

Report to the Federal Parliament:

Full Unemployment Benefits – Prevention and Detection of Undue Payments



In its report on the prevention and the detection of undue payments under the full unemployment benefit scheme, the Court of Audit noted that numerous tests are carried out by the National Employment Office (Office national de l'emploi – Onem) in order to limit improper payments. However, there are still some problems related to the screening of the particular situation of the unemployed persons. Given the principle of a gradual reduction of benefits, the Court also recommends to provide a better framework for the valuation data of the professional career. Currently, there is a risk that unemployed people will receive less than the amounts due.

The calculation of the unemployment benefits is based on inherently changing parameters. The amount paid depends a.o. on the personal situation of the unemployed person, which can change during the unemployment period. In addition, Onem must ensure a consistent processing of cases by its various offices and manage the important flow of information that results from its ongoing cooperation with the four paying agencies.

Overall, the Court notes that Onem carries out a large number of controls and implements many procedures to limit undue payments. Since 2012, Onem has invested heavily to prevent and detect undue payments by cross-referencing databases. Moreover, it conducts on-the-spot checks as regards undue payments that cannot be identified through these procedures.

Compared with the € 4.6 billion of full unemployment benefits paid in 2016, the total amount of undue payments to be recovered reaches € 61.2 million for the same year.

The Court also mentioned the following problems:

- It is difficult to monitor the personal circumstances of unemployed persons because of complex regulations and intrinsic changes in these circumstances.
- Controls on the prohibited plurality of various forms of income are more and more frequent; they are mainly based on the consultation of the Crossroads Bank for Social Security (Banque-Carrefour de la sécurité sociale - BCSS) data and their cross-referencing with Onem data. However, not all control procedures are being systematized.
- According to Onem, the management of the control cards is a risky situation: the late transmission of these cards by the unemployed workers can encourage benefit fraud. In addition, the use of an electronic control card which can be filled in from abroad entails

the risk that the unemployed person will circumvent the requirement actually to reside in Belgium.

- Onem has developed a strong centralized management process with a view to steering the activities carried out by the unemployment offices. However, the current procedures do not enable Onem to have a complete view of the mistakes made by these offices.

The Court acknowledges the proactive approach of Onem to limiting undue payments, but it also underlines the risks relating to the degressivity principle. This principle implies that the longer the unemployment period, the lower the amount of benefits. It can be limited by making the most out of the job history of the unemployed person. If the paying agency does not request an optimized calculation of the career length on time, the unemployed person might receive the fixed amount corresponding to the lowest benefit-level. The Court of Audit notes that Onem does not ensure the proper execution of these administrative procedures by the paying agencies. It recommends the implementation of the unemployment benefit degressivity be further regulated and better monitored by Onem. In his response, the Minister of Employment endorses these findings and recommendations.

The report “Full Unemployment Benefits – Prevention and Detection of Undue Payments” is now available in French and in Dutch on www.courtfaudit.be.