

18 September 2018

Policy, Projects & Resources Committee

Housing Benefit Overpayments Write Offs.

Report of: *Jacqueline Van Mellaerts, Interim Chief Finance Officer*

Wards Affected: *N/A*

This report is: *Public*

1. Executive Summary

- 1.1 As outlined within the Council's constitution, all outstanding debts over £5,000 cannot be written off without Member approval.
- 1.2 This report requests the authorisation of the Committee to write off the Housing Benefit Overpayments listed with Appendix A to this report.

2. Recommendations

- 2.1 To approve the write offs of all the debts listed within Appendix A (exempt) to this report.**

3. Housing Benefit Overpayments

- 3.1 An overpayment of housing Benefit can occur when too much benefit has been awarded, following a change in a claimant's circumstances which were not immediately notified to the Council. In these instances, the resulting overpayment may be recovered from the claimant, provided the claimant could reasonably have known they were being overpaid.
- 3.2 The Council receives a subsidy payment equal to 40% of the overpayment value from the Department for Work & Pensions (DWP) for each overpayment identified. If the Council decides to pursue recovery of an overpayment, any monies recovered are also retained by the Council.
- 3.3 In accordance with the Council's Revenue & Benefits Debt recovery and Housing benefit, Local Council Tax Support overpayments policies, where there is no on-going benefit to recover from, an invoice for the overpayment value is raised within the CIVICA system.

- 3.4 During the migration from Northgate system to CIVICA system historic HB Overpayment claims were not carried over. Therefore, no details are held on the system to justify the reason for overpayment. Due to this the claims cannot be actively recovered and it is recommended to write these debts off.
- 3.5 In addition, one of the debtors passed away, with no funds within the estate and therefore the Council has stopped any active recovery and wishes to write the debt off.

4. Issue, Option and Analysis of Options

- 4.1 Before requesting a write off, officers must satisfy themselves that all reasonable steps have been taken to collect the monies outstanding and that no further recovery action is practicable.

5. Reasons for Recommendation

- 5.1 To write off debts that are deemed non-recoverable as per the Council's debt recovery policy.

6. Consultation

- 6.1 None

7. References to the Corporate Plan

- 7.1 None

8. Implications

Financial Implications

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- 8.1 Debts are fully pursued in accordance with the Council's policies. Annually a provision is calculated against the debt outstanding regarding likelihood of recovery. The older the debt the higher the provision. Any write offs are set against the provision already made.

Legal Implications

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- 8.2 There are no direct legal implications arising from this report.

Other Implications

8.3 None

9. Background Papers

9.1 Available from the Revenue & Benefits service

10. Appendices to this report

Appendix A – Housing Benefit Overpayment Write off's (*exempt*).

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