

05 Completing the MF47 statement

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1. The MF47 statement must always be completed during a Customer Compliance interview. Ask the customer if they would like to write the statement themselves. If they do not wish to do so, the CCO must complete the statement using the customer's own words.
2. The statement should include the following:
 - current circumstances and any known future changes;
 - a full description of the facts of any non compliance established;
 - acceptance of the cause of the problem;
 - an agreement to repay any overpayment, regardless of the amount;
 - an understanding of the customer's future responsibilities;
 - an understanding of the potential consequences of any future non-compliance on the customer's behalf; and
 - details of the identification seen, or if the interview is conducted over the telephone note the questions asked around identification and the customer's responses.
3. In addition to the list above for CCG referrals the MF47 statement should also include the following:
 - the reason for the CCG application;
 - the customers responses to any questions raised by the SFDM.

Small overpayment statement from customer

4. In order for small overpayments of £65.00 and under to be recovered from the customer, the following exact form of words must be used on the MF47 statement:
 - "I admit I knowingly gave false information" or "I admit I knowingly failed to declare a change of circumstance" (as applicable).
5. Ask the customer to sign and date the statement immediately after the last word. The CCO must witness and date the statement and score through any unused parts to ensure no additions to the statement can be made once the customer has signed it.

Refusal to sign the MF47 statement

6. If the customer refuses to sign the MF47 statement, the CCO must take the following action:

Step	Action
1	in the presence of the customer, the CCO must sign and date the MF47 statement and score through any unused parts to ensure no additions to the statement can be made;
2	ask the CCM to countersign the statement, if present at the interview or return to the office; and
3	Record the customer's reasons for not signing the form on the

	interview activity on FRAIMS as per 'Effective Visit' instructions within the 'Visits' section in the FRAIMS guidance.
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Example of customer's understanding to record on the MF47

7. The following is an example of what can be recorded on the MF47 statement to confirm that the customer understands the consequences of future non-compliance:
 - "I know and understand that I must notify all changes in circumstances, and that failure to do so may lead to action being taken against me."

New and substantial information

8. New and substantial information is defined as:
 - New – a different offence type than the specific FRF given for the Customer Compliance case;
 - Substantial – will have sufficient grounds to raise a new FRF that would have the potential to achieve a sanction.
 - Note the [exception](#) for special rules when considering GMS capital referrals.
6. For Risk F cases, all information given at the interview would be new but may not be substantial.

New and substantial information is received

7. If new and substantial information is disclosed by the customer that would indicate sanction action may be appropriate, the CCO must limit the questions to obtaining sufficient information to allow the DM to assess current benefit entitlement.
8. Do not ask questions about the customer's previous entitlement as the customer has not been cautioned as per PACE (England and Wales only) and failure to comply with this will prejudice any potential sanction action.
9. In rare circumstances, if new and substantial information is received **prior** to the Customer Compliance interview being undertaken, the case is routed to FIS. If FIS deem sanction action not appropriate, the case may be transferred back to Customer Compliance to complete their action.

The exception to new and substantial rules

10. There is one exception to the definition of new and substantial which covers GMS capital referrals ISIR001, **(merged with ISIR008)** JSIR001 **(merged with JSIR008)**, ISIR005 and JSIR 005 only. These referrals are generated where the capital exceeds the lower tariff income level but falls short of the higher level. This means the customer may have capital between £6,000 and £16,000.
11. At the start of the interview it should be made clear to the customer that the interview is concerning the specific information on the FRF (GMS referral).
12. If, when undertaking the interview it becomes apparent that the customer has other savings that in total may exceed £16,000, the case should be referred to FIS to investigate further.

13. It is important that no commitments are made to the customer about how the matter will now be handled and that questions are limited to determining the total value of the capital. Any details obtained should be captured on the [MF47 statement](#).
14. Where possible the CCO should establish the total value of the customer's savings, and advise the customer that the matter now has to be passed on to other colleagues for consideration.
15. The CCO should complete a witness statement [PF11](#) for attachment to the FRF when the case is passed to FIS.
16. The case should be referred to the DM for a decision on current benefit entitlement and if an MVA is applicable this should be claimed.
17. An FRF should then be completed and referred to the CCM for consideration.
18. These cases cannot later be referred back to Customer Compliance if FIS are unable to obtain a sanction. Any further action would then be undertaken by FIS.
19. In all of these cases the CCO must take the following action:

Step	Action
1	record the customer's current details on the MF47 statement;
2	verbally advise the customer that details of the new and substantial information will be passed for appropriate action to be taken;
3	complete form LT54 outlining the details of the case to enable the DM to make a decision on current benefit entitlement and to arrange to make any necessary benefit adjustments on current benefit entitlement. Ensure the LT54 is fully complete, as the DM will return forms that have information missing.
	where a potential overpayment has been identified, fully complete form Ref2 and forward with the LT54, a copy of the MF47 and all relevant documents (ie. wage slips etc) to the DM for a decision to be made on the case. See the Overpayment Referral guidance for more detailed instructions.
4	before referring the case to the DM remove all material marked sensitive and complete the RM7 to state the check has been completed;
5	pass the case to the CCSM for them to complete the final sensitive material check;
6	PDCS cases must not be sent direct to the DM, these must be returned to the PDCS Operational Intelligence Unit;
7	forward details of the new and substantial information, with a copy of the MF47 statement and PF11 to the CCM as per 'Information referred to Manager' instructions within 'New and Substantial Information Received - Customer Compliance Actions' section in the FRAIMS guidance; and

8	the CCM must confirm the information is new and substantial as per 'Manager's Decision' instructions within the 'New and Substantial Information Received - Customer Compliance Actions' section in the FRAIMS guidance and, if satisfied, returns all relevant documentation (including the original referral documents) to the CCO;
9	The CCO completes an FRF with full details as per 'Manager Agrees New Referral Required - Interview Taken Place' instructions within the 'New and Substantial Information received - Customer compliance Actions' section in the FRAIMS guidance
10	<u>Create</u> an activity on FRAIMS to record that the case is booked out to the DM/BDC as per 'Benefit Decision, FIS & Customer Compliance' instructions in the FRAIMS guidance;
11	take the appropriate <u>action</u> once a decision has been made on the case and has been returned from the DM/BDC as per 'Benefit Decision, FIS & Customer Compliance' instructions within the FRAIMS guidance.

Example of new and substantial information being received

20. Angela is visited regarding an FRF of living together with an unnamed partner. She denies that she has a partner, however during the course of the interview she tells the CCO that she has been working full time for three years whilst receiving benefit.
21. Exception example - No capital previously declared on the customers claim to benefit. CCO receives a GMS match detailing undeclared savings held by Lloyds TSB indicative of lower level tariff income. When questioned, the customer acknowledges savings with Lloyds TSB, but declares their actual value to be £18,000.
22. When considering the exception, the total amount of capital, either on the original match or any other accounts identified at the interview, must be taken into account.