

- Details of all reports of fraud made by members of the public to DSP in 2016

The Department of Social Protection receives reports of possible or suspected wrongful claiming from members of the public in relation to the operation of its schemes. A dedicated phone number and a facility on the Department's website are available for this purpose. Reports may also be made to a member of the Department's staff in the course of their duties or at any of the Department's offices and to its inspectors and investigators.

While there may be a perception of fraud, when a case is examined the individuals suspected may be doing something that is allowed under the rules of the particular scheme or they may not be in receipt of a welfare payment. For instance, a person may be working and still receive some level of income support from the Department provided the levels of earnings are known to the Department. This is often the situation with a person receiving a One Parent Family Payment and working part-time.

It is the policy of the Department to examine all reports of wrongful claiming or where a member of the public suspects fraud and/or abuse of the social welfare system. A payment is not suspended or stopped solely on the basis of a report received. The report provides a "trigger" for the instigation of a review of a specific entitlement and further investigation if that is considered to be warranted.

Data is not collated on the numbers of reports received separately by the Department's staff in the course of their duties (indications are that these numbers are relatively low).

The contents of the reports received are not available to Deciding Officers when they are making a statutory decision on cases due to the hearsay nature of the contents. It follows, therefore, that data is not available on the outcomes linked to the receipt of a report. Given their nature, evidence of a report received or its content cannot be used in pursuit of a prosecution.

The Department conducts a survey of a random sample of reports received annually for internal quality control purposes. This checks if the sampled reports have been examined by the appropriate scheme area and in the appropriate manner. Sample outcomes can be established from these surveys. Recent exercises concluded that savings and/or overpayments have been recorded in about one-third of cases where a report was received from a member of the public. Note that this work is not designed - nor is it large enough - to allow for statistical inferences to be drawn from the results.

- The manner/type of fraud in each case

The Department recorded 18,744 reports as having been received during 2016. In the same period, the Department processed 20,791 reports (2016 plus reports on hand from 2015). No action was taken in respect of 5,629 reports due to a number of reasons – it was not possible to identify a person, the person identified was not receiving a payment, the information received was already known to the Department or the information reported did not impact on the person's entitlement to a social welfare payment or the level of payment.

Reports referred for further examination are broken down by scheme area - see table. You should note that more than one referral may be made from the receipt of a single report.

TABLE: Scheme breakdown for Jan- Dec 2016

Jobseekers cases (include JA & JB)	5,310
SWA	2,472
One Parent Family cases (include WOPS)	3,383
Illness	2,959
Child Benefit	556
Other	4,681
Total	19,361

As advised above, the Department does not compile data on the outcome of the review or investigation processes linked to receipt of the initial report. This is to preserve the anonymous nature of the person reporting and to ensure that the decision-making process is not contaminated by hearsay or unsubstantiated allegations.

- The age group of the person(s) being reported and the type of welfare being fraudulently obtained in each case.

The Department does not compile data on the age or profile of the person who is reported. Given the numbers involved and the spread across schemes, the age profile is likely to follow the profile for the schemes as a whole.

- The calculations used to arrive at the figure of €500 million, and the split between that saved via anti-fraud activity and control activity, plus the nature of that activity.

The total value of savings recorded by staff for the year 2016 was €506m. Control savings are a performance management metric used to monitor the progress of control, compliance and anti-fraud work in the Department. It is based on the recorded actions of staff members in respect of individual case reviews and investigations.

The overall metric consists of overpayments and savings that arise from internally initiated reviews and investigation activity. Where a claimant voluntarily brings matters to the attention of the Department or seeks a review of their entitlement, any overpayments or future savings are excluded from the control savings calculation. Instances where the Department has made a mistake in determining entitlements or the level of payment are also excluded.

A control saving will only be recorded in cases where a social welfare claim is reduced in value or terminated following a review or investigation initiated by the Department. The basis of the savings calculated is scheme specific. The nature of the scheme is taken into account - in particular whether it is short-term (e.g. jobseeker's benefit or supplementary welfare allowance) or more long-term (e.g. State Pension Contributory/Non-Contributory).

This takes into account the length of time a person who has a claim reduced or terminated is expected to remain off a particular scheme or at the reduced rate of payment. The multipliers used in these calculations are based on observed behaviour and historic data on claims.

A breakdown of the figure across social welfare schemes is set out in the table under.

Table: Savings recorded by social welfare scheme 2016

Scheme	Savings Recorded	Scheme	Savings Recorded
Jobseekers Allowance & Benefit	€172m	Disability, Invalidity and Illness	€45m
Pensions and household benefits	€60m	One parent family payments	€77m
Carer's Allowance & Benefit	€9m	Child Benefit	€69m
Family Income Supplement	€42m	Supplementary Welfare Allowance	€26m
Employer inspections/ reviews	€6m	TOTAL	€506m

- If any figures are arrived at using modelling of any sort, the nature of that modelling

As mentioned above, the measurement is based on the individual value of the reduction in the payment following review (including where the claim is terminated). A range of scheme specific multipliers are used to calculate the future savings, together with the value of overpayments raised. The multipliers used are based on observed behaviour and historic claims data. The approach is based on the statutory decision-making process and procedures in place for recording individual decisions and associated outcomes (overpayments and/or future savings) across the Department's systems:

1. Where an incorrect payment is determined, a statutory decision issues to the person stating the outcome and advising them of the value of the sum overpaid and how the decision can be reviewed or appealed. The customer can either accept this outcome or appeal it to the Social Welfare Appeals Office. If an appeal is not made or if the appeal fails, the overpayment stands and the Department will commence actions to recover the sum overpaid.
2. Separately, a future saving is calculated using the value that the payment was reduced by or the value of the terminated payment (as described above). In the event that a decision is reversed following appeal, the overpayment or saving is amended to reflect this outcome.

The control savings figure results from the output of individual case reviews across schemes. This process has been developed over a number of years with frequent reviews. The last review was completed in 2012, following an examination by the Comptroller and Auditor General which recommended changes.

The Department is rolling out updated IT systems during 2017 to improve the data collection and analysis of its control activities.

A number of examples of scheme multipliers are set out below.

Sample Multipliers in Use (weeks)

Scheme Area	Termination	Reduction in Payment
All Pensions	136	52
Back to Education & Back to Work Allowance	32	-
Illness Benefit (IB Final Cert)	32	-
Jobseeker's Benefit	26	26
Living Alone Allowance	136	-
Maternity Benefit	4	-
One Parent Family Payment	136	52