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Performance against PSA target

The levels of fraud and error occurring in claims for Income Support and Jobseeker's Allowance over the period April 2002 to March 2003 are published as National Statistics today. The report can be read on the Department for Work and Pensions website at:

www.dwp.gov.uk/asd/asd2/fraud.asp

Targets

The Department for Work and Pensions has Public Service Agreement (PSA) targets to reduce fraud and error by 10 per cent by March 2002, by 25 per cent by March 2004 and by 50 per cent by March 2006. The PSA target measure is the estimated percentage of benefit overpaid due to fraud and error, including official error, in Income Support (including Minimum Income Guarantee for pensioners) and Jobseeker's Allowance.

The baseline from which progress is measured is the level over the 12 months from October 1997 to September 1998 published in a Government Statistical Service report in October 1999.

Results

For the period April 2002 to March 2003, the estimated fraud and error overpayment on IS and JSA was 6.4 per cent of the benefit paid over the year. This is a 29 per cent reduction from the baseline figure of 9.0 per cent. The annual amount overpaid was £1.09 billion.

New Target

In the Spending Review 2002 the PSA target was changed with effect from April 2003 so that it covered working age cases only, with a target reduction of 33 per cent by March 2004 and 50 per cent by March 2006. The report contains full information relating to the new target.

Interpretation of Results

The results are derived from the analysis of a sample of IS and JSA claims, rather than of all IS and JSA claims, so they are subject to statistical uncertainties. These uncertainties have been quantified and are presented in the results as 95 per cent confidence limits. Further sources of uncertainty have not been quantified. Fraud is by its nature a covert activity, and it is possible that some frauds and errors on sample cases will not have been uncovered. In addition, there are instances where fraud was suspected but was not admitted and could not be proven.

Notes to Editors:

1. "Fraud and Error in Income Support and Jobseeker's Allowance from April 2002 to March 2003: Headline Report" is a National Statistics publication and is produced to the high professional standards outlined in the National Statistics Code of Practice. National Statistics publications undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

2. # is equivalent to pounds.