

Housing Benefit Recoveries and Fraud (HBRF) Return: 2009/10

Change Control

V2.0 22/05/09

- update made to question 8 in Frequently Asked Questions (FAQs) at the end of this document

General Notes

This return collects data from all Local Authorities every quarter for:

- Overpayment recoveries
- Fraud investigations.

Period of returns

An Excel spreadsheet has been issued by DWP and each of the four returns per year should follow this format. There are five sheets on the spreadsheet supplied for the HBRF, LAs have the option to complete either the second or third sheet (with the third, string format being the preferred format) but should return the whole Excel workbook to DWP when making their return.

2009/10 HBRF returns should cover the following periods and be sent to the DWP by the following deadlines:

Period	Deadline
1 April 2009 – 30 June 2009	31 July 2009
1 July 2009 – 30 September 2009	30 October 2009
1 October 2009 – 31 December 2009	29 January 2010
1 January 2010 – 31 March 2010	30 April 2010

Data received after the deadline date cannot be processed and will result in performance information being missed for that quarter.

Type of returns

Returns should be provided only in the formats specified in the circular and on the current HBRF template and should be returned, via email, to the email address below.

Transfer of HBRF Return to DWP

As a result of an in-depth review of data security, transfers of HBRF data between LAs and DWP should be made via email using the secure data encryption product (PGP encryption software) that was rolled out to LAs by the DWP Data Encryption Project earlier this year.

With effect from 1 April 2009 LAs should use the following process for transferring their HBRF Return to DWP:

- The RE should transfer their HBRF Return to Malcolm Moran malcolm.moran@dwp.gsi.gov.uk (HB Newcastle), via PGP encrypted email using the public keys provided.
- The RE will receive a confirmation email from HB Newcastle by the end of the following working day upon receipt of data. This email will also confirm whether the data is loadable and/or has been received in the correct format. The RE will also be contacted should there be any problems within the data transfer process.

Any queries about the return of this data should be directed to:

Malcolm Moran

Tel: 0191 216 2674

Email: HBDDataService@dwp.gsi.gov.uk

Information to be provided

Table 1 below details the information that should be provided on the HBRF return and the section that follows the table provides some notes for completion.

Table 1: Information to be captured on HBRF, from April 2009

HBRF field	Question
Overpayments	
1	Total value of HB overpayments outstanding at the start of the quarter
2	Total value of HB overpayments identified during the quarter
3	Total value of HB overpayments recovered during the quarter
4	Total value of HB overpayments written off during the quarter

Table 1 continued

Fraud Investigations	
5	Number of full time equivalent fraud investigators at the end of the quarter
6	Number of cases referred to the LA fraud investigation section during the quarter
7a	Number of cases subject to investigation by the fraud section, that were closed during the quarter
7b	Total number of cases under investigation that related to DWP administered benefits (included in 7a) that were closed during the quarter
8	Number of cautions offered and accepted during the quarter
9a	Number of administrative penalties offered and accepted during the quarter
9b	Number of administrative penalties offered and accepted with a DWP benefit interest (included in 9a) during the quarter
10a	Number of cases accepted for prosecution during the quarter
10b	Number of cases accepted for prosecution with a DWP benefit interest (included in 10a) during the quarter
11a	Number of prosecutions resulting in guilty outcomes (includes guilty pleas and verdicts) during the quarter
11b	Number of prosecutions resulting in guilty outcomes (includes guilty pleas and verdicts) with a DWP benefits interest (included in 11a) during the quarter

Notes for completion

General notes

If no information is available for specific items, leave cells blank.

Enter 0 if there are no appropriate claims/cases.

Do not fail to return the HBRF even though some data cannot be provided in the timescale. Data can be re-submitted or amended, only within the quarter to which it relates and before the deadline date, by fully completing a new template. Should missing data become available at a later date, telephone DWP to establish if it can still be used.

Overpayment Recoveries

Overpayment means any amount paid as HB when there was no entitlement under the regulations, whether on the initial decision or as subsequently revised or superseded or further revised or superseded, and includes any amount paid on account under [HB R 93](#); [HB SPC R 74](#) which is in excess of entitlement to HB as subsequently decided, [HB R 99](#); [HB SPC R 80](#).

Underlying entitlement [HB R 104](#); [HB SPC R 85](#), any amount of HB which would otherwise have been payable in respect of the whole or part of an overpayment period should be deducted from the amount overpaid (**1** and **2**). It should not be included as recovered in **3**.

1 to 4, entries are needed for Rent Rebate and Rent Allowance, **if it is not possible to split out entries for Rent Rebate and Rent Allowance then a total amount should be entered in the total cells. The addition of a space to record totals has been added to the HBRF return for 2009/10 as a result of some LAs reporting that they cannot split out this information. If LAs can split out entries needed for questions 1 to 4, then the completion of the total cells are optional.**

Exclude technical overpayments and uncashed cheques from total amounts of overpayment, items **1** and **2**, and from any amounts recovered, item **3** or written off, item **4** associated with these types of overpayment.

- Include all other types of overpayment, i.e.
 - LA official error overpayments
 - Departmental official error overpayments
 - Fraud, claimant error and 'other' overpayments (other overpayments do not fit into any of the other categories, e.g. when a claimant receives a backdated payment of earnings or benefit that must be taken into account retrospectively)
 - Indicative Rent Level (IRL) overpayments

1. Total value of HB overpayments outstanding at the start of the quarter

Enter the totals. Bring forward any overpayments identified in previous quarters and neither recovered nor written off at the start of this quarter, i.e. the total outstanding debt as under:

- Quarter 1 all outstanding debt from previous years
- Quarter 2 all outstanding debt from previous years + debts identified in quarter 1
- Quarter 3 all outstanding debt from previous years + debts identified in quarters 1 and 2
- Quarter 4 all outstanding debt from previous years + debts identified in quarters 1, 2 and 3

Note: Exclude all recovered and written-off amounts. Totals from earlier quarters could change throughout the year if amendments are made at a later date, e.g. if underlying entitlement is belatedly applied.

2. Total value of HB overpayments identified during the quarter

Enter the totals. Include the total value of all overpayments identified during the quarter, regardless of when the overpayment occurred.

3. Total value of HB overpayments recovered during the quarter

Enter the total HB overpayments recovered. Include amounts recovered from overpayments identified during previous quarters. Do not include reductions in overpayments due to underlying entitlement as HB recovered.

Recovered overpayment means:

- payments physically received and attributed to the overpayment debt during the quarter
- money actually recovered by deductions from payments of HB made during the quarter
- money from arrears of HB owed to the claimant in accordance with [HB R 102\(1\)](#); [HB SPC R 83 \(1\)](#)
- money from sale of debt to collection agency. Sale amount is recovered, not debt amount
- money recovered by debt agencies acting for LAs
- money recovered by Debt Management by deductions from other benefits

Do not count as recovered:

- the value of overpayment debt
 - transferred to other accounts of the LA, e.g. sundry debtors or the Housing Revenue Account, unless and until payment is received and attributed to the overpayment debt through those routes

- written off
- the overpayment debt if sold to a debt agency - only the sale amount is recovered
- underlying entitlement, [HB R 104](#); [HB SPC R 85](#)

4. Total value of HB overpayments written off during the quarter

Enter the total value of overpayment debt the LA has written off during the quarter because there is presently no reasonable prospect of recovery, see [Section 4.710 et seq HB/CTB Overpayments Guide](#), or because the overpayment is a non-recoverable overpayment. Include overpayment debt sold to a collection agency, i.e. the amount of debt sold net of the sale price. Do not include overpayment debt temporarily transferred to a suspense account, e.g. pending further contact from the claimant.

Fraud Investigations

5. Number of full time equivalent fraud investigators at the end of the quarter

Enter the number of full-time equivalent fraud investigators in post at the end of the quarter.

A fraud investigator means a member of staff whose principal or only duty is to undertake fraud investigations. Include staff on maternity leave, but do not count vacancies.

6. Number of cases referred to the LA fraud/investigation section during the quarter

Enter the total cases passed to your fraud section for investigation during the quarter. Include referrals by HB/CTB section staff, anonymous telephone calls and referrals from other agencies or individuals.

Questions 7,9,10 and 11

For questions 7,9, 10 and 11 we expect that all cases should be included in the part (a) of the questions and then of those that have a DWP benefit interest that is part of the investigation are recorded in part (b). So different events would be counted as summarised in the table below:

Type of investigation or sanction	Part (a) of questions	Part (b) of questions
HB only	1	0
Both HB and a DWP benefit	1	1
DWP benefit investigated but not HB	1	1

The reason we require this additional information is to allow us to monitor the impact of the reversal of the Howell decision which came into effect from April 2008. This will give LAs powers to investigate and prosecute cases with a DWP benefit, and effectively allow them to prosecute and impose sanctions *on the* DWP benefit. This is currently not possible and although LAs can work with DWP as part of a joint investigation into a case which has both a HB/CTB interest and a DWP benefit interest, LAs cannot currently prosecute or impose sanctions on the DWP benefit. Thus the data provided in part (b) of questions 7, 9, 10 and 11 should only refer to cases which are happening as a result of the policy change from April 2008 and the LAs are the ones investigating or prosecuting on the DWP benefit. Any joint investigations/joint working between LAs and DWP should still be counted in the part (a) of these questions but not in part (b) if the LA is not specifically investigating or prosecuting the DWP benefit.

Clarification about cases where there was a DWP benefit interest

For clarification, DWP benefit includes Income Support, Jobseekers Allowance, Pension Credit, Incapacity Benefit, and Employment Support Allowance (when introduced).

7a. Number of cases subject to investigation by the fraud section, that were closed during the quarter

Enter the total number of cases where a fraud investigation was **closed** during the quarter. A fraud investigation is work carried out to gather evidence on a claimant, landlord or associated party, who is suspected of fraud, e.g. interviewing witnesses or suspects, undertaking surveillance.

Do not include cases referred to the fraud section where the fraud officer decided, after preliminary enquiries, the case did not merit further action. For example, if 100 employee names are checked against benefit records and 20 appear to have undeclared earnings, only count 20 investigations.

7b. Total number of investigations relating to DWP benefits during the quarter

Enter the total number of cases where the LA completed an investigation into a case, included in 7a, where entitlement to a DWP benefit was investigated.

8. Number of cautions offered and accepted during the quarter

Enter the quarterly number of claimants, landlords and colluding employers where your LA offered a formal caution as an alternative to prosecution and the claimant, landlord or employer accepted the caution, refer to Home Office circulars [59/1990](#) and [18/1994](#) for formal cautions and the Fraud Investigators Manual (FIM).

If both claimant and landlord or claimant and employer are cautioned, count each party separately, ie this will result in two cautions.

NB – there is no comparable (b) for question 8 because although DWP revised its advice during 2008 to say that LAs are able to offer cautions on

DWP benefits (prior to this they were not able to) it has not been possible, at this time, to introduce a change to the HBRF return to collect this information.

9a. Total number of administrative penalties offered and accepted during the quarter

Enter the quarterly number of claimants, landlords and colluding employers where your LA offered an administrative penalty as an alternative to prosecution, and it was accepted (refer to [Social Security Administration Act 1997 and FIM](#))

Only count cases, and not the number of different benefits under scrutiny. For example, if more than one DWP benefit were considered in the sanction, then this would contribute one towards the quarterly total. But if both claimant and employer, or claimant and landlord receive an administrative penalty then count each party separately.

9b. Number of administrative penalties offered and accepted with a DWP benefit during the quarter

Enter the quarterly number of claimants or third parties (such as employer) where your LA offered an administrative penalty as an alternative to prosecution, it was accepted, and there was a DWP benefit considered in the sanction.

Only count cases, and not the number of different benefits under scrutiny. For example, if HB and IS were considered in the sanction then this would contribute as one towards the quarterly total. But if both claimant and employer, or claimant and landlord receive an administrative penalty then count each party separately.

10a. Total number of cases accepted for prosecution during the quarter

Enter the quarterly number of cases laid with a court where, following acceptance by the court for prosecution, a summons was issued. This also includes colluding landlords and employers.

Count the number of cases accepted for prosecution, and not the total number of benefits accepted for prosecution.

For Scottish local authorities, all cases submitted to the Procurator Fiscal can be counted as accepted for prosecution.

10b. Number of cases accepted for prosecution with a DWP interest during the quarter

Enter the quarterly number of cases laid with a court where, there was a DWP benefit considered in the prosecution and following acceptance by the court for prosecution, a summons was issued. This also includes colluding landlords and employers.

Only count cases, and not the number of different benefits under scrutiny. For example, if HB and IS were considered in the prosecution then this would contribute as one towards the quarterly total. But if both claimant and

employer, or claimant and landlord are prosecuted, then count each party separately.

For Scottish local authorities, all cases submitted to the Procurator Fiscal can be counted as accepted for prosecution.

11a. Total number of prosecutions resulting in guilty outcomes (includes guilty pleas and verdicts) during the quarter

Enter the quarterly number of cases where the claimant, landlord or colluding employer have been found guilty of fraud, irrespective of the sentence imposed.

Only count cases, and not the number of different benefits under scrutiny. For example, if HB and IS were considered in the successful prosecution then this would contribute as one towards the quarterly total. But if both claimant and employer, or claimant and landlord are prosecuted, then count each party separately.

For Scottish local authorities, all cases submitted to the Procurator Fiscal can be counted as a successful prosecution.

11b. Number of prosecutions resulting in guilty outcomes (includes guilty pleas and verdicts) with a national benefit interest during the quarter

Enter the quarterly number of benefit cases where the claimant, landlord or colluding employer have been found guilty of fraud, irrespective of the sentence imposed, and a DWP benefit was considered in the Sanction.

Count the number of cases that resulted in a successful prosecution, and not the number of benefits successfully prosecuted.

For Scottish local authorities, all cases submitted to the Procurator Fiscal can be counted as a successful prosecution.

Frequently Asked Questions

This appendix has been compiled in response to a number of individual queries that have been raised in connection with completion of the HBRF Return.

Many of these questions first appeared as an appendix in Circular A28/2008. However, as the year has progressed further questions have been identified which have now been included in this document. You should also note that in some cases guidance has been revisited the guidance and answers re-worded to aid clarification.

This document should now be used as the definitive FAQ document for the HBRF Return and should replace the FAQ appendix contained in Circular A28/2008.

Completion of the Template

Overpayments (Fields 1- 4)

- 1. Field 1 guidance states this field should contain: "any overpayments identified in previous quarters and neither recovered nor written off at the start of this quarter..." This suggests it should be exactly as field 15 in Stats 124. However guidance also states "Exclude all recovered and written-off amounts."**

You should only exclude overpayments recovered or written off in the previous quarter. Even though the "note" at the end says "exclude all recovered and written-off amounts", it clearly states above "Bring forward any overpayments identified in previous quarters and neither recovered nor written off at the start of this quarter, i.e. the total outstanding debt as under." If you are excluding overpayments recovered and written off in the quarter you are reporting on, then you are not recording the total value of overpayments you had at the start of the quarter. I am afraid your software supplier is interpreting the guidance incorrectly.

- 2. Do I include the old sundry debtor's debt in the Rent Rebate or Rent Allowance fields?**

If it is not possible to split out entries for Rent Rebate and Rent Allowance then a total amount should be entered in the total cells. The addition of a space to record totals has been added to the HBRF return for 2009/10 as a result of some LAs reporting that they cannot split out this information. If LAs can split out entries needed for questions 1 to 4, then the completion of the total cells are optional.

Fraud Investigations (Fields 5 – 11b)

Field 5 - Number of full time equivalent fraud investigators at the end of the quarter

- 1. Should this figure include a Fraud Team Leader, whose duties do not include direct investigation?**

Guidance for completing this field states it applies to anyone who is employed to investigate benefit fraud and not the administration of fraud investigators.

Therefore, the team leader should not be included in field 5.

Field 6 - Number of cases referred to the LA fraud investigation section during the quarter

- 1. Are HMBS (fraud) referrals and FPA forms inviting joint working, to be included in this figure?**

As we want all cases referred to fraud investigation, both would be included.

- 2. Field 6 asks for the number of cases referred to the investigation section during the quarter. The definition states total cases passed to the section for investigation. Do you want the number passed for investigation or the number passed and accepted?**

Please record all cases referred to the fraud/investigation section, including any subsequently rejected.

Field 7 – Number of cases subject to and under investigation

- 1. 7b - What is the meaning of “that related to DWP administered benefits”?**

7b relates to cases which also have DWP benefits in payment.

Field 8 – Number of cautions offered and accepted during the quarter

- 1. Why do we not have a cautions split to reflect the Howell reversal?**

At the time of developing HBRF return for 2008/09, advice from DWP was LAs could not offer cautions on behalf of DWP benefits. Since then (and as publicised to LAs in circular HB/CTB G12/2008 on 23/06/08), the advice from DWP has changed. Following this change, DWP

consulted with LAs and software suppliers in August 2008 about including a cautions split on the HBRF return. However, the outcome of this consultation was not supportive of a change and DWP therefore decided to leave the HBRF return as it stood, without a split for cautions to reflect the Howell reversal.

Field 9 - Number of administrative penalties offered and accepted during the quarter

- 1. Is this counted at time of acceptance, or after the 28 day cooling off period, as that might take it into the next quarter?**

You should be recording ad pens on HBRF return on day 29 as LA would not know if the person has accepted it until then and if they don't they'll have to consider prosecution as an alternative. If this takes it to the next quarter then it should be counted in the next quarter.

- 2. Could you clarify when the date is for accepting the penalty - at the time of the interview or after the 28 days cooling off period?**

The date for accepting the penalty is after the 28 days has expired.

- 3. Do we also record Administration Penalties offered by the DWP on our behalf when part of a joint investigation here (as the text specifically states "...where your LA offered....")**

Yes.

Fields 10 and 11 - Prosecution

- 1. Item 10a asks for cases where court summons have been issued to be detailed. What happens to cases accepted for prosecution where the summons is issued outside of the quarterly return? Do we enter it on the next quarterly return?**

It is assumed the issuing of summons is the next step after accepting a case for prosecution so providing a case has been accepted for prosecution in the current quarter then it doesn't matter when the summons is issued - this case would still be counted in the current quarter. If the case is accepted for prosecution in the next quarter then it should be counted in the next quarter, regardless of when the summons is issued

2. Question 10b - What is the meaning of “Number of cases accepted for prosecution with a DWP interest?”

As stated in the guidance we want to capture new work under the new powers, hence we do not want cases counted that do not make use of the new powers. Hence, joint working cases where section 46 powers were not invoked are not to be included in part b) as these occurred before the new powers were granted.

3. Are we only counting those cases taken through our own legal services rather than where the DWP have taken the lead and prosecutions proceed via SOL P?

With regard to recording of sanctions & prosecutions on DWP benefits, cases should be included regardless of whether they are prosecuted using an LAs' in-house or Prosecution Division's legal services. The reason we require this information is to allow us to monitor the impact of the reversal of the Howell decision which *came into effect on 7 April 2008*. Therefore LAs are asked only to record in b) those cases where the new powers in S46 & 47 Welfare Reform Act 2007, to investigate or prosecute certain DWP benefits, are used.

General - Fields 7,9,10 and 11

1. Guidance ensures "b" type columns are intended to count cases where LA's investigated a DWP benefit without them. But you also include tables suggesting where HB/CTB and a DWP benefit are both being investigated, it should count once in both "a" and "b" columns. This happens most often in joint working cases but subsequent paragraphs say these are not included. Which is it?

Essentially data provided in part (b) of Items 7,9,10,and 11 should only refer to cases that are happening as a result of the policy change from April (reversal of the Howell decision) and LAs are the one investigating or prosecuting on a DWP benefit. Any joint investigations/joint working between LAs and DWP that would have taken place prior to the reversal of the Howell decision should still be counted in (a) of these questions but not in (b) if the LA is not specifically investigating or prosecuting the DWP benefit.

2. When offering sanctions where DWP benefit is in payment, they are offered to the claimant jointly. It is very rare where one organisation offers the sanction on behalf of the other. The sanction has then been included in our stats and probably the DWPs. Can you clarify who should be including it in their figures for your purposes?

It is the lead agency in a national Benefit case that should be including the sanction in their stats. From April 2008, any of these cases where

the lead agency is the LA then it is these which should be recorded in the b sections of the HBRF.

3. Please provide clearer guidelines on what counts as the LA investigating or prosecuting a "DWP Interest Benefit".

As stated in the HBRF guidance, we want to capture new work under the new powers; hence we do not want cases counted that do not make use of the new powers. Hence, joint working cases where section 46 powers were not invoked are not to be included in part b) as these occurred before the new powers were granted.

4. We are a Scottish Local Authority and the part suggesting that if we pass a case to the PF then it should be counted as successful is dubious to me?

I confirm it is correct that cases should be counted as successful when passed to the Procurator Fiscal on the HBRF.

Collection process

1. I have already submitted data for the current quarter but there is an error in this data, how can I correct this?

Data can be re-submitted, only within the quarter to which it relates, by **fully** completing a new template. The new template should be returned to HB Newcastle using the approved transfer process (paragraph 29 refers), and **before** the deadline. The email accompanying the transfer should be clearly annotated to indicate that this is replacement data. No comments should be added to the template itself. Any amendments received after the deadline will not be actioned and may result in incorrect performance data being published.

2. I have noticed that there is an error in data that I submitted for a previous quarter, how can I correct this?

HB Newcastle is unable to process any submissions or amendments received **after** the quarterly deadline to which the data relates. Therefore amendments to a previous quarter's data cannot be accepted.

3. I want to provide comments on the data included in this return – how should I do this?

No additional information should be included on the template. The automated loading process will not pick up additional comments and may cause the data to fail to load. Any additional comments should be included on the email accompanying the data return.