

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 15th JANUARY 2013**

Question

Following his response to my question of 26th June 2012 which revealed that some 2,688 cases of overpayment (median £135) had occurred on an annual basis in the processing of Income Support claims, what measures, if any, has the Minister put in place to reduce this level and, if none, why not?

Given that in supplementary discussion of the issue of the Department claiming back such overpayments, the Minister accepted that such claims could cause hardship and that a limit of £21 weekly reduction in benefit would normally be applied, what action, if any, has been taken on this issue, and can he assure members that any such hardship is being addressed?

Answer

As indicated in my responses to the Deputy's question number 6972 of 26th June 2012, and furthermore his question number 7024 of 17th July 2012, Income Support benefit is always paid in advance, on either a weekly or four-weekly basis. Any change of circumstance that occurs after a 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 in respect of the over or under payment.

This means that small overpayments are an expected and inevitable part of a benefit system that pays in advance, and in most cases simply result from the short-term repayment of extra income that households have received above their actual benefit entitlement. The alternative, which I do not support, would be to make Income Support payments in arrears - which could lead to real hardship amongst low income families.

The Department has undertaken a considerable amount of work during 2012 to improve communications with Income Support claimants to ensure that households are fully informed about their entitlement to benefit and their responsibilities under the Income Support Law, including a revised application form and detailed award letter. We are also investing in additional staff (MTFP) and further training for existing staff, both of which will support our efforts to improve service and communication with claimants. These measures were not undertaken principally to reduce the level of overpayments within the system but as claimants become more familiar with their legal obligations under the Income Support system, it is likely that the number and level of overpayments will decrease.

Contrary to the wording of the question, I did not accept the Deputy's assertion that the current system of recovering overpayments creates hardship during the discussion of Question 7310, asked by Deputy Baudains, and I confirm that I still hold the same position. In particular, it should be noted that officers take into account the circumstances of the claimant before setting any repayment level. Circumstances that will be considered include the number of children in the household, the health needs of the household, the level of rental paid and any pre-existing debts.

However, it is an important principle that taxpayer-funded benefits must be recovered whenever they are overpaid, particularly when the household has failed to take appropriate action to notify the Department of changes, as required under the Income Support Law.