



**CABINET**

**19<sup>TH</sup> JULY 2018**

**AGENDA ITEM (12)**

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

<b>Accountable Member</b>	Councillor Mark Annett Leader of the Council
<b>Accountable Officer</b>	Jon Dearing Group Manager for Customer Services 01285 623304 jon.dearing@cotswold.gov.uk

<b>Purpose of Report</b>	To seek approval for writing-off two Housing Benefit overpayment debts in excess of £5,000, where the defaulter has absconded without trace.
<b>Recommendation(s)</b>	<b>That the writing-off of two Housing Benefit overpayment debts, relating to the same individual and that, together, are in excess of £5,000, be approved</b>
<b>Reason(s) for Recommendation(s)</b>	We have exhausted all avenues available to the Council in locating the debtor and recovering the debts outstanding.

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

<b>Financial Implications</b>	The combined amount of the debt proposed for write-off is £7,889.01. The overpayment attracted a subsidy of £3,155.60 (40%), resulting in a total impact (loss) of £4,733.41.
<b>Legal and Human Rights Implications</b>	None
<b>Environmental and Sustainability Implications</b>	None
<b>Human Resource Implications</b>	None
<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 Cabinet decision(s).
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<b>Options for Joint Working</b>	None
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<p><b>Background Information</b></p> <ol style="list-style-type: none"> <li>This report relates to two overpayments of Housing Benefit in respect of Mrs Agnieszka Lopatka, formerly of 45 Melville Estate, Bourton-on-the-Water, GL54 2EU.</li> <li>The original (first) overpayment of Housing Benefit was raised on 8<sup>th</sup> October 2012 for the sum of £230.27. The period of overpayment was 4<sup>th</sup> June 2012 to 16<sup>th</sup> June 2012 as Mrs Lopatka failed to declare that she was no longer resident at 45 Melville Estate, Bourton-on-the-Water and that she had moved to an address in Swindon. This overpayment period was for a total of two weeks. Her weekly benefit entitlement was £115.63 for period of 4<sup>th</sup> June to 10<sup>th</sup> June 2012; and £114.64 for the period of 11<sup>th</sup> June to 17<sup>th</sup> June 2012.</li> <li>This matter was referred to the Benefit Fraud Investigation Team for further investigation; however, during the period of investigation, the recovery process continued.</li> <li>Invoices and reminder notices were issued to Mrs Lopatka at her Swindon address.</li> <li>On 23<sup>rd</sup> January 2015, the investigation in respect of Mrs Lopatka was concluded with recommendations to cancel her Housing Benefit claim from 2<sup>nd</sup> May 2011 as evidence obtained showed that, from this date, her partner had been living with her and that she had also not been living at 45 Melville Estate, Bourton-on-the-Water. A second overpayment was raised for the period of 2<sup>nd</sup> May 2011 to 3<sup>rd</sup> June 2012. This was a total of 56 weeks and 6 days where she had received various amounts of housing benefit totalling £7,774.14.</li> <li>Invoices and reminder notices were used to Mrs Lopatka at her Swindon address.</li> <li>As there had been no response from Mrs Lopatka in respect of the outstanding overpayments, a letter was sent to her last known employer in April 2015, requesting that they make direct earnings attachment from her salary. Information was later received showing that she had left this employment.</li> <li>During June 2015, a request was sent to Swindon Borough Council asking (i) if Mrs Lopatka was resident in their area; (ii) if Mrs Lopatka was resident, was she claiming Housing Benefit; and (iii) if Mrs Lopatka was resident and was claiming Housing Benefit, could they make weekly deductions from any Housing Benefit award to reduce her overpayments with Cotswold District Council.</li> <li>A further request was made to Swindon Borough Council in September 2015, due to receiving no response to our previous request in June.</li> <li>Having exhausted the recovery process, the case was then referred to our internal Legal Department in October 2015 to process the matter via the County Court.</li> <li>A county court judgement was obtained against Mrs Lopatka in November 2016.</li> </ol>	
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12. Various attempts have been made to recover the overpayment(s); however, Mrs Lopatka's whereabouts is unknown.
13. The case was referred to the High Court for enforcement in June 2017, but was later returned to Cotswold District Council in August 2017 as they were not able to trace her.
14. A Council Tax credit of £115.40 for 45 Melville Estate, Bourton-on-the-Water was used to reduce the overpayment, leaving a total balance owing of £7,889.01.
15. As a final attempt to locate Mrs Lopatka, her details were referred to HMRC under the Department for Work and Pensions Housing Benefit Debt Service project, to see if they held any details regarding her whereabouts. This was also unsuccessful and the matter was referred back to us.
16. Tracing attempts will periodically continue and should Mrs Lopatka be located we will write the debt back on and pursue full repayment.

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