

Housing Benefit overpayments



Information about being overpaid benefit.

Overpayments and Appeals

An overpayment is an amount of Benefit that has been paid, but for which there was no entitlement under the Regulations. An example would be if a claimant failed to tell us that their income had increased, and a recalculation of their entitlement meant that they had been paid too much Benefit.

A fraudulent overpayment may occur when a person has deliberately provided a false statement or document, or has deliberately failed to report a change of circumstances with the intention of obtaining or retaining Benefit.

How do we deal with overpayments?

The rules concerning the administration of Benefit overpayments are contained in the Housing Benefit Regulations 2006, Council Tax Benefit Regulations 2006 and other subsequent legislation. We have a duty to implement these legal provisions, have a duty to recover overpayments from tenants and landlords and we may also decide to take criminal proceedings in respect of fraudulent overpayments.

An overpayment is recoverable from either the person who caused the overpayment, or the person who received the overpayment if they could have realised at the time they received the payment

that they were being overpaid.

How is benefit recovered from a tenant?

A council tax overpayment will be recovered by being posted onto the liable person's council tax account

If the tenant is currently receiving housing benefit, the overpayment will be recovered from future benefit payments by a weekly deduction known as a weekly re-claim. If payments are made direct to the landlord, the tenant's reduced entitlement will be reflected by the amount of the benefit payment that is issued every 4 weeks. The tenant is responsible for paying any rent arrears that occur as a result of the reduced amount paid to the landlord. If the tenant is not currently receiving housing benefit, the overpayment may be recovered from other benefits or an invoice for payment may be issued. Recovery of an overpayment will not prejudice any criminal proceedings that may be taken by us in respect of fraudulent overpayments. How is Benefit recovered from the Landlord? If we have decided to recover an overpayment from a landlord it will issue an invoice or make deductions from other tenants' benefit paid to that landlord. The amount of these deductions should not be treated as rent arrears for those tenants, and the landlord must not try to recover the shortfall from them. Recovery of an overpayment will not prejudice any criminal proceedings that may be taken by us in respect of fraudulent overpayments.

Is there a Right of Appeal?

For further information on reviews and the Appeals process see ['Housing Benefit Appeals'](#) [1].

The claimant can ask for a review of a decision to calculate an overpayment. Any such request should be made within 1 month of the decision notice. A landlord can request a review where recovery is being sought from him personally; that is, where an invoice for payment has been issued to him, or a deduction is being made from the benefit he receives for one of his tenants in order to recover an overpayment owed by the landlord in respect of another tenant where the overpayment is owed by the landlord personally, he will be notified in writing of a decision to recover from him. Any request for a review should be made within 1 month of the decision notice. A landlord can write to us at any time requesting a written statement of reasons for the recovery of an overpayment from him, but cannot appeal against the fact that there has been an overpayment. What will happen if an Overpayment is not repaid? Where an invoice remains unpaid, or an agreed arrangement to repay the debt over time is not being maintained, we may request a debt collection agency to recover the debt or take action in the County Court.

Important Note

A landlord can only request a review where recovery is being sought from him personally; that is, where an invoice for payment has been issued to him. If a landlord habitually fails to repay overpayments that are recoverable from him, we can decide that the landlord is not a 'fit and proper person' under Benefit Regulations, and can refuse to make direct benefit payments to that landlord.

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Links

[1] <https://www.copeland.gov.uk/content/housing-benefit-appeals>