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for Work &
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Dame Meg Hillier MP
Chair
Public Accounts Committee
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Sent electronically

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Dear Meg

**DWP follow up to the Public Accounts Committee Hearing on DWP Annual
Report & Accounts 2021-22 on 20 July 2022**

Thank you again for inviting Neil Couling, Bozena Hillyer, Elizabeth Fairburn and me to the Public Accounts Committee on 20 July 2022 to discuss the DWP Annual Report & Accounts 2021-22.

During the hearing we agreed that I would write to you to provide additional information on four points. I have addressed each of these below:

Peter Grant MP asked the Department [Q10]: As well as the additional distance these people would have to travel to get to their new jobs, if they exist, none of the places they were advised to try is a UK Government responsibility. They are all either Scottish Government Departments or Scottish Government Executive agencies. Did you speak to the Scottish Government, or the Welsh Government for that matter—either to tell them you're going to be advising employees to try to get a job with them, or to find out whether they had any jobs that might be suitable—before you sent a list to them?

Response

DWP has been engaging closely with Other Government Departments following the site closure announcements in May. We regularly attend cross-government forums to identify opportunities for colleagues at risk of redundancy and have proactively been engaging with departments with a presence near affected sites. To date, we have engaged with 16 departments and shared opportunities with a shortened application process across 10 departments.

Please find a summary of departments that have shared opportunities with a shortened application process with DWP colleagues below:

- Home Office

- HMRC
- HMCTS
- Valuation Office Agency
- Animal & Plant Health Agency
- Rural Payments Agency
- Welsh Government
- Crown Prosecution Service
- Scottish Government – Scottish Social Security
- Submarine Delivery Agency

Additionally, DWP is also engaging with the following departments to explore further redeployment opportunities:

- Insolvency Service
- Companies house
- GCHQ
- Foreign, Commonwealth and Development Office
- HM Prison and Probation Service
- Natural England

Peter Grant MP asked the Department (Q12): Are you able to give an assurance that anyone who transfers out of the DWP to a devolved Government Department will maintain not less of the provision of all of those features of the condition of service, which are related to their continuous service with the civil service?

Response

Both devolved administrations agreed that DWP employees that voluntarily take up the roles that have been advertised with a shortened application process will retain their length of service. Employees moving to Scottish Government will retain their current annual leave entitlement. Employees moving to Welsh Government will receive a leave entitlement of 31 days, which along with privilege leave, is more favourable than DWP's leave entitlement.

Sir Stephen Timms MP asked the Department (Q48): What is that 4% error in money terms? And (Q49) £65 per case would lead to a recovery of how much altogether?

Response

Of the cases that followed the Trust and Protect methodology, the Department identified 863,000 that had closed prior to Retroaction activity commencing. The Department completed a sample test of these claims on the aspects that were subject to reverification and results showed that 4% of these cases contained fraud or error, with an average value of £800. Assuming this figure per case, it would give an average amount saved of £32 (in our evidence we gave a higher number of £65 but this was based on an upper estimate of recoverable overpayments from the sample rather than our central estimate). Applied to all 863,000 cases gives an overall saving of £28 million from the exercise. This compares with an estimated saving of around £2 billion from the planned targeted case review which we discussed with the Committee.

Kate Green MP asked the Department (Q66): In relation to the bigger picture and the use of the analytical tool, you say in the annual report that there has been a fairness assessment in relation to a number of groups who have been subject to the process. Can you tell us which groups that fairness assessment has been conducted for?

Response

An Equality Analysis has been completed for the overall project. As part of that, the Department has initially looked at fairness metrics for age, gender and pregnancy. The Department continuously monitor for bias and accuracy and so will be considering all protected characteristics and updating the Equality Assessment following further testing.

Additionally, there are two areas where I feel some clarification of the responses that I gave at the hearing may be helpful.

Firstly, in my response regarding the number and the scale of State Pension underpayments now being significantly higher than when we had previously spoken, I stated that we know the total number of underpayments and indicated that the number of cases is stable (Q85 and Q92 on the transcript). However, at this stage, and in fact until the LEAP exercise is completed, we cannot say with complete certainty that the number of people underpaid State Pension and therefore the cost, will not change. As I explained in answering Q91, further sampling of cases identified on the most recent PSCS missed conversion scan is underway. The findings from this will be fed into our model and this may result in changes to the estimated number of people who may be being underpaid. The aim is to provide updated numbers as part of a future fiscal event.

Secondly, I would like to take the opportunity to provide a more complete description of those individuals who do need to contact us because they are not included in the State Pension LEAP exercise (Q101 refers). These are:

- Married women whose husband reached State Pension after them and who became entitled to his State Pension before 17 March 2008. Such women have to claim any Category BL State Pension they may be entitled to.
- People aged 80 and over, who either have no State Pension or Graduated Retirement Benefit only, and therefore have to make a claim to get any Category D State Pension.
- Those who are divorced or whose civil partnership has been dissolved also have to contact the Department to let us know about their change in status so that we can consider if this affects their State Pension amount.

Your sincerely
Peter Schofield

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Permanent Secretary

