

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CABINET**

DATE: **TUESDAY, 21 APRIL 2015**

REPORT BY: **CHIEF OFFICER (COMMUNITY AND ENTERPRISE)**

SUBJECT: **HOUSING BENEFIT OVERPAYMENT POLICY**

1.00 PURPOSE OF REPORT

1.01 The report seeks the approval and adoption of Flintshire County Council's Housing Benefit Overpayments Policy 2015.

2.00 BACKGROUND

2.01 An overpayment of housing benefit occurs when a payment of benefit is made when there is no entitlement to this payment.

2.02 They can occur for many different reasons including:

- Failure or delay in reporting changes in circumstances
- Official error on the part of the authority or agency of the Department for Work and Pensions (DWP), either through mistakes or delays in processing
- Detection of fraudulent claims and payment irregularities
- Delayed receipt of income, such as an award of a state benefit including initial lump payment of arrears

2.03 The Council must seek to maximise recovery of overpaid Housing Benefit in accordance with the Authority's legal responsibility and it's duty to protect public funds in accordance with the Housing Benefit Regulations 2006 and the Housing Benefit (State Pension Credit) Regulations 2006.

2.04 Although the recovery of Housing Benefit Overpayments is included in the Council's Fair Debt policy, due to the specific nature of the debts and the guidance from DWP around recovery options, it is important that these are detailed in a separate policy.

3.00 CONSIDERATIONS

3.01 It is a DWP requirement that Flintshire County Council demonstrates that it carries out administration and recovery of Housing Benefit overpayments efficiently and effectively.

By doing this, the Authority:

- Reduces the loss to public funds

- Provides revenue for the Authority
- Helps reduce subsidy loss from overpayments
- Deters fraud and error
- Demonstrates the Authority's commitment to accuracy and provision of a quality service to its customers.

3.02 The Benefits Service is committed to reducing the levels of overpayments by ensuring the accuracy of decisions and the timeliness of actioning changes in circumstances, whilst also promoting the requirement for customers to promptly advise the Department of changes in their circumstances.

3.03 Although all efforts are made to minimise overpayment it is inevitable that overpayments will occur. The Authority takes its role in protecting the public purse very seriously and the overpayment recovery process makes a significant contribution to this.

3.04 In developing this Policy, consideration has been given to the merits of specific cases and the need to exercise discretion in a fair and reasonable manner. The policy, or any aspect of the policy, should not be viewed as a statement of intent in respect of all cases.

3.05 The aim of the policy is:

- To improve debt recovery and prevent debt from occurring
- To collect all recoverable overpayments where possible and appropriate
- To set out a clear debt recovery strategy
- To act as a guide to the Council's administration of Housing Benefit overpayment recovery and to set a framework within which recovery decisions can be made

4.00 RECOMMENDATIONS

4.01 Cabinet adopts the Housing Benefit Overpayment Policy.

5.00 FINANCIAL IMPLICATIONS

5.01 Taking a structured and pro-active approach to recovery of Housing Benefit Overpayments will ensure that income is maximised and bad debt is minimised.

5.02 Although the write-off provision is already covered by Financial Procedure Rules, in the interests of transparency, protocols to support the write-off of bad debts is also included in the Policy. This will ensure that when it is deemed that a debt should not be recovered, those debts are written off promptly so that resources are concentrated where they can be most productive.

6.00 ANTI POVERTY IMPACT

6.01 The policy will ensure that recovery action will be taken against deliberate non-payers or those who delay making payment without genuine reason, while also working to identify and assist those who genuinely can't pay.

6.02 The recovery of Housing Benefit Overpayment is also covered in the Authority's Fair Debt Policy so the principles for providing a commitment to work with people (and their representatives) who have fallen or are likely to fall into arrears in order to set reasonable and realistic payment levels that they can maintain, ensuring that payment arrangements reflect their ability to pay as well as the level of debt owed.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 The Policy is supported by guiding principles to ensure that in the wider public interest recovery action is proportionate, consistent and transparent.

9.00 PERSONNEL IMPLICATIONS

9.01 None.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 Corporate Resources Overview and Scrutiny Committee.

12.00 APPENDICES

12.01 Draft Housing Benefit Overpayment Policy 2015.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Housing Benefit Regulations 2006
Housing Benefit (State Pension Credit) Regulation 2006
Flintshire County Council – Fair Debt Policy
Flintshire County Council – Financial Procedure Rules

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