



## A guide to housing benefit, council tax benefit overpayments, and debt

### What is an overpayment?

An overpayment is when we pay you or your landlord an amount of housing or council tax benefit, but you were not entitled to receive it. If we have paid you too much benefit, we will usually ask you to pay back the amount we have overpaid. This is called a recoverable overpayment. We can recover all overpayments, except if they are caused by an official error and which you could not reasonably have known about when you were paid or told about your benefit.

### What is an official error?

An official error is a mistake made by us, or a person acting for us (including the Department for Work and Pensions – DWP – and Jobcentre Plus). It is not an official error if you or a person acting for you contributed to the mistake by not giving us information or by giving false or misleading information.

### Why do overpayments happen?

They happen for various reasons. Here are some examples:

- You may have forgotten to tell us your income has increased. For example, you had a pay rise, or your tax credit award or pension has changed.
- Somebody may have moved into or out of your home.
- You may have moved out of your home and not told us.
- You may have started work or changed jobs.
- If you have other adults living with you, their circumstances may have changed.

You must tell us about any changes and not rely on anyone else to do it for you. Even if you have told the Department for Work and Pensions (DWP) about your change in circumstances, you must still let us know and not leave it to the DWP to tell us.

## How will I know if I have an overpayment?

We will send you a letter giving you the full details of the overpayment. The letter will tell you how the overpayment happened, the amount you were overpaid and the period of the overpayment. It will also tell you how we will recover the overpayment and what to do if you disagree with the overpayment.

## How do you recover the overpayment?

- If you are still getting housing benefit, we may reduce your benefit each week to recover the overpayment.
- If we are not paying your housing benefit, we may send you a bill and you should make arrangements to pay us.
- If we paid your landlord your benefit, we may ask the landlord to repay the overpayment in certain circumstances.
- We can ask the Department for Work and Pensions to take money out of your social security benefits to collect the overpayment. In cases where you have moved out of the area, they can take money from any housing benefit paid to you by another council.
- If we overpaid your council tax benefit, we will add the amount of the overpayment to your council tax bill. Our council tax office will collect the overpayment by increasing your monthly payments.

We will not recover overpayments we have paid you for housing benefit from your council tax or overpayments for council tax from your housing benefit.

## Can you reduce the overpayment?

In some circumstances we may reduce the amount we overpaid you if you tell us about your correct circumstances throughout the period of the overpayment. If we give you benefit for the period you were overpaid it is called underlying entitlement. If you do have an underlying entitlement (which means you were actually entitled to receive some of the benefit), we will use this to reduce the overpayment.

## What can I do if I disagree with the overpayment?

If you disagree with the overpayment after reading our explanation you must write to us and ask for a more

detailed explanation, or ask for us to look at our decision again. You need to do this within one calendar month of the date on the letter.

### The things you can challenge are:

- if we can recover the overpayment or not;
- nwho we can recover it from;
- nhow we have worked it out;
- nyour savings and investments have reduced (only if we overpaid you because your savings and investments had increased);
- if you had an underlying entitlement (you were actually entitled to receive some of the overpayment), see section 'Can you reduce the overpayment?'

### The things that you cannot challenge are:

- if we should recover the overpayment;
- how we choose to recover the overpayment.

## Can I appeal?

If you're not satisfied with our decision or how we explain our decision, you can appeal. You must appeal in writing and sign it. You must make it clear which decision you're appealing against and your reasons for appealing.

Send your appeal to us (our address is on the back of this booklet). You must do this within one month of the decision you are appealing against. Your appeal will be heard by a tribunal run by the Tribunals Service, who are independent of us.

You can challenge some decisions about overpayments if you think they are wrong. You can also get more information or ask us to explain our decision.

## What should I do if I cannot afford to pay you what you take from my housing benefit?

If you want us to change the amount we take from your housing benefit or your payments, contact us straight away.

### What should I do if I am having difficulties paying my council tax because you have added a council tax benefit overpayment to it?

If you have a problem paying you must contact us to make an arrangement. Our contact details are on the back of this booklet. If you don't pay or contact us, we may give you a court order or send bailiffs to recover the amount you owe. We will add these costs to the amount you owe us.

### What should I do if you send me an invoice for the overpayment and I can't afford to pay it all back at once?

If you cannot pay the full amount, we can arrange for you to pay it back in instalments. Before arranging to pay by instalments, you will need to give us details of your income and outgoings. If you do not contact us to arrange to pay, we may register your debt with the county court and ask them to force you to pay it back. This is the same as having a court order against you and it will affect your credit rating. We will also add these costs to the amount you owe us.

### How can I get help with my debts?

You can help to solve your problems by contacting the people you owe money to. Many companies will be helpful if you talk to them. You can't ignore your debts so arranging to pay small amounts is better than paying

nothing at all. If organisations won't accept what you offer to repay, get advice.

You can get help from lots of organisations to sort out your debt problems. You could contact one of the following:

- **Citizens Advice Bureau (CAB)**

They give free, confidential and unbiased advice on debt. You can find out where your nearest CAB is in your local phone book or visit [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

- **National Debtline**

This is a free helpline for people with debt problems. Phone 0808 808 4000 or visit [www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)

- **Advice UK**

You can contact independent advice agencies through Advice UK at:

Advice UK, 12th Floor, New London Bridge House,  
25 London Bridge Street, London SE1 9ST.

Phone: 020 7407 4070 (outside London)

or 020 7407 6611 (London only)

or, visit [www.adviceuk.org.uk](http://www.adviceuk.org.uk)

- **Consumer Credit Counselling Service**

They give a free, confidential service to help you work out realistic solutions to your debt problems, avoid becoming bankrupt and learn how to manage your money.

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

## Where can I get more advice?

If you want more help or advice, you can contact us at:

### Council Offices

Civic Centre,  
Sandown,  
Isle of Wight  
PO36 9EA

**Tel:** 01983 823950

**Email:** [housing.benefit@iow.gov.uk](mailto:housing.benefit@iow.gov.uk)

### Opening times:

8.30am to 5pm, Monday, Wednesday, and Thursday.

8.30am to 4.30pm Friday.

This office is closed all day on Tuesdays.

Late night for phone calls to the benefit team on  
Wednesday evenings until 6pm.

### Customer Services Centre

County Hall,  
Newport,  
Isle of Wight  
PO30 1UD

### Opening times:

8.30am to 5pm, Monday, Tuesday, Wednesday and  
Thursday.

8.30am to 4.30, Friday.

### Ryde Help Centre

Ryde Library,  
101 George Street,  
Ryde,  
Isle of Wight  
PO33 2JE

### Opening times:

9am to 5pm, Monday, Tuesday and Friday

### Freshwater Library

41 School Green Road,  
Freshwater,  
Isle of Wight  
PO40 9AP

### Opening times:

9.30am to 12.30pm, and 1.30 to 4.30pm, Tuesday

If you would like more information on benefits, please refer to our website at [iwight.com](http://iwight.com) and follow our quick link to **revenues and benefits**. Alternatively visit [direct.gov.uk](http://direct.gov.uk)

You can also get more help from the following websites:

[www.dwp.gov.uk](http://www.dwp.gov.uk) – Department for Work and Pensions

[www.therentservice.gov.uk](http://www.therentservice.gov.uk) – The Rent Service

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

## Independent advice

### If you need independent advice, contact your

**local citizens advice bureau.** You can find their phone number (and the numbers for other local advice agencies) in the phone book and at your local library, or by contacting your local council.

**This leaflet is a guide and does not cover every circumstance. Some of the information in this leaflet may have been simplified and some information may become out of date because of changes to the law. We recommend that you get independent advice before making financial decisions based on this leaflet.**

Isle of Wight Council, Revenues and Benefits,  
Council Offices, The Broadway, Sandown, PO36 9EA

Telephone (01983) 823950

Email [housing.benefit@iow.gov.uk](mailto:housing.benefit@iow.gov.uk)

Web [www.iwight.com](http://www.iwight.com)

If you have difficulty understanding this document, please contact us on 01983 821000 and we will do our best to help you.