

Freedom of Information request 2812/2012

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Information request

1. How much in benefits has been paid out mistakenly in total for 2011/2012 financial year?
2. How much money is the Department owed in overpaid benefit from its ten largest debtors and what is each of those amounts?
3. In respect of the ten biggest debtors what arrangements have been made for the overpayments to be recovered? Please state the weekly repayment amount.
4. Of the ten biggest debtors, which were paid out in error and how many were overpaid as a result of fraud?

DWP response

1. Information regarding the total amount of benefits paid out mistakenly for the financial year 2011/2012 is exempt from disclosure under Section 21 of the Freedom of Information Act 2000 because this information is accessible in the public domain.

The following link provides access to the information requested:

http://statistics.dwp.gov.uk/asd/asd2/index.php?page=fraud_error (table 2.1)

2 and 3. The Department is owed a total of £1.8m in overpaid benefits from our ten largest debtors. The table below shows how much is owed by each of our ten largest debtors as requested, and also provides the additional information you have requested:

Debtor	Reason	Current Balance	Recovery Method	Current Weekly Recovery Rate
1	Customer Error*	£197k	Deductions from Benefit	£17.75
	Fraud	£120k		
	Total	£317k		
2	Customer Error*	£260k	Deductions from Benefit	£42.05
	Total	£260k		
3	Customer Error*	£238k	Deductions from Benefit	£10.65
	Total	£238k		
4	Fraud	£150k	Deductions from Benefit	£22.29
	Total	£150k		
5	Fraud	£144k	Deductions from Benefit	£10.70
	Total	£144k		
6	Fraud	£143k	Bankers Standing Order	£50.00
	Total	£143k		
7	Customer Error*	£141k	Deductions from Benefit	£10.65
	Total	£141k		
8	Customer Error*	£141k	Pending prosecution - no benefit currently in payment	
	Total	£141k		
9	Fraud	£138k	Deductions from Benefit	£64.04
	Total	£138k		
10	Customer Error*	£137k	Pending prosecution - no benefit currently in payment	
	Total	£137k		
	Total	£1.80m		

* Awaiting prosecution

With the exception of Debtor 5, all overpayments with the recovery method of *deductions from benefit* are being recovered at the maximum possible rate permissible under Social Security regulations. The rate of recovery for Debtor 5 reflects the fact that they are currently experiencing financial hardship – this is reviewed every six months.

4. Of the £1.8m owed by the ten largest debtors, £1.114m was overpaid as a result of customer error, and £695k was paid out as a result of customer fraud. An overpayment can only be classified as fraudulent if a customer has been successfully prosecuted, admitted an offence in an interview under caution, or accepted an administrative penalty.