

Housing Benefit Overpayments

What is a Housing Benefit Overpayment?

Overpayments are defined as any payment of benefit to which the person was not entitled. They arise following changes in a claimant's/household's circumstances, some of which are reported correctly to the Benefit Service whilst others are not. Delays in notification can cause greater overpayments.

[Tell us about a change of circumstances](#)

All overpayments are recoverable unless:

- They are caused by an "official error" - by the DWP or the Local Authority ;
AND
- The claimant could not have been "reasonably expected to realise" that they were being overpaid at the time the payment was made or they were notified of the payment

An "official error" is a mistake, whether in the form of an act or omission, made by the LA, DWP or Job Centre Plus, where the claimant or person to whom the payment was made did not cause or materially contribute to the mistake, act or omission.

In deciding whether or not the person could have realised we should take account of the individual circumstances of the claimant in terms of age, health, mental health, literacy (i.e. can they read) and their experience of the "benefit system", as well as the nature of the overpayment.

Who is responsible?

Once it has been determined that the overpayment is recoverable we have to determine who the overpayment is recoverable from.

Regulations require us to seek recovery from the person who materially caused the overpayment by failing or delaying to notify a change or misrepresenting a fact.

Even in direct landlord payment situations this means that we will ordinarily be seeking recovery from the claimant rather than the landlord unless the landlord is clearly responsible.

A housing benefit overpayment notification letter will be issued to the claimant and/or landlord. They are referred to as an 'affected person'.

Having determined the amount of the overpayment, its recoverability and from whom we should be seeking it, we are then required to decide the method and rate of recovery.

Recovery of Housing Benefit Overpayments

The aim of the Benefit Service is to maximise the recovery of housing benefit overpayments using all of the methods allowed by law. This will be done with sensitivity, and in the light of anti-poverty principles, by taking due account of a claimant's individual circumstances.

The methods are:

- Deductions from ongoing housing benefit entitlement
- Deductions from ongoing DWP benefit entitlement
- Deductions from housing benefit payments due to landlords/agents. This includes overpayments relating to current tenants and/or former tenants.
- Issuing a sundry debt invoice
- By debiting the overpayment to a Council Tenants Housing Benefit account
- Passing the debt onto the City's approved Debt Collection Agencies for collection
- Enforcement action through the courts which includes – Charging orders on properties, Bankruptcy proceedings, seizure of goods and collection of the debt from any capital/assets you possess.
- Direct Earnings Attachments (DEA) – We ask your employer to recover the debt by deductions taken from your salary.

If you are experiencing financial hardship please contact the Benefit Service so that we can discuss your repayment options and rates.

There is also useful advice in our [Debt Advice Section](#)

Appeals against housing benefit overpayment decisions

If you disagree with the housing benefit overpayment decision you can submit an appeal in the circumstances below or ask us to review our decision.

You may appeal about

- The decision which caused the overpayment
- Whether an overpayment is recoverable
- The amount of the overpayment
- Who an overpayment can be recovered from

You may not appeal about

- What 'an overpayment means'
- The exercise of discretion to recover or not
- The method of recovery