WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY C.S. ALVES OF ST. HELIER ANSWER TO BE TABLED ON TUESDAY 12th MARCH 2019

Question

Further to her response to Oral Question 41/2019 and in the light of the statement made by her predecessor in her response to Written Question 52/2018 that "approximately 90% of overpayments are recovered at or above £21 a week" has the Minister assessed whether such recovery rates are likely to cause hardship to income support claimants and will she reconsider departmental practice in the treatment of overpayments?

Answer

My assessment is that the Department's policy of recovering overpaid benefit is unlikely to cause hardship. This is because overpayments will be caused by the recovery of money that somebody has been paid over and above their benefit entitlement. They have received a higher amount than they were legally entitled to, and it is only fair that this money is repaid. The Department's policy of allowing the money to be repaid via a small daily adjustment to ongoing benefit allows for the overpayment to be recovered without causing hardship.

The Departmental practice remains the same as stated in my predecessor's response to Written Question 52/2018. A claimant who experiences a change of circumstances and is concerned at the ongoing rate of repayment can request that their claim is reviewed.

It is essential for the overall fairness of a tax-funded benefit system that money that is overpaid to a household is paid back. Giving households the flexibility to negotiate a lower rate when their circumstances change protects against hardship, but the best way to prevent significant overpayments is for households to notify the Department of any changes that would affect the rate of benefit. This policy is stated in every letter sent to an Income Support household. Where this policy is followed the levels of overpayment will in most cases be small and the recovery of them will have little impact on the household.