
HOUSING BENEFIT OVERPAYMENTS STRATEGY AND POLICY

**Responsible Cabinet Member(s) - Councillor Bill Dixon,
Community and Public Protection Portfolio**

Responsible Director(s) - Cliff Brown, Director of Community Services

Purpose of Report

1. To seek approval from Council for the Housing Benefit Overpayment Strategy and Policy.

Information and Analysis

Background

2. Housing and Council Tax Benefit is paid to many thousands of claimants and landlords each year through the Housing and Council Tax Benefit Schemes with around 10,000 assessments per annum. It is inevitable that some payments will be made to people where there is no entitlement. Overpayments arise for a number of reasons:-
 - (a) failure of either the claimant or landlord to report a change of circumstance which may affect the level of entitlement to benefit;
 - (b) incorrect information being supplied;
 - (c) errors by the Council or Department for Works and Pensions and the Inland Revenue.
3. The nature of the overpayment will determine whether or not it can be recovered or must be written off as irrecoverable.

Policy and Strategy

4. In order to ensure a consistent and transparent approach is taken when dealing with benefit overpayments, the Benefits Section has produced an Overpayments Strategy and Policy (**Appendices 1 and 2**). These documents have been produced in line with national best practice and the requirements of the Department for Works and Pensions (DWP) and the Benefit Fraud Inspectorate's Performance Standards, which form part of the Comprehensive Performance Assessment (CPA). They detail the Council's commitment to provide an efficient and effective Benefits Service and detail the methodology adopted by the Council in administering the recovery of overpayments. They are designed to be made widely available to both staff and clients.

Financial Implications

5. The DWP have recognised that in a system as complex as the Housing Benefit/Council Tax Benefit schemes, errors will occur. From 2004/05 the DWP introduced incentives for local authorities to minimise the number of these errors. As a result therefore, local authorities receive subsidy for improving performance in reducing the number and amount of official errors. There are various thresholds that determine the level of subsidy local authorities receive. There will be no financial impact on the current revenue budget as financial provisions have already been made.

Outcome of Consultation

6. No consultation has taken place on these items as a decision is made by Members.

Legal Implications

7. This report has been considered by the Legal Services Manager for legal implications in accordance with the Council's approved procedures. There are no issues which the Legal Services Manager considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

8. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

9. The issues contained in this report are required to be considered by Council.

Recommendation

10. It is recommended that the Housing Benefit Overpayment Policy and Strategy be approved.

Reasons

11. The recommendation is supported by the following reasons:-
 - (a) to enable the Council's accounts to be maintained in accordance with financial procedural rules;
 - (b) to enhance the Council's overpayment process.

**Cliff Brown,
Director of Community Services**

Background Papers

- (i) National Best Practice and Requirements of the DWP and the Benefit Fraud Inspectorates Performance Standards which form part of the Comprehensive Performance Assessment (CPA).
- (ii) DWP HB/CTB Performance Standards 2005/06
- (iii) Benefit Fraud Inspectorate CPA reports 2005
- (iv) DWP HB/CTB Overpayments Guide
- (v) DWP Corporate Debt Standards

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