Since 1997 successive governments have pursued a range of policies to reduce the amount of money lost to the social security budget through fraud and error. While levels of fraud have consistently decreased, the problem of error has persisted and its reduction has, therefore, become an important policy objective.

This report presents summary findings from a qualitative research project to explore benefit claimants’ knowledge and understanding concerning changes in circumstances and obligations to report them. The study was commissioned by the Department for Work and Pensions (DWP) and carried out by the Social Policy Research Unit (SPRU) at the University of York in 2006/07. The research was based on a longitudinal panel of 51 claimants who were interviewed three times over the course of nine months.

The objectives of the overall study were focused on the key areas of:

• how claimants experience changes in circumstances;
• their knowledge and perceptions about reporting changes in circumstances;
• their sources of knowledge;
• their experiences of reporting changes;
• experiences and responses to overpayment recovery due to error.

The survey findings in summary are reported in the following four sections finishing with conclusions and policy implications.

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### Claimants’ knowledge and understanding of reporting changes in circumstances

There was a wide variety of knowledge among the people in the study group about benefits and their reporting responsibilities. Four levels of understanding were identified:

- a general understanding of the responsibility to report changes;
- a broader understanding of the types of change that should be reported;
- a deeper understanding of the details that need reporting;
- knowledge of the effect of changes on levels of benefit.

Most people were aware, generally, that they should report changes in circumstances and the majority had an awareness of at least some key areas of life where a change in circumstances might affect their benefits. However, people were less clear about the detail of what they had to report and when to do it. Many examples of confusion and incomplete or inaccurate knowledge were found that affected whether people reported changes.

### Claimants’ sources of knowledge and views on their adequacy

People in the study referred to a range of ways in which they received information about benefits and reporting changes in circumstances. These included:
written information (mainly through official letters and leaflets);
verbal information (from benefit staff, advice agencies and others);
media (newspapers, television and radio).
There were also examples of information and understanding being received by word-of-mouth from friends and family who had experience of the benefit system.

There were varied views on whether people should be personally responsible for learning about reporting changes in circumstances. Some people thought the onus should be on claimants to seek this out and become familiar with it. Others felt that the benefits authorities should be more proactive in providing specific and detailed explanations of which kinds of changes in circumstances need to be reported, through both verbal and written means.

The variation in scope and accuracy of knowledge and awareness of sources of information, suggest that not everyone was able, or inclined, to access and make use of this information in its current format.

Reporting changes in circumstances: influences on behaviour

A range of factors was identified that influenced the reporting behaviour of people in the study group. These could be grouped into three broad categories, each of which contains further sub-categories:

- knowledge and understanding about reporting changes in circumstances:
  – knowing that change in a ‘circumstance’ is reportable;
  – conceptualisation of ‘change’;
  – perceptions of the effect on benefits;
- understanding and experiences of the benefit system:
  – understanding of the benefit rules;
  – perceptions of structural linkages;
  – system ‘triggers’ (such as medical reviews);
  – previous experiences of benefit administration;
- contextual factors:
  – personal circumstances surrounding the change;
  – anticipated responses of others.

Insufficient depth of understanding of the way ‘change’ is defined for benefit purposes could mean that people did not respond to changes in their circumstances immediately or recognise their circumstances as having ‘changed’ at all. Knowledge or perceptions of benefit rules and the way that changes in circumstances could affect one’s benefit entitlement, could also lead people to delay or decide not to report changes. This behaviour could be driven by people’s anxieties that reporting a change could lead to a reduction or termination of a benefit or cause them unwanted ‘hassle’.

Experiences and consequences of reporting changes in circumstances

Many episodes of reporting changes in circumstances were straightforward experiences for the people in the study group. The principal problems for people in reporting changes stemmed from not knowing what information to provide about a change and not understanding the requirement to report changes as soon as they had happened. People in the study group also reported delays in processing changes that led to hardship and mistakes made by benefit staff which could lead to overpayments or, again, hardship.
There were also less tangible effects of reporting changes, such as worry, stress, anxiety and confusion that made the experience of receiving benefits an unwelcome negative experience.

Few people in the study had experienced overpayment action. Some people acknowledged that overpayments should be recovered and where the amount of money involved was small, making weekly repayments was usually manageable. For other people, reductions in benefit payments were said to have caused significant financial hardship. In contrast, a number of people were confused about how an overpayment had arisen or how the amount that would be recovered had been calculated. Some people’s prior experiences of dealing with a system that they found complex and frustrating led them to accept these decisions without challenge, even when they did not understand or agree with the outcome.

The experience of benefit overpayments and (potential or actual) overpayment recovery had prompted some people to become more vigilant in their awareness of their benefit claim status and to act more quickly in reporting any future changes in their circumstances.

Conclusions and policy implications

The principal reasons why people in the study group did not report changes in circumstances were grouped into three categories:

- knowledge deficits;
- avoidance behaviour;
- deliberate withholding.

Knowledge deficits cover the incomplete or inaccurate knowledge of the following – what changes should be reported, when changes should be reported, to whom changes should be reported, the eligibility rules of the benefits being received, and links between benefit authorities and other relevant organisations.

Avoidance behaviour occurred when claimants recognised a change in their circumstances but did not report it in order to avoid a perceived negative consequence (either substantive where people feared a possible reduction in their benefit and/or a disruption to benefit payments or procedural when they were seeking to avoid confusing or stressful contact with benefit authorities).

Deliberate withholding of information about changes in circumstances was a particular form of avoidance behaviour. However, there is a distinction between people who were anxious about what might happen if they reported a change and those who were more certain of the consequences.

Policy implications were divided between administrative and structural options.

Administrative options included increasing people’s knowledge of reporting changes by: clearer information about what changes need to be reported (using Plain English and concrete examples), clearer information about benefit eligibility criteria and how benefits are calculated, information provided through a variety of channels and media (including written, radio and television), information provided verbally by benefit staff (reinforcing the message about reporting changes in face to face meetings), information provided verbally by trusted third parties, more personalised information and information repeated at appropriately frequent intervals (to keep knowledge updated).

It is suggested that when attempting to educate claimants further, a focus might usefully be placed on increasing knowledge about the types of change that need reporting. In addition personalised information is more likely to have resonance with people compared with general information or publicity.

Benefit authorities could also explore ways of anticipating changes by the transfer of relevant information between benefit authorities and other organisations.

Structural responses to reducing error include simplifying the benefits system by tackling complexity in the rules of benefits and/or by changing the reporting requirements placed on claimants.

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