



A guide to housing benefit, local council tax support overpayments, and debt

What is an overpayment?

An overpayment is when we pay you or your landlord an amount of housing 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 or income 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 or tax credits, you must still let us know and not leave it to the DWP or HMRC 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 there is a change to your local council tax support, the revised reduction will be amended on your council tax account and a revised bill will be sent out.

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;
- who we can recover it from;
- how we have worked it out;
- your 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. You will be asked to complete an income and expenditure statement so we can work out the amount to be recovered. This might only be for a set period to allow you to adjust your outgoings.

What should I do if I am having difficulties paying my council tax?

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

- **National Debtline**

This is a free helpline for people with debt problems. Phone 0808 808 4000 or visit 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

- **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

Where can I get more advice?

If you would like more information on benefits, please refer to our website at iwight.com and follow resident services, then scroll down to the benefits and council tax tab. Alternatively visit direct.gov.uk

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

Tel: 01983 823950

Email: housing.benefit@iow.gov.uk

Documents may be provided to:

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 12.15pm and 1.30 to 5pm, Monday, Tuesday and Friday.

Council tax

www.iwight.com/revsandbens 'Do it online'

Email: council.tax@iow.gov.uk

Tel: 01983 823901

Contacting the Isle of Wight Council

Web: www.iwight.com

Tel: 01983 821000

Monday to Friday, 8am to 6pm

Saturday, 9am to 1pm

You can also get more help from the following websites:
www.dwp.gov.uk – Department for Work and Pensions
www.voa.gov.uk – The rent service at the Valuation Office
www.citizensadvice.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 visiting the council website.

Or you can visit:

www.iowlawcentre.org – IW Law Centre

www.ageuk.org.uk – Age UK

www.islehelp.org.uk – Isle Help

www.frontlineiow.org – Frontline Advice Centre

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
Web 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.