WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY R.J. WARD OF ST. HELIER ANSWER TO BE TABLED ON TUESDAY 6th OCTOBER 2020

Question

Will the Minister state how many people of pensionable age are currently re-paying legacy overpayments from Social Security benefits?

Answer

Overpayments of Social Security benefits may occur for a number of reasons and are not categorised as "legacy." It is not clear from the question what this term refers to.

There are 194 recorded overpayments across 157 Income Support (IS) claims containing a pensioner. There are 1886 IS claims with at least one participant of pensionable age, so this figure means that approximately 8 % of IS claims which include participants of pensioner age have an overpayment that is currently being repaid via an IS claim. These figures do not differentiate between claims where the overpayment was in respect of a pensioner participant or a working age participant who is part of a claim that also includes a pensioner.

The IS system is designed to provide payments in advance to low income households. Paying in advance ensures that vulnerable households are not left without funds to support their basic needs immediately following a change to their household income. A system that makes payments in advance will always require adjustments where household income has increased after a payment has been made. These adjustments will often cause small overpayments that are repaid by weekly adjustments.

Where overpayments are larger these are usually caused by a household failing to notify IS of a change in circumstances, such as an increased income. For pensioners this might be the award of a foreign or private pension. 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 IS 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.