

3.8 Deputy S. Pitman of St. Helier of the Minister for Social Security regarding income support overpayments:

What is the department's policy when it is discovered that a mistake has been made and an income support recipient has been overpaid?

Senator F. du H. Le Gresley (The Minister for Social Security):

It is the duty of each adult within an income support household to notify the department of changes in their earnings and any other change in their circumstances which could affect their income support entitlement. Failure to do this may result in an overpayment which will need to be repaid or, in the most serious cases, the individual may face prosecution under the Income Support (Jersey) Law 2007. In the small number of cases where a mistake has been made on a claim due to departmental error, the claim will be corrected and the claimant will not be required to repay any overpayment. A claimant has the right to request redetermination by another officer if they dispute an overpayment. If the decision is upheld the claimant has the right of appeal to the Income Support Tribunal.

3.8.1 Deputy S. Pitman:

That is the first I have ever heard that if such a mistake is made that the department will not ask for the recipient to repay that sum of money. Why I am asking is on behalf of a constituent who is a pensioner who, with his income support as required, gave in bank statements and the department overlooked a sum of money that he was regularly receiving. A while later he received a bill of £700. He is on income support and he is a pensioner and this is a shock to somebody with that kind of money. So I just wondered on this particular case would the Minister review it and take a decision.

Senator F. du H. Le Gresley:

I am not aware of the case that the Deputy describes. I am happy to look into it if she would like to give me more detail.

3.8.2 Deputy G.P. Southern:

Does the Minister accept that the reclaiming of overpayments up to £21 per week can and indeed does cause hardship? Because income support is calculated on the needs of that particular household and then, in many cases, all too often, the income support is reduced by up to £21 a week. Does the Minister accept that this causes hardship and is he prepared to consider paying in arrears rather than paying in advance which produces more incidents of overpayment than would otherwise seem likely?

Senator F. du H. Le Gresley:

Officers, when they are assessing whether an overpayment has occurred, will always take into account the circumstances of the claimant and, as the Deputy states, the minimum amount that we will collect is £3 a day or £21 a week. However, the maximum amount is £6.50 a day which would take the maximum amount that we would take up to half of the personal component. Very rarely do we use that level but that is the maximum we would take. Insofar as paying in arrears, this would disadvantage a lot of people, particularly when they find employment because we allow people who have found a job to have a further 4 weeks of benefit when they start a job because obviously some jobs, people are not paid until they have completed a month's work. That is an extra benefit at the end of a period of time on income support and something I would not wish to take away.

3.8.3 Deputy G.P. Southern:

A point of clarification, if I may. I have just heard a set of new figures. I believe that the practice has been from £7 to £21 or £21 clawback as the maximum. I have never heard in the same circumstances a simple overpayment of the department trying to claim half the adult

component back. Is that really the rules that he is imposing because that is guaranteed to produce severe hardship?

Senator F. du H. Le Gresley:

The original questioner asked for the policy and I am just merely telling the House the policy.

3.8.4 Deputy T.M. Pitman:

Perhaps I should shelve my original question and ask the Minister then, is that higher sum ever enforced? Because as Deputy Southern said, the impact on a person's income and ability to live would be absolutely catastrophic. So, if it is a policy, is it ever used?

Senator F. du H. Le Gresley:

As Members would expect, we have in excess of 6,780 claimants. I would hardly be aware of all the change of circumstances, which can sometimes exceed 20,000 in a year. I would hardly be aware of all the different arrangements. However, that is the extreme position usually where fraud has occurred.

3.8.5 Deputy J.M. Maçon:

Does the Minister acknowledge that many mistakes are made as the same member of the public, depending on which officer they will see, or depending on which day of the week, might get totally different advice, and what is the Minister doing to address this problem?

Senator F. du H. Le Gresley:

I do not agree with that.

3.8.6 Deputy M. Tadier:

The Minister referred to a small number of cases of which the error is due to departmental consequences. Can the Minister tell us about that small number, put a number on it and relativise it compared to those which are not due to departmental error?

Senator F. du H. Le Gresley:

I can tell the Assembly, because this was in the published States Accounts, that in 2012 a total of £131,000 was identified by the department in overpayments arising from departmental error. This is a massive improvement on 2011 where the figure was £309,000.

3.8.7 Deputy S. Pitman:

Contrary to what the Minister said about the policy of the department not requiring payment in certain cases, in this particular case I contacted an officer and had a few words with him and he told me that in any case, even if it was the department's fault, that the income support recipient would have to pay back that debt and in this case that is £700. Although it was the department's fault who overlooked information that they were given, in this case the pensioner was asked to pay £700, so I ask the Minister if he would make that policy publicly available to income support recipients?

Senator F. du H. Le Gresley:

The Income Support Scheme is a very complicated scheme and if we were to make available every single policy document that officers use when determining claims, we would be publishing the equivalent of the Holy Bible. I could not do that but what I said today about the policy will be recorded on Hansard and that is the policy we currently have. I have no plans to change the policy but in respect of the particular case that the Deputy is concerned about, I have already agreed to look into if she would like to give me more details.

3.8.8 Deputy S. Pitman:

The fact that that information is not made public is costing these vulnerable people. Is that fair? I am not asking for a whole wave of legislation be published, it is just a line maybe on the website. So, is that fair that people are having to pay because this information is not available?

Senator F. du H. Le Gresley:

The key thing here is that all recipients of income support, when they receive their first letter notifying them of their benefit, are advised in black and white on the back of the letter that it is their responsibility to notify us of change in circumstances. This is not the other way round and therefore it is unreasonable for me to necessarily be publishing a policy of how we reclaim money when, in many cases, it is due to the failure of the claimant to notify us of their change in circumstances.

Deputy S. Pitman:

In this case the claimant did make the information available and it was the department who failed to recognise it.

The Deputy Bailiff:

I think the Minister has agreed to review the case if you give him details of it.