



Department
for Work &
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Meg Hillier MP
House of Commons
London
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Sent electronically

22nd September 2021

Dear Meg

TM26 – DWP Accounts 2019/20 – recommendation 2

I am writing to you to explain why we have had to amend the target implementation date regarding this recommendation. Originally we set out an implementation date of July 21 for setting a fraud and error reduction target. We have amended the implementation date to the end of November 21.

As we set out in our Annual Report and Accounts, and I referenced at the Public Accounts Committee hearing on 9th September 2021, the pandemic has led to significant changes in our caseload, the economic environment and the way we operate, with COVID-19 easements introduced in response to the pandemic. The Department will see further changes as the economy recovers, the easements are lifted, furlough scheme unwinds, and people begin to migrate to Universal Credit. It is important to understand the impact of these changes on the nature of fraud and error in any targets the Department sets. The pandemic has created significant uncertainty and does not represent a stable baseline against which to set a target.

In addition, we have included options that we believe would reduce the level of fraud and error in the departmental Spending Review (SR) bid. We therefore need to understand the outcome of the SR before we can finalise the setting of the fraud and error reduction target. We will therefore announce the target following the Spending Review.

Yours sincerely

Peter Schofield

Peter Schofield CB
Permanent Secretary

