

SPSO decision report

Case: 201303852, Almond Housing Association Ltd
Sector: housing associations
Subject: rent and/or service charges
Outcome: upheld, recommendations

Summary

Mr C complained that the housing association unreasonably delayed reimbursing the credit balance on his mother-in-law (Ms A)'s rent account. The account had been closed because Ms A was moving house and it had a credit balance, both of payments that Ms A had made herself and benefits that the council had paid directly to the association. Although the association had refunded the payments that Ms A had made, they had not refunded the remaining amount.

After Mr C complained, the association contacted the council to ask what they should do. The council explained that they had made a discretionary housing payment (DHP) into Ms A's rent account. After the DHP had been made, they explained that Ms A's entitlement to housing benefit increased and this combination had left the account in credit. They also explained that, in general terms, their guidance said that overpayments would ordinarily only be recovered if there was misrepresentation by the claimant. As this had not been the case, the council confirmed that the association should reimburse the money to Ms A.

The council said this again in later correspondence with the association but, in light of their concerns over what they perceived to be public money, the association returned the money to the council and not Ms A. The association's handling of the matter resulted in the money being transferred months later than it might otherwise have been. Although we recognised that this may have been an unusual situation for the association, we considered that their handling of the matter was unreasonable, viewed as a whole, and given Ms A's personal circumstances (she was quite unwell and had the inherent stress of a house move).

Recommendations

We recommended that the association:

- apologise to Ms A for their handling of the matter.