



**Title: Request For Write Off Of A Housing Benefit Overpayment**

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## **1. Introduction**

This report requests Members' authority to write off a debt resulting from the overpayment of Housing Benefit.

The overpayment totals £15815.05 and is for the period 04/01/10 to 05/01/15.

## **2. Recommendations**

That Members authorise the write off of an overpayment of Housing Benefit in the sum of £15,815.05.

## **3. Information**

The claimant had received Housing Benefit and Council Tax Benefit / Support based on his income of Employment Support Allowance (ESA).

Following a fraud referral from a member of the public the claim was investigated and evidence gathered by the fraud team showed that the claimant had savings, had worked for part of the time he was claiming benefit and had inherited a property from his father. None of this had been declared to the Department of Works and Pension or to the Council.

Our fraud team wrote to the claimant to arrange an interview under caution (IUC). IUC's are standard procedure in a fraud investigation to ask further questions, confirm evidence and consider if fraud has occurred and whether prosecution or other penalties should be applied.

No response was received direct from the claimant but his Doctors wrote to say that the claimant suffered from severe depression and had suicidal tendencies and that any contact regarding the overpayment would cause him extreme stress. The Fraud team, therefore decided not to pursue the investigation. However, there had still been an overpayment and the case was passed to the Benefits assessment team at the Council to determine the amount of the overpayment and what action to take with the overpayment.

After numerous contacts with the claimant's Doctors we established that he could be designated as "Severely Mentally Impaired" for Council Tax purposes which made him exempt from Council Tax and therefore there is no overpayment of Council Tax Benefit/Support.

The remaining Housing Benefit overpayment amounts to £15,815.05 for the period 04/01/10 to 05/01/15.

The overpayment has been caused by claimant error; there has been no official error. The overpayment is recoverable and normally in these types of cases we would recover.

However, in line with the council's debt recovery policy we consider that, according to the Doctors evidence, the claimant is vulnerable, having severe mental health issues and being considered a suicide risk. Taking recovery action on this debt is likely to cause the claimant severe stress which could lead to suicide.

We are, therefore, recommending this amount for write-off. As the amount exceeds £10,000 it does require the agreement of the PFD Committee in line with our write off policy.

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Background Papers: - **Not Applicable**

<b>Implications</b>	
Financial (PL)	The Council is carrying adequate bad debts provision on its balance sheet to cover the amount of this write off.
Risk (PL)	CR4: Reputational Damage
Equalities (AC)	No Significant Implications
Legal (AC)	No Significant Implications