



CABINET

4TH SEPTEMBER 2014

AGENDA ITEM (11)

HOUSING BENEFIT OVERPAYMENT - WRITE-OFF IN EXCESS OF £5,000

Accountable Member	Councillor Lynden Stowe Leader of the Council
Accountable Officer	Jon Dearing Joint Head of Revenues and Benefits 01285 623304 jon.dearing@cotswold.gov.uk

Purpose of Report	To seek approval for writing-off one Housing Benefit overpayment debt in excess of £5,000, where the defaulters have absconded
Recommendation(s)	That the writing-off of one Housing Benefit overpayment debt in excess of £5,000 be approved
Reason(s) for Recommendation(s)	Despite various actions being taken, we have been unable to recover the debt

Ward(s) Affected	Not applicable
Key Decision	No
Recommendation to Council	No

Financial Implications	The amount of the proposed write-off is £7,747.68. The overpayment attracted a subsidy of £3,099.07 (40%), resulting in a total impact (loss) of £4,648.61
Legal and Human Rights Implications	None
Environmental and Sustainability Implications	None
Human Resource Implications	None arise directly from this report
Key Risks	None
Equalities Analysis	No effect on protected groups identified

Related Decisions	None
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Background Documents	None
Appendices	None
Performance Management Follow Up	To implement the Cabinet's decision
Options for Joint Working	None

Background Information

1. The original Housing Benefit overpayment, raised on 29th November 1999, was for £11,685.74. The period of the overpayment was 22nd July 1996 to 22nd August 1999, the overpayment being caused by the failure of the Claimant, Mr. Spavins, to declare his Wife's earnings from employment.
2. Mr. Spavins was prosecuted for this offence on 3rd February 2000 and recovery of the overpayment was commenced through a reduction in his on-going Housing Benefit and a sum of £3,600 was recovered through that method. When Mr. Spavins' entitlement to Housing Benefit ceased as a result of him moving out of the area, an attachment was made to the other state benefits he was in receipt of and a sum of £338.06 was recovered through that method.
3. On 18th March 2011, the Department of Work and Pensions advised that it was no longer able to make any further deductions from Mr. Spavins' benefits. As a result, a request was made to Swindon Borough Council to ascertain if Mr. Spavins was in receipt of Housing Benefit in that area but, as he was not, recovery of the outstanding amount of the overpayment through a reduction in his Housing Benefit was not possible.
4. A final demand letter was issued on 8th November 2013 to Mr. Spavins' last known address, but no response or payment were received and the matter was referred to the Council's Legal Section on 3rd February 2014.
5. The Legal Section advised that, under the provisions of the Limitations Act 1980, the Council no longer has a right to action against Mr. Spavins because the standard limitation period for contract is six years, initially putting the limit for action to November 2005. However, as Mr. Spavins had made payments towards the debt through attachments up until December 2007, the six-year period would start in December 2007 and expire in December 2013.
6. Other means of recovery have been explored, including credit searches and Department of Works and Pensions system searches, but these have now been exhausted.
7. On 24th July 2014, the outstanding debt was £7,747.68.

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