

# OVERPAYMENTS AND SUBSIDY: CHALLENGES FACING AUTHORITIES

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- The statistics
- Creation
- Areas of Loss
- Organisational structure
- Tighter control
- Recovery
- Additional areas of concern

# THE STATISTICS

2008/09 Fraud and Error estimates:

→ 4.9% or £840m of HB expenditure overpaid

→ 1.5% or £260m Fraud

→ 2.8% or £480m Customer error

→ 0.6% or £100m Official error

- 4.1% or £180m of CTB expenditure overpaid
- 1.3% or £50m Fraud
- 2.4% or £100m Customer error
- 0.5% or £20m Official error

# AVOIDING CREATION

- Stating the obvious.....!
- Analyse reasons
- Increases in caseloads
- Changes in circumstances
- Target set?
- Afforded same priority

# FINANCIAL CHALLENGE

## Reduced Subsidy

- LA error
- Admin delay
  - System driven?
  - Accountability

## Ineffective Recovery

- Poor decisions
- High appeals

# ORGANISATIONAL STRUCTURE

- Front Office/Back Office split
- A “seamless” service
- Staff awareness
- Smarter working
  - Who suspends/re-assesses
  - Telephone processing – risk assessed?

# TIGHTER CONTROL

- Awareness
  - levels
  - implications
  - link to QA & Training
- Monitor/Report on regular basis – provided you can!
- Whole picture
  - sundry debtors
  - legal
  - commissioned collection

# RECOVERY

- All methods employed
  - Blameless tenant – including larger landlords
  - Commissioned collection
  - Evaluate effectiveness
- Staff abilities and strengths in house
- Invest to save
- Fit and Proper Test
- LA rent accounts

# ADDITIONAL SUBSIDY CHALLENGES

- New starters
- Rent schemes
- Exempt accommodation
- Changes to temporary accommodation
- Admin grant