

TITLE: HOUSING BENEFITS OVERPAYMENTS POLICY

TO/ON: THE CABINET 25 January 2006

BY: HEAD OF CUSTOMER SERVICES AND E-GOVERNMENT

PORTFOLIO CABINET MEMBER FOR CUSTOMER SERVICES
HOLDER:

STATUS: FOR PUBLICATION

1. PURPOSE OF THE REPORT

- 1.1. The purpose of this report is for Members to note and accept the amended changes to the Overpayment Policy which will improve service quality. A copy of the Policy dated 2006 is attached as appendix 1.

2. RECOMMENDATIONS

That the Members note the amended changes referred to in paragraph 3.2 to the overpayment policy and make recommendations to Cabinet to approve.

3. REPORT AND REASONS FOR RECOMMENDATIONS AND TIMETABLE FOR IMPLEMENTATION

- 3.1. It was recommended by the Help Team from the Benefit Fraud Inspectorate that we streamline our recovery procedure and update our overpayments policy.
- 3.2. The previous sundry debt system has now been restructured in order to be more efficient in recovering debt. The system is now as follows:
- Invoice (4 weeks)
 - Reminder (2 weeks)
 - Final (1 week)
 - Notice of Intention to Register County Court Judgement (2 weeks)
 - Court Order
 - Bailiff letter
 - Rossendale Collects Limited or to Department of Works and Pensions for possible deductions from other benefits.
 - Write Off

- 3.2. It now takes the overpayment section 9 weeks to get to court order stage, previously the system took some 15 weeks before we got to court order stage. The previous recovery process included a Reminder 2 and a Notice of Intention to Register County Court Judgement 2 and Financial Questionnaire.
- 3.3. The updated overpayment policy now explains in detail to the customer the regulation on the recoverability of an overpayment. The policy also explains the customer's appeal rights if they did not agree with the overpayment decision.

4. CORPORATE IMPROVEMENT PRIORITIES

4.1. FINANCE AND RISK MANAGEMENT

- 4.1.1. The existing recovery process takes almost four months before we can take any legal action which leaves outstanding debt within our system. It does not give a clear message to customers that the authority is serious about its obligation to manage public funds. The revised policy improves this process considerably and is faster and more efficient.

4.2. MEMBER DEVELOPMENT AND POLITICAL ARRANGEMENTS

- 4.2.1. None.

4.3. HUMAN RESOURCES

- 4.3.1. None.

5. ANY OTHER RELEVANT CORPORATE PRIORITIES

- 5.1. The key area for customer service issues relates to the fact the authority is able to identify the correct amount of overpayment and that this income is recovered from the correct person, using the approved procedures. The policy is set to show that we are actively seeking to reduce outstanding debt. Quick recovery will also improve the authority's cashflow and lessen our administrative costs in recovering bad debt.

6. RISK

- 6.1. The overpayments policy has to be updated to include any legislative changes that the government may set

7. LEGAL IMPLICATIONS ARISING FROM THE REPORT

- 7.1. The implications would be that we are not taking on board a recommendation from the Benefit Fraud Inspectorate (BFI) and this would have an impact on the Benefit Service Improvement Plan.

8. EQUALITIES ISSUES ARISING FROM THE REPORT

None

9. WARDS AFFECTED

All Wards.

10. CONSULTATIONS

Various workshops were organised with the overpayment section in order to update the overpayments policy and procedures.

11. Background documents:

Overpayments Policy January 2006 (Appendix 1)
Equality Impacts Assessment form (Appendix 2)

For further information on the details of this report, please contact:

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