



**CABINET**

**14<sup>TH</sup> SEPTEMBER 2017**

**AGENDA ITEM (8)**

**HOUSING BENEFIT OVERPAYMENTS - WRITE-OFFS IN EXCESS OF £5,000**

<b>Accountable Member</b>	Councillor Mark F Annett Leader of the Council
<b>Accountable Officer</b>	Jon Dearing Group Manager Revenues and Housing Support 01285 623304 jon.dearing@cotswold.gov.uk

<b>Purpose of Report</b>	To consider the writing-off of two Housing Benefit overpayment debts in excess of £5,000, where the defaulters have been imprisoned.
<b>Recommendation(s)</b>	<b>That the writing-off of two Housing Benefit overpayment debts in excess of £5,000, be approved</b>
<b>Reason(s) for Recommendation(s)</b>	The Council is unlikely to be able to recover the debts given the circumstances of the cases.

<b>Ward(s) Affected</b>	Not applicable
<b>Key Decision</b>	No
<b>Recommendation to Council</b>	No

<b>Financial Implications</b>	<p>The first debt proposed for writing-off is £5,303.58. The overpayment attracted a subsidy in a sum of £2,121.43 (40%), resulting in a total impact (loss) of £3,182.15.</p> <p>The second debt proposed for writing-off was originally £8,615.46, which attracted a subsidy in a sum of £3,446.18 (40%). The Council recovered a sum of £2,300, leaving an outstanding balance in a sum of £6,315.46, which is proposed for writing-off. The total impact (loss) of this debt is £2,869.28. The total sum proposed for write-off is £11,619.04.</p>
<b>Legal and Human Rights Implications</b>	None
<b>Environmental and Sustainability Implications</b>	None
<b>Human Resource Implications</b>	None arise directly from this report

<b>Key Risks</b>	None
<b>Equalities Analysis</b>	No effect on protected groups identified

<b>Related Decisions</b>	None
<b>Background Documents</b>	None
<b>Appendices</b>	None

<b>Performance Management Follow Up</b>	Implement the Cabinet's decisions
<b>Options for Joint Working</b>	Not applicable

### **Background Information**

#### **1. Ms R Cruz, Bourton-on-the-Water**

1.1 The original Housing Benefit overpayment in respect of this case, in a sum of £5,305.58, was raised on 13<sup>th</sup> July 2016. The period of the overpayment was from 3<sup>rd</sup> August 2015 until 17<sup>th</sup> April 2016, and was caused by the failure of Ms Cruz to declare that she was no longer resident in the property she was claiming benefit for. The overpayment continued for a period of thirty-seven weeks.

1.2 This matter was referred to the Department for Work & Pensions (DWP) single fraud investigation service for investigation on 23<sup>rd</sup> May 2016. However, the case was not investigated.

1.3 The Council's Officers obtained sufficient evidence to prove that Ms Cruz was not living at the address but was in fact living in the Cheltenham area and claiming housing benefit.

1.4 An invoice for the overpayment in a sum of £5,305.58 was sent to her Cheltenham address on 13<sup>th</sup> July 2016. As no payment was received, a Reminder Notice was sent on 28<sup>th</sup> July 2016, and a Final Reminder was sent on 24<sup>th</sup> August 2016. No responses were received from Ms Cruz.

1.5 Information has been received that Ms Cruz was handed a prison sentence of five years and three months on 14<sup>th</sup> November 2016 for fourteen other charges of fraudulent activity.

1.6 The Council could pursue Ms Cruz for the outstanding amount following her release from prison, if information regarding her whereabouts is available at that time.

#### **2. Ms S Prinsloo, Cirencester**

2.1 The original Housing Benefit overpayment in respect of this case, in a sum of £8,615.46, was raised on 21<sup>st</sup> March 2017. The period of the overpayment was from 4<sup>th</sup> January 2010 to 11<sup>th</sup> September 2011, and was caused by the failure of Ms Prinsloo to declare that her partner had started work and that her income had also increased. The overpayment for this period was in a sum of £7,897.56. There was also an additional overpayment in a sum of £921.90 for the period 9<sup>th</sup> December 2010 to 30<sup>th</sup> January 2011, which was caused by Ms Prinsloo having changed her address. A sum of £204.00 has been recovered, leaving a balance of £717.90.

2.2 This case was referred to the Council's Benefit Fraud Investigation Team. It was fully investigated and resulted in a successful prosecution. On 3<sup>rd</sup> December 2012, Ms Prinsloo was sentenced to a twelve month Community Order with a single requirement to carry out 200 hours of unpaid work. The Council was also granted an award of costs in a sum of £400.

2.3 Invoices and Reminder Notices were sent to Ms Prinsloo's Cirencester address, and attempts to recover the debt through instalment plans met with some success.

2.4 Information has now been received that Ms Prinsloo is serving a prison sentence of five years and four months for theft.

2.5 The Council could pursue Ms Prinsloo for the outstanding amount following her release from prison, if information regarding her whereabouts is available at that time.

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