A guide to Housing Benefit overpayments

This leaflet is designed to explain the following:

- What is an overpayment?
- How will I know if I have been overpaid?
- Why do I have to repay my overpayment?
- How are overpayments recovered?
- How do I make payments?
- What will happen if I don't pay the outstanding debt?
- Debt Management Advice
- How to contact us

What is an overpayment?

An overpayment of benefit happens when you are paid benefit to which you are not entitled. An example of when this happens is when you have not told us straightaway of a change in your circumstances.

How will I know if I have been overpaid?

We will write to you and let you know if you have been overpaid. In the letter we will give you full details of the overpayment including:

- The reason for the overpayment
- The period that the overpayment covers
- The total amount of the overpayment
- Information about appeal rights
- Who the overpayment is to be recovered from
- The method of recovery

Why do I have to repay my overpayment?

Housing Benefit regulations state that all overpayments are recoverable, even those caused by an official error. An official error is a mistake made by the Council, the Dept for Work and Pensions or HM Revenues and Customs. However, we can only recover official error overpayments if it was reasonable for you to realise that you were being overpaid.

All money owed to the Council affects the services we can offer with the budgets we have and ultimately the level that our Council Tax is set at each year.

The Council is committed to the collection of Overpaid Housing Benefit. We will take all necessary recovery action to ensure the money owed is repaid.
How are overpayments recovered?

If you are still eligible to receive Housing Benefit, we will make deductions from your weekly entitlement to reduce your overpayment. This is known as a “clawback”.

With effect from 1st April 2012 claimants receiving Income Support or Job Seekers Allowance, the basic recovery rate is £10.65 per week.

For working claimants the clawback will be between £10.65 and £23.15 per week.

For Fraud overpayments the clawback will be between £17.75 and £30.25 per week. An overpayment is classified as “Fraud” if you have been interviewed under caution and then accepted a caution, an Administration Penalty or have been successfully prosecuted by either the authority or the Department of Work and Pensions.

If we are making deductions from your Housing Benefit entitlement and you feel the deduction is causing you extreme hardship, you can ask us to reconsider the level of deductions by completing a Personal Budget form. These are available on request.

If you no longer receive Housing Benefit we will send you an invoice for repayment. We will give you 3 weeks to pay the invoice. In certain circumstances we may give you longer to pay and we will consider your household incomes and outgoings and other debts you are repaying or commitments you have.

We may ask you to complete a Personal Budget form to tell us about your circumstances. We will require proof of all other debts.

Paying with a one-off payment

As an alternative to weekly deductions from your Housing Benefit payments, if you would prefer to pay your overpayment balance in an one-off payment, please call the Housing Benefit office and ask for an invoice to be sent to you instead.

How do I make payments?

- Online
  Go to website homepage www.tendringdc.gov.uk, click on the “Pay” tab and the link for “Online and Automated Telephone Payments”, then click on “Secure Internet Payments”, select the link for “Benefit Overpayments” and follow the instructions.

- Internet Banking
  To use home banking service you will need to quote our sort code 08-90-31, bank account number 6100 5882 and your invoice number.

- Telephoning using a Debit or Credit Card
  Call 01255 686811 during normal office hours or 0800 678 3046, 24 hours a day and use our automated system to make your repayment under the Benefit Overpayment option number 6.

- Direct Debits
  You can pay by Direct Debit on the 1st, 11th or 21st of the month. Please contact us on 01255 686260 to arrange this.

- Post
  Cheque or Postal orders only made payable to Tendring District Council. Please note your invoice number with your payment.

- By PayPoint / Post Office
  Please refer to your Invoice or Final Demand for further details.
What will happen if I don't pay the outstanding debt?

We can apply to the Department for Work and Pensions to make deductions from certain State Benefits you may receive. Up to a third of your income can be deducted.

Your debt could be passed to Collect Services for them to collect the debt on our behalf.

We are also able to register your overpayment in the County Court. Once registered, we will hold an order to recover against you, which can be enforced by the Court. Enforcing the Judgement can mean you will be summoned to Court to examine your finances and to fix an appropriate instalment arrangement. Failure to comply with the Court order will result in the Court Bailiff being instructed under a warrant of execution. We can apply for a charging order on your property or a third party order to recover money from your bank or building society account.

If we register your overpayment in the County Court and then proceed to enforce the Order to recover, you will be liable for the extra costs incurred. These will be added to your original debt.

Please note failure to repay or make an arrangement to repay your Housing Benefit may result in a County Court Judgement (CCJ) and this will affect your credit rating and will undoubtedly have implications on any future credit you try to obtain from a mobile phone to a mortgage.

Landlord Recovery

If you are a landlord that owes an overpayment and you receive Housing Benefit for any other tenants, we can recover your overpayment from the benefit payable in respect of another tenant. Where recovery is made from another tenant’s benefit, that tenant will be deemed to have paid rent to the value of recovered amount.

Debt Management Advice

If you need help with your debts, the following organisations all offer a free confidential advice service on how to deal with debt problems.

Customer Credit Counselling Service (CCCS)

www.cccs.co.uk 0800 138 1111

Pay Plan

www.payplan.co.uk 0800 917 7823

Citizens Advice Bureau

www.adviceguide.org.uk

Clacton-on-Sea (Tendring)
18 Carnarvon Road
Clacton on Sea
Essex
CO15 6QF

Tel: 0844 477 0808  Fax: 01255 689 786

Harwich
298 Main Road
Dovercourt
Harwich
Essex
CO12 3PJ

Tel: 0845 6122551  Text: 07710728011

Manningtree
13 High Street
Manningtree
CO11 1AQ

Tel: 0845 6122551  Text: 07710728011

Swan
Suite 306 / 307
Wellington House
90 - 92 Butt Road
Colchester
CO3 3DA

Tel: 0845 6122551  Text: 07710728011

Web: www.swan.org.uk  Email: fsqueries@swan.org.uk
How to contact us

For further information or advice

Visit the: Council Tax Office
88-90 Pier Avenue
Clacton-On-Sea

Opening Hours Monday to Thursday 9.00 am to 4.30 pm
Friday 9.00 am to 4.00 pm

Write to Benefits
88-90 Pier Avenue
Clacton-On-Sea
Essex
CO15 1TN

Phone: Benefit enquiries & queries on the cause of the overpayment
01255 686811
Payments and arrangements only
01255 686260

Website www.tendringdc.gov.uk

Email
benefitsmail@tendringdc.gov.uk
Benefit enquiries & queries on the cause of the overpayment

housingbenefitrecovery@tendringdc.gov.uk
Payments and arrangements only.

REMEMBER

Do not ignore any letters sent to you
Inform the Council of any changes in your circumstances immediately
If you cannot afford the repayment speak to a member of the
Overpayment Team