

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 18

meeting date: 23 MARCH 2010  
title: LOCAL AUTHORITY BENEFIT OVERPAYMENTS  
submitted by: DIRECTOR OF RESOURCES  
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## 1 PURPOSE

- 1.1 To inform members of a data cleanse exercise of local authority overpayments and deceased customer overpayments on the Northgate Benefit system.

## 2 BACKGROUND

- 2.1 The Department of Work and Pensions (DWP) pays the local authority most of the costs of paying Housing Benefit and Council Tax Benefit, this is called Subsidy.
- 2.2 The Government allows local authorities to claim 100% of an overpayment created by a local authority error if the authority keeps within the threshold set.
- 2.3 In previous years Ribble Valley Borough Council has been able to claim the full subsidy on overpayments classified as local authority error and/or where the customer is deceased.
- 2.4 In circumstances where a customer has died, overpayments are not recovered if the estate has insufficient funds from which to repay the overpayment.

## 3 INFORMATION

- 3.1 An exercise has been carried out in the Benefit Section to identify old debts on the Northgate system arising from local authority error or customer mortality.
- 3.2 Old debts amounting to £21,088.75 in respect of Housing Benefit and £3,297.68 in respect of Council Tax Benefit have been classified as unrecoverable with no action being undertaken to recover the sums due.
- 3.3 These debts have now been removed from the benefit administration system.

## 4 FINANCIAL IMPLICATIONS

- 4.1 Subsidy has already been received in respect of the above overpayments, there is no financial impact arising from them being wiped off the Northgate system.

## 5 CONCLUSION

- 5.1 The overpayments have now been removed from the system.

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BENEFITS MANAGER

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