

Website: [www.gov.uk](http://www.gov.uk)

Mr Owen Stevens  
The Woolwich Centre  
35 Wellington Street  
London  
SE18 6HQ

**Our Ref:** FoI1625

**Date:** 25 April 2018

Dear Mr Stevens,

Thank you for your Freedom of Information request received on 26 March 2018. You asked:

*“Para 2.13 of the NAO report on ESA errors (see link below) <https://www.nao.org.uk/wp-content/uploads/2018/03/Investigation-into-errors-in-Employment-and-Support-Allowance-Full-Report.pdf> mentions an analysis of 1000 cases. Please send me this analysis.*

*Please also send me any analysis indicating how many people affected by the error may now be deceased.”*

### **DWP Response**

In order to identify all claimants potentially affected by the underpayments issue, DWP conducted a scan of administrative data based upon those migrated from incapacity benefits to contributory Employment and Support Allowance [ESA(C)] between January 2011 and October 2014, restricted to:-

- Those placed in the ESA Support Group at their reassessment and/or;
- Those receiving higher or middle rate DLA Care or PIP daily living.

To estimate the scale and cost of the issue as accurately as possible, DWP then sampled 1,000 cases from this scan to inform its approach to the full exercise.

These were stratified into three groups in order to get an appropriate sample mix:

	<u>Sample size</u>
• Live non-passported full Housing Benefit cases:	300
• Live non-Housing Benefit/ tapered Housing Benefit cases:	400
• Dormant cases:	300

Numbers of cases in each stratum were chosen to enable 95% confidence that the true proportion of error lay within at most 5% points of the sample proportion of error.

From this sample, focusing on cases that had not gone dormant before 21 October 2014 and were still in receipt of ESA(C) only at 21 October 2014, indicated the need to review around 300,000 cases in detail.

The central estimate of claimants in error within this group was calculated as 70,000.

This was derived, for each strata, by multiplying the potentially affected population by the customer contact rate and the estimated historic error rate, both calculated from the sample.

The proportion of deceased claimants within the overall group of 300,000 people whose next-of-kin we will need to contact to assess if they have been underpaid is estimated to be 6% and this equates to approximately 20,000 cases to the nearest ten thousand. We are acutely aware of the sensitivity of this and are in the process of ensuring the systems we put in place to contact the next of kin or executor are managed with sensitivity.

If you have any queries about this letter please contact me quoting the reference number above.

Yours sincerely,

DWP Strategy Fol Team

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**Your right to complain under the Freedom of Information Act**

If you are not happy with this response you may request an internal review by e-mailing [freedom-of-information-request@dwp.gsi.gov.uk](mailto:freedom-of-information-request@dwp.gsi.gov.uk) or by writing to DWP, Central Fol Team, Caxton House, Tothill Street, SW1H 9NA. Any review request should be submitted within two months of the date of this letter.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office for a decision. Generally the Commissioner cannot make a decision unless you have exhausted our own complaints procedure. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF [www.ico.gov.uk](http://www.ico.gov.uk)