

7.10 Deputy G.P. Southern of the Minister for Social Security regarding the numbers of under and overpayments of Income Support:

Will the Minister update Members on the figures he gave on 26th June 2012 on the numbers of under and overpayments of income support, which at the time he stated were expected to increase as a result of the continuing economic downturn?

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

Income support benefit is paid in advance and this means that adjustments to compensate for over and underpayments of benefit will arise during the course of a claim. Any change of circumstance that occurs after a benefit payment has been made and during the period paid for which affects the value of the claim rate will result in the need for a payment adjustment to balance the over or underpayment. The most common reason for an adjustment is a change in employment. In many cases, there is a short delay before the claimant provides all the details to the department. When this change is processed an adjustment is made to future benefit entitlement to take account of the underpayment or overpayment of benefit during the time. As anticipated in my written answer last year, I can confirm that the number of income support adjustments increased in 2012. There has been an increase in the total number of income support claims, but the increase in the number of changes is also driven by an unstable employment market in which income support claimants are taking up temporary jobs whenever they become available.

7.10.1 Deputy G.P. Southern:

I thank the Minister for Social Security for his answer. A supplementary: can he clarify for me in terms of overpayments, when the Social Security Department reclaims those overpayments is it the case that the rate that you collect any payment is at £3 per day, a maximum of £21 a week, or is it the case, as he stated this year, the minimum amount that we will collect is £3 a day or £21 a week; however, the maximum amount is £6.50 a day? Is the collection of £3 a day or £21 a week a maximum or a minimum?

Senator F. du H. Le Gresley:

Minimum.

7.10.2 Deputy G.P. Southern:

A minimum, okay. Will the Minister for Social Security further confirm or deny a statement made by one of his predecessors back in 2008 that if an overpayment is to be recovered weekly repayments over an extended timeframe will be agreed with the claimant? Is it not the case that there is no agreement from the claimant; all he does is receive a letter saying: "Overpayment, £21 per week"?

Senator F. du H. Le Gresley:

There will be circumstances where a claimant would find it difficult to cope with a £21 a week reduction. In those situations, the claimant has the right to request reconsideration. In some cases those have come to me personally for me to use Ministerial discretion to reduce the amount of payment, but I use that very sparingly.

7.10.3 Deputy G.P. Southern:

I believe I have asked this question of the Minister for Social Security before, but will he confirm that as far as he is concerned the withdrawal of £21 a week from somebody's income support, which is the minimum that they need in the circumstances, does not cause hardship in most cases?

Senator F. du H. Le Gresley:

Every case is different.