

Audit and Assurance Committee

Date of Meeting	19 November 2024
Subject	Error Interventions Report – Quarter 2 2024-25
Agenda No.	5
Paper No.	29.4b
Prepared By	Error Interventions Team, Fraud and Error Resolution
Purpose	Monitor

Background

- 1.1 The attached report details error corrections and analysis undertaken by Social Security Scotland's Fraud and Error Resolution Unit throughout Quarter 2 of the 2024-25 operational year.

Key Points

- 2.1 Key highlights are shared in Part 1 of this report.

Conclusion/ Recommendation

- 3.1 The Committee is asked to review and comment on progress made during Quarter 2 of 2024-25.



Part 1: Error Interventions Performance

Key Highlights

During Quarter 2, Low Income and Disability Interventions identified and corrected

[REDACTED]

[REDACTED TABLE]

[REDACTED]

The table below details corrected error rates, with the monetary value of corrections expressed as a percentage of benefit expenditure for all benefit types (and rounded to 1 decimal point.) Please note that these figures are indicative pending confirmation of spend.

[REDACTED TABLE]

Part 2: Building Capability and Capacity

We have made progress with initiatives which impact on the efficiency and effectiveness of the services we deliver within Fraud and Error Resolution Unit:

[REDACTED]



Annex A - Detected Error Performance – Low Income Benefits

In Quarter 2, the outstanding head of work of low-income benefit decreased by 30% due increased clearance as Interventions Officers become more experienced, adoption of a new performance approach to support staff to reach full potential and clearance of high volume, low complexity Best Start Food cases.

Low Income Benefit Underpayment Errors

The value of underpayments corrected decreased by 19%, while the volume decreased by 30% in comparison to previous quarter. This was due to reduced referrals from Client Service Delivery and previous prioritisation of underpayments resulting in the interventions team being up to date with incoming underpayment corrections.

[REDACTED GRAPH]

Within the overall reduction Scottish Child Payment underpayment corrections reduced by 9% to 36%, while Best Start Food increased by 9% to 63% of all underpayment corrections in Quarter 2. This change to be due to Client Service Delivery targeting resource to Best Start Food cases rather than a change in error performance. We will continue to monitor this in Quarter 3 to confirm this.

[REDACTED GRAPH]

Analysis of Detected Underpayments – Classifications and Root Cause

[REDACTED]

[REDACTED GRAPH]

[REDACTED]

[REDACTED GRAPH]

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[REDACTED]

Low Income Benefits Overpayment Errors

In Quarter 2, there was a 4.6% increase in the value and a 53.1% increase in volume of overpayments corrected in comparison with the preceding quarter, due to the increased clearance of Best Start Foods cases which have a significantly lower award value than Scottish Child Payment.

[REDACTED GRAPH]

Scottish Child Payment overpayment treated volumes reduced from 60% of cases in Quarter 1 to 34.6% in Quarter 2, while Best Start Food increased from 32% to 62.1% due to focus on clearing older, less complex Best Start Foods cases.

[REDACTED]

[REDACTED GRAPH]

Analysis of Detected Overpayments – Classifications and Root Cause

Client Induced (Good Faith) remains the top classification for overpayments [REDACTED] due to failure to notify changes promptly.

[REDACTED GRAPH]

The volume of Official Error (Human) overpayments has reduced slightly from 20% to 17% and the value has increased slightly on Quarter 1 from 18% to 20. We will continue to monitor over the next Quarter as higher clearance rate of Best Start Food cases should have driven lower value of error across the classifications.

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[REDACTED]

[REDACTED GRAPH]

[REDACTED]

Detected Error Performance – Further Detail Disability Benefits

Referrals of reactive work from Client Service Delivery continue to be lower than anticipated in Quarter 2 2024-25. Therefore, majority of work undertaken in Disability Interventions this quarter has been proactive exercises such as Scottish Admin Exercise and sampling known error risk areas, resulting in improvements to guidance and processes to prevent future error. This has resulted in guidance and process improvements, and helped focus operational and Live Support resources on key risk areas. Reactive work is expected to increase once Adult Disability Payment begins clearing their Payment Correction Case head of work.

Disability Benefit Underpayment Errors

Due to previous prioritisation of resolving underpayments in Client Service Delivery, and low underpayment rates identified in proactive error correction activities such as the Scottish Admin Exercise and sampling exercises, the volume of underpayments was less than 10% of corrective activity in Quarter 2.

[REDACTED GRAPH]

[REDACTED]

[REDACTED GRAPH]

[REDACTED]

Analysis of Detected Underpayments – Classifications and Root Cause

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[REDACTED GRAPH]

[REDACTED]

[REDACTED GRAPH]

[REDACTED]

Disability Benefit Overpayment Errors

In Quarter 2, the Disability Intervention team have supported the development of improved Assisted Vehicle and Equipment guidance and have commenced proactive clearance of these cases to test revised guidance and processes, while supporting Client Services Delivery.

[REDACTED GRAPH]

Due to the head of work in Adult Disability, the majority of Assisted Vehicle cases and reactive referrals treated are for Adult Disability. Further work is required to understand whether the difference in volume and value reflects a different error rate rather than more effective management of caseload.

[REDACTED GRAPH]

Analysis of Detected Overpayments – Classifications and Root Cause

[REDACTED]

[REDACTED GRAPH]



The Disability Team plan to undertake a sampling exercise in Quarter 3 to confirm extent of issues around Alternative Accommodation and understand the root causes. As Pension Age Disability is anticipated to have higher levels of Hospital & Nursing Home admission due to clientele group, any insight gathered is likely to support improvements across multiple benefits.

[REDACTED GRAPH]

[REDACTED]

Scottish Administrative Exercise – “Most of the Time” test

A Scottish Administrative Exercise was undertaken in Child Disability Payment to confirm that “most of the time” test on the impact of a condition had been applied in line with policy intent. Disability Interventions Team reviewed 110 cases identified and found error in only 2 cases, equating to a 1.8% error rate. [REDACTED].

Strengthened guidance including detailed examples have been introduced to ensure compliance with policy intent going forward.

Outbound Payment Resolution

The Payment Resolution Team issues Manual payments where payments cannot be issued via the system due to user error or system faults.

[REDACTED GRAPH]

In Quarter 2, 312 manual payments were issued, of which 302 (97%) were due to known system issues around backdating new applications or procedural errors. The majority of manual payment requests come from Adult Disability Payment due to volumes of claims being backdated. [REDACTED] The Payment Resolution team has delivered awareness sessions to Client Service Delivery colleagues and commissioned improvements to guidance on recalling guidance.

[REDACTED GRAPH]

These improvements have contributed to a 25.8% reduction in manual payment requests and a 20.5% reduction in recalls in comparison with Quarter 1 2024-25.

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[REDACTED]

[REDACTED GRAPH]