Reduction Division has implemented enhancements to the Error Recording and Reporting System (ERRS) that records outcomes of targeted checks. The enhancement enables the full range of checks carried out across benefit operations to be recorded on a single database. Analysis of the overall position on error will help the Agency to continually refocus its approach to target resources in areas of greatest risk.

Simplification

The Agency tries to mitigate the complexity of the benefit system by working with Department for Work and Pensions (DWP) colleagues to ensure the design of any new benefit is checked to ensure simplicity is a priority. The new Employment and Support Allowance, which was introduced in October 2008, endeavours to simplify the benefit paid to customers who are unable to work, due to illness or disability, by replacing two benefits (Incapacity Benefit and Income Support) with one which can be claimed by most people over the phone.

Wider Welfare reforms have the potential to reduce errors in the long term by simplifying the benefits system. The proposed introduction of Universal Credit is the largest single change to the Social Security Benefit system in decades with an integral goal of reducing error by joining up the benefits paid in DWP, HMRC and Local Authorities through one single organisation. The Agency has established a NI Universal Credit Programme team and engaged with the DWP Universal Credit Programme.

IT

Taking a closer look at IT complexity it is important to understand that the extensive range of benefits administered by the Agency has led to the development of several different computer systems. These systems, which are owned and operated by DWP, are complex and not always as integrated as we would like them to be with the consequence that there are sometimes limitations regarding the degree to which relevant information can be shared between systems. To help address this, the Agency introduced the Customer Information System (CIS) and the Common Update Enquiry Dialogue (CUED) enabling the sharing of basic customer and benefit details across various benefit branches.

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More recently, the Agency has introduced Customer Account Management (CAM) systems within its State Pension, State Pension Credit and Employment and Support Allowance areas. These are more modern systems which provide for a scripted approach to be followed to ensure that customer information is fully and accurately captured and allow a customer contact history to be built up over time. As more of these systems are made available by DWP the Agency will seek to deploy them to other benefit areas.

Learning and Development

Administering the complex range of benefits requires highly trained staff. The Learning and Development Unit assists the Agency in meeting its aim of implementing “a focused programme of training and development designed to enable staff to be trained and proficient.” They do this by designing, delivering and evaluating business-specific learning products in association with the Department’s Decision Making Services, providing support to specialist trainers and by providing advice and guidance on Learning and Development to Line Managers and staff. In tandem with this activity, the Department’s Decision Making Services assist staff across the Agency by developing and delivering foundation decision-making training as well as training in complex areas of the work. Decision Making Services also provide advice and guidance to decision makers within the Agency.

Benefit Specific Initiatives

In Pensions and Disability & Carers Services a range of local initiatives are in place designed to complement the overall Error Reduction Strategy.

- In each benefit area Local Quality Councils headed up by senior managers and involving key stakeholders meet regularly to review progress against accuracy improvement plans. They also consider both Agency and local information on quality checks and outcomes and direct a range of additional improvement activities where appropriate.
- Feedback mechanisms are utilised in all areas to ensure that errors identified are fed back immediately to the staff member and their line manager. In addition, the errors detected are highlighted and discussed by all team leaders at team time to ensure that all staff learn and are fully aware of the actions to prevent them reoccurring. Local guidance bulletins are issued to supplement the learning when necessary.
- Additional training and awareness is delivered, for example specialist State Pension Credit training packages covering complex areas such as savings and investments and capital are delivered to all processing staff. Awareness sessions were also delivered for Disability Living Allowance decision makers covering certain complex disabilities.
- Individual Accuracy Work Objectives now form part of performance management in State Pension Credit and other initiatives have been introduced such as workshops on evidence gathering; an Accuracy Improvement Plan focusing on activities designed to detect, prevent and correct error; and all detected errors are subject to a continuous improvement process.

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In Income Support & Jobseeker's Allowance, work is ongoing in collaboration with Decision Making Services, to focus on complex work areas such as housing costs to ensure consistency of approach and shared learning across the 35 offices. The checking processes for Income Support and Jobseeker's Allowance are continually focused on complex, high risk work areas. ERRS has been upgraded to record the outcomes of the full range of network checks, making the data much more accessible to managers.

A Social Fund accuracy improvement plan has been developed as a result of recommendations emanating from a risk assessment completed by ERD and feedback from the Office of the Social Fund Commissioner (OSFC). The OSFC produce quarterly and annual statistics reports on the quality of social fund decision making across the network. The OSFC also hold Best Practice Forums,

providing the opportunity to address current issues and to bring changes to Commissioner's Guidance to the attention of social fund staff.

The Employment and Support Allowance Centre has a number of initiatives in place as part of its accuracy strategy. The outcomes from local accuracy checks and Standards Assurance Unit findings are analysed to identify trends and high risk areas to help inform checking profiles, and to identify additional training and awareness requirements. Desk-aides and focused one-to-one awareness sessions have been provided to staff on complex areas such as contribution conditions and severe disability premiums. A feedback mechanism is in place to ensure that errors are fed back immediately to individual staff to support learning. Monthly discussions are held with line managers to discuss individual and team performance and to agree improvements.

Incapacity Benefits Division has a learning framework in place to ensure that feedback from the Quality Support Team's accuracy checks and Standards Assurance Unit findings are communicated to line managers who in turn provide feedback to individual staff. These findings along with the data about official error from Debt Centre Northern Ireland, and the Incapacity Division's Customer Services Team are used to identify areas for improvement. A number of new initiatives were incorporated into the Accuracy Improvement Plan last year. The initiatives centred on making better use of the existing databases to manage Pension Income and Deduction cases. The Divisions Quality Council, chaired by the Grade 7, met each quarter ensuring that progress was being made to address weaknesses. The lower level Quality Forum, consisting of key operational staff, has ensured that new initiatives were being taken forward within the business.

In order to continue focusing on accuracy in the coming year, the Division introduced a Quality Checking Framework (QCF) from 1 April 2011. This is supported by the introduction of ERRS for all accuracy and performance checks. The information provided by ERRS will help managers identify training needs at both individual and team level and provide useful data for the monthly meeting between the line manager and the processor which is a major element of the QCF. The reports produced through ERRS will provide managers with data which will help them identify weaknesses and trends which in turn will inform further improvement initiatives.

Looking Forward

The Agency's approach to reducing error in the benefit system is working. The targeted approach to error reduction activity, alongside staff training, accuracy improvement plans and other initiatives have proven to be effective. The Agency will continue to work to maintain the gains already made and to drive further improvement. However, the Agency like all areas of public service is faced with reducing budgets. While the Agency's strategy secures the best value for money from current activity and should help to mitigate the impact of future reduced funding, it will be difficult to maintain the current position and drive further improvement.

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 case accuracy and 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.

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Case Accuracy

Case accuracy is the check that looks at whether the correct rate of benefit has been paid in the selected week. It is a check of entitlement to, and the award of, benefit. The case accuracy standard represents the percentage of cases in the sample found to be correct when checked by Standards Assurance Unit.

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.

For Income Support and State Pension Credit the target clock starts ticking from the date at which the Evidence Requirement is deemed satisfied. The Evidence Requirement is deemed satisfied when all the evidence the decision maker needs to decide the claim has been provided by the customer.

For Disability Living Allowance, Disability Living Allowance Special Rules, Employment and Support Allowance, Jobseeker's Allowance, Incapacity Benefit,

State Pension, Attendance Allowance, Attendance Allowance Special Rules, Carer's Allowance and Industrial Injuries Benefit the target clock starts ticking from the Initial Date of Contact whether oral or written.

For new claims to all above-named benefits the target clock stops ticking from the date when the assessment notification is issued to the customer.

For changes in circumstances the target clock starts ticking from the date of receipt of the customer notification, whether oral or written, and stops ticking at the date that the notification that the change has been actioned is issued to the customer.

Similarly for Social Fund, Appeals and Health Cost applications the target clock starts ticking from the date of receipt of the customer notification, whether oral or written, and stops ticking at the date of notification of the outcome to the customer.

For Overpayments the target clock starts ticking from the date that the over/underpayment is identified by the relevant benefit office and stops ticking at the date that a decision notification is issued to the customer.

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.

De-Minimus

The de-minimus rule was introduced on 1 April 2003 to take account of errors of less than 50p. Standards Assurance Unit no longer report these as errors.

For State Pension and State Pension Credit **only**, in addition to the current rule a second de-minimus rule applies to results from the 2007 calendar year onwards. Cases that have a monetary value greater than £0.49 but less than £1.50 (i.e. £0.50 to £1.49) are to be treated as correct for decision making and case accuracy but treated as incorrect for financial accuracy. This applies to both overpayments and underpayments.

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 (formerly Benefits Assurance Directorate) within the Social Security Agency. Standards Assurance Unit provide a reliable and independent measure of decision making, case accuracy, financial accuracy and customer fraud and error against benchmarks and targets and assist 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.

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
IB	Incapacity Benefit
IS	Income Support
JSA	Jobseeker's Allowance
SP	State Pension
SPC	State Pension Credit

Other Benefits

AA	Attendance Allowance
CA	Carer's Allowance
IIDB	Industrial Injuries Disablement Benefit
MA	Maternity Allowance
SDA	Severe Disablement Allowance
SF (Comp)	Social Fund (Compilation)
WB/BB	Widow's Benefit and Bereavement Benefit

Key to Appendices

- Appendix 1 Terms of reference for the Standards Committee
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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. The latter has been succeeded by Child Maintenance and Enforcement Division.
- 3 The responsibility for reporting on standards requires the Chief Executive and Head of Division 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 Head of Division.
- 4 The Standards Committee will have an advisory rather than executive role. Its objectives will be to;
 - provide assurance to the Chief Executive and Head of Division 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 and Enforcement Division’s decision making and to highlight those areas where improvement is needed;
 - make specific recommendations on any area considered appropriate, including case accuracy;

- provide assurance to the Chief Executive and Head of Division that mechanisms are in place to feed back monitoring results to the Agency and Child Maintenance and Enforcement Division to enable continuous improvement;
- report to the Chief Executive and Head of Division on the operation of the decision-making process and where necessary to make recommendations for changes to it. The Chief Executive and Head of Division should be free to meet informally and discuss issues that may arise during the year;
- provide the Chief Executive and Head of Division with an annual assurance in the form of reports on the quality of decision making in the Agency and Child Maintenance and Enforcement Division and such other reports as the Chief Executive, Head of Division 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.

1 January to 31 December 2010

Appendix 2

Decision-making additional errors

Benefit	Total Cases Monitored	No of Cases Incorrect	No of Additional Decision Making Errors	Total no of Errors	DM Standard %	DM Standard % if Additional errors were included
Disability Living Allowance	104	0	0	0	100%	100%
Employment and Support Allowance	360	19	4	23	95%	94%
Incapacity Benefit	24	0	4	4	100%	83%
Income Support	104	4	0	4	96%	96%
Jobseeker's Allowance	144	1	6	7	99%	95%
State Pension	28	0	1	1	100%	96%
State Pension Credit	202	16	1	17	92%	92%
Attendance Allowance	30	0	0	0	100%	100%
Carer's Allowance	36	2	3	5	94%	86%
Industrial Injuries Disablement Benefit	19	0	3	3	100%	84%
Maternity Allowance	111	2	1	3	98%	97%
Severe Disablement Allowance	2	0	1	1	100%	50%
Social Fund (Compilation)	348	21	0	21	94%	94%
Widow's Benefit and Bereavement Benefit	31	0	0	0	100%	100%

Appendix 3

Estimated Monetary Value of Error Information 2010 for Disability Living Allowance, Employment and Support Allowance, Incapacity Benefit, 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	£2,862,481	£1,449,168	£1,413,313	£750,272,008	0.4%
Employment and Support Allowance	£4,584,879	£2,560,772	£2,024,106	£84,777,310	5.4%
Incapacity Benefit	£4,829,900	£3,219,716	£1,610,184	£303,229,889	1.6%
Income Support	£5,060,707	£3,383,463	£1,677,244	£428,056,340	1.2%
Jobseeker's Allowance *	£1,984,449	£1,067,337	£917,112	£191,133,166	1.0%
State Pension	£2,085,888	£652,165	£1,433,723	£1,649,270,638	0.1%
State Pension Credit	£11,219,340	£6,331,605	£4,887,735	£358,483,702	3.1%

*includes training monies

Appendix 4

Clearance Times

Benefit	Target 2010/2011	Year to date performance at March 2011	Variance against target March 2011
AA (Claims)	25 days (PM)	20	+5
AA (Special Rules)	7 days (PM)	3	+4
AA (Appeals)	40 days	36	+4
DLA (Claims)	41 days (SD)	34	+7
DLA (Special Rules)	7 days (PM)	4	+3
DLA (Appeals)	40 days	30	+10
IB (Claims)	N/A	9	-
IB (Appeals)	35 days	13	+22
ESA (Claims)	17 days (SD)	14	+3
ESA (Changes)	4 days (PM)	2	+2
ESA (Appeals)	45 days (PM)	36	+9
IIB (Claims)	90 days (PM)	55	+35
IIB (Appeals)	90% in 90 days	99%	+9%
CA (Claims)	25 days (PM)	23	+2
IS (Claims)	12 days (SD)	8	+4
IS (Changes)	4 days (PM)	2	+2
IS/JSA/SF (Appeals)	40 days (PM)	36	+4
Health Cost Claims	5 days (PM)	3	+2
JSA (Claims)	14 days (SD)	11	+3
JSA (Changes)	4 days (PM)	3	+1
State Pension (Claims)	9 days (SD)	5	+4
State Pension (Changes)	4 days (PM)	1	+3
State Pension Credit (Claims)	12 days (SD)	9	+3
State Pension Credit (Changes)	4 days (PM)	4	-
IS/JSA/Overpayment Processing	28 days (PM)	17	+11
Budgeting Loans	4 days (PM)	3	+1
Community Care Grants	12 days (PM)	12	-
Crisis Loans	2 days (PM)	1	+1
Funeral Payments	13 days (PM)	10	+3
Sure Start Maternity Grants	5 days (PM)	3	+2
Social Fund Reviews	10 days (PM)	9	+1

Key To Targets

PM = Performance Measure

SD = Service Delivery

Clearance times, are reported in Actual Average Clearance Times for 2010/2011

**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).

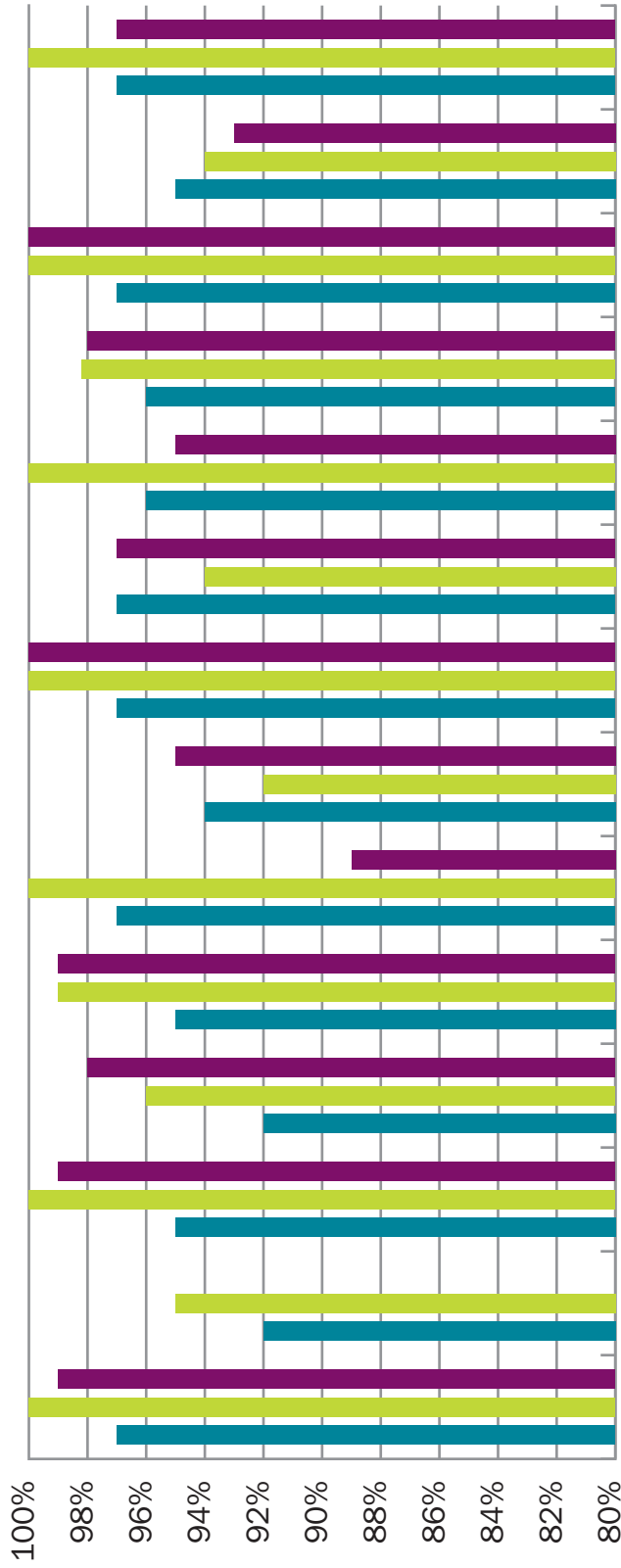
(4) A claimant is not a person from abroad if he is—

- (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.”

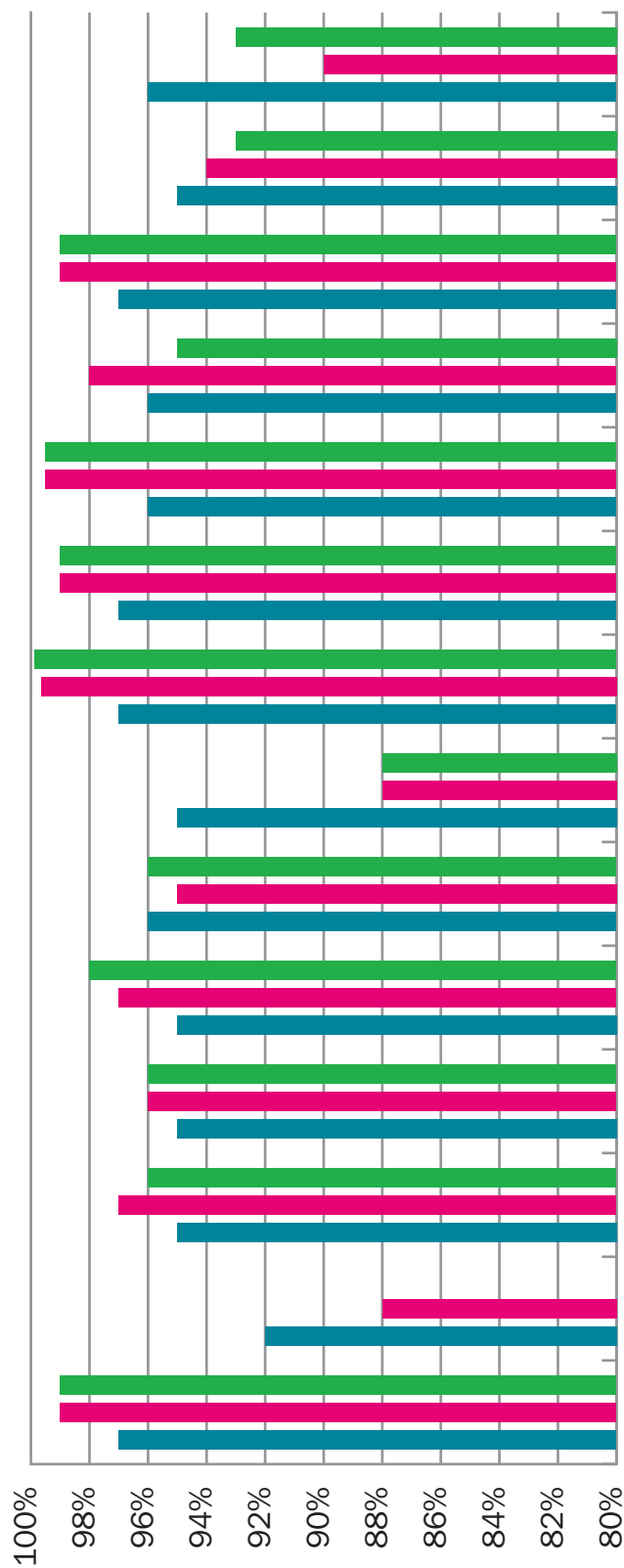
Decision-making standards versus benchmarks:
2009 and 2010

Appendix 6



	DLA	ESA	IB	IS	JSA	SP	SPC	AA	CA	IIBB	MA	SDA	SF (Comp)	WB/BB
Decision-making Benchmark	97%	92%	95%	92%	95%	97%	94%	97%	97%	96%	96%	97%	95%	97%
Decision-making Standard 2010	100%	95%	100%	96%	99%	100%	92%	100%	94%	100%	98.2%	100%	94%	100%
Decision-making Standard 2009	99%		99%	98%	99%	89%	95%	100%	97%	95%	98%	100%	93%	97%

Case-accuracy standards versus benchmarks: 2009 and 2010



	DLA	ESA	IB	IS	JSA	SP	SPC	AA	CA	IIDB	MA	SDA	SF (Comp)	WB/BB
Case-Accuracy Benchmark	97%	92%	95%	95%	95%	96%	95%	97%	97%	96%	96%	97%	95%	96%
Case-Accuracy Standard 2010	99%	88%	97%	96%	97%	95%	88%	99.65%	99%	99.5%	98%	99%	94%	90%
Case-Accuracy Standard 2009	99%		96%	96%	98%	96%	88%	99.87%	99%	99.5%	95%	99%	93%	93%

Type of decision-making errors **Appendix 8**

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	
Employment and Support Allowance	5%	3	16%	2	11%	5	26%	9	47%	0	0%	19
Income Support	4%	1	25%	0	0%	0	0%	3	75%	0	0%	4
Jobseeker's Allowance	1%	0	0%	1	100%	0	0%	0	0%	0	0%	1
State Pension Credit	8%	4	25%	3	19%	8	50%	1	6%	0	0%	16
Carer's Allowance	6%	0	0%	0	0%	2	100%	0	0%	0	0%	2
Maternity Allowance	2%	0	0%	0	0%	2	100%	0	0%	0	0%	2
Social Fund (Compilation)	6%	9	43%	3	14%	3	14%	6	29%	0	0%	21



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