

Appendix A

Housing Benefit cases for overpayment write offs over £5,000.00

Brief summary of claims where recovery action has been exhausted or the overpayment is unrecoverable due to a Local Authority error:

Case 1

Overpayment: £7685.51

Period: 8th September 2008 to 27th February 2011

Date created: 11th October 2011

Reason for the write off:

This overpayment was raised as the customer failed to notify the Council of a change in circumstance, i.e started work.

The customer went to County Court in order to consolidate their debts.

An Individual Voluntary Arrangement (IVA) was granted at Court on 18th December 2012 for 60 months (5 years).

The customer pays an agreed amount to the court and the court distributes to the various creditors. The IVA is legally binding on creditors and no further action can be taken against the debtor and no further contact can be made to them by post or phone. At the end of the IVA any outstanding debt is usually written off.

In reality we rarely get any money from these arrangements. If we are paid any money we can write back on the corresponding amount of debt to off- set against any money paid.

This overpayment has been classified as fraud. Fraud overpayments attract 40% in subsidy from central government.