

# 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 1<sup>st</sup> April 2020 claimants receiving Income Support or Job Seekers Allowance, the basic recovery rate is £11.25 per week.

For working claimants the clawback will be between £11.25 and £23.60 per week.

For Fraud overpayments the clawback will be between £18.75 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 and you will need to provide bank statements. 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](http://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 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 1<sup>st</sup>, 11<sup>th</sup> or 21<sup>st</sup> of the month. Please contact us on 01255 686811 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.

## 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.

### 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. Deductions can be recovered directly from your earnings and can be as high as 20% of your net wage.

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 an attachment of earnings which means we will recover this debt from your salary/wages. We can also 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 on anything 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.

### **Customer Credit Counselling Service (CCCS)**

[www.cccs.co.uk](http://www.cccs.co.uk) 0800 138 1111

### **Pay Plan**

[www.payplan.co.uk](http://www.payplan.co.uk) 0800 2802816

### **Citizens Advice Bureau**

[www.adviceguide.org.uk](http://www.adviceguide.org.uk)

#### Clacton-on-Sea (Tendring)

18 Carnarvon Road  
Clacton on Sea  
Essex  
CO15 6QF

Mon 10.00 – 12.30 Drop in  
Tues 10.00 - 14.30 Drop in  
Weds/Thurs 10.00 - 12.30 Drop in

Tel: 034 44 111 444

#### Harwich

Harwich Job Centre  
164/168 High Street  
Dovercourt  
Essex  
CO12 3AT

Mon 9.30—12.30 Drop in  
Tues 9.30—12.30 Drop in

Tel: 034 44 111 444

#### Manningtree

13 High Street  
Manningtree  
CO11 1AQ

Weds 9.45 – 12.30 Appointment only

Tel: 034 44 111 444

### **Essex Floating Support**

Peabody  
Rowan House  
33 Sheepen Road  
Colchester  
CO3 3WG

Tel: 0800 28 888 83

Email: [efsc0-ordinator@peabody.org.uk](mailto:efsc0-ordinator@peabody.org.uk)  
Website: [www.peabodycareandsupport.org.uk](http://www.peabodycareandsupport.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 Friday 10.00 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  
01255 686811

Website [www.tendringdc.gov.uk](http://www.tendringdc.gov.uk)

Email [benefitsmail@tendringdc.gov.uk](mailto:benefitsmail@tendringdc.gov.uk)  
Benefit enquiries & queries on the cause of the overpayment

[housingbenefitrecovery@tendringdc.gov.uk](mailto: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