

# Housing Benefit Overpayment Recovery Policy

| VERSION NUMBER | DATE       |
|----------------|------------|
| 3.0            | 01.06.2026 |

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## 1. *Introduction*

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- 1.1 The Council has a duty to recover outstanding debts in compliance with the Housing Benefit Regulations 2006, Housing Benefit (Decision Making and Appeals) Regulations 2012, and the Social Security Administration Act 1992, alongside the Department for Work and Pensions Overpayment Recovery best practice.
- 1.2 Whilst doing so we must ensure that our processes are fair to everyone having regard for the rights of individuals and obligations of the council under the provisions of the Human Rights Act 1998.
- 1.3 The Housing Benefit Overpayment Recovery Policy ensures we minimise debt and maximise rates of collection, are consistent in our approach and ensures that we assist customers who experience financial difficulty.

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## 2. *The principles of good practice*

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- 2.1 There are a variety of reasons why debt is created. Putting effective processes in place; invoicing accurately and speedily, ensures that debts raised are correct and do not discourage timely payment.
- 2.2 Customers fail to make payments for a variety of reasons. Categorising debts into 'Can't pay' / 'Won't pay' can ensure targeted recovery methods are utilised. Where people genuinely have difficulty maintaining their payments; the council will make every effort to help.
- 2.3 Others may deliberately set out to delay or not make payments at all. In these situations, the council will take action to secure and recover payments.
- 2.4 The council will follow the principles of good practice set out below:
  - Accurate and prompt invoicing
  - Promote Direct Debit for arrangements as the default method of repayment with a range of other payment options for customers without a bank account
  - Provide advice on ways to reduce household bills and maximise income
  - Consider special payment arrangements for those customers experiencing financial difficulties
  - Keep customers informed
  - Take appropriate recovery action in a timely manner
  - Multiple debt management - where the Council is aware of more than one debt owing to the Council
  - Review and write off debt where appropriate

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### 3. *Policy Objectives*

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- 3.1 This policy is effective from 1<sup>st</sup> April 2026 and supersedes the Housing Benefit Overpayment Policy (V2.0) 2025.
- 3.2 The key objective of this policy is to ensure that we do all that we can to maximise income for the provision of services in the district whilst supporting people in financial difficulty, protecting residents who are at risk or vulnerable and ensuring that we are collecting payment from those that are able to pay.
- 3.3 The main principles that the council must adhere to achieve the objectives of the policy would be to:
- Process changes in circumstances quickly to minimise the overpayment.
  - Identify overpayments promptly by reviewing entitlement regularly and using third party data to cross reference against i.e. HMRC and DWP.
  - Calculate, classify and record overpayments accurately and correctly to ensure that the correct amount of subsidy is claimed.
  - Determine whether overpayments are recoverable quickly.
  - Pursue recovery of the overpayment using the most effective and efficient method.
  - Ensure that effective financial control is kept over the whole of the overpayment process.
  - Notify affected parties promptly of their overpayment.
  - Pursue recovery by the most appropriate method.
  - Set targets and monitor performance.
- 3.4 The council will recognise that causes of debt vary and recovery methods should be focused accordingly. Debt will be categorised and methods of recovery focused by type, with debtors identified either as ‘Can’t Pay’ or Won’t Pay’:
- Can’t Pay – will receive appropriate assistance and support through debt management and benefit advice, helped to make and adhere to payment arrangements and understand options to minimise costs in the future.
  - Won’t Pay - appropriate tools of recovery will be focused on debt collection depending on individuals’ circumstances and the assets or income they have.
- 3.5 The council will ensure that debts are managed in accordance with legislative provisions and best practice to:
- Protect the council’s reputation by demonstrating a commitment to adhering to regulations.
  - Help provide a quality and value for money service to our customers.
  - Deter fraud and error.
  - Meet internal and external audit requirements and are being adhered to.
  - Ensure that performance targets are continuously monitored, and continuous improvement is sought.
  - Ensure support of the Council’s vision and emerging corporate plan.
- 3.6 This policy should be applied to all cases where an overpayment of benefit may occur and against all identified recoverable overpayments.

- 3.7 This policy should be read in conjunction with the DWP Benefit Overpayment recovery guide [Benefit overpayment recovery guide - GOV.UK](#)
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#### **4. Identification of Housing Benefit Overpayments**

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- 4.1 An overpayment of Housing Benefit is an amount which has been paid to which there is no entitlement under Housing Benefit Regulations. Overpayments are generally created through a change in the claimants' circumstances.
- 4.2 In most cases overpayments can arise in consequence of:
- Late disclosures of change in circumstances.
  - Errors made by the claimant in completing the application form or subsequent review form.
  - Claimant fraud.
  - Official errors made by the council or other Statutory Benefits Departments such as the DWP.
- 4.3 The authority aims to encourage claimants to notify us of changes in their circumstances immediately through various publicity methods such as notification letters, display boards, website and social media.
- 4.4 The authority will continue to use data available for cross referencing purposes to find fraud and error in the system. The data is available from third parties such as Department for Work and Pensions (DWP), HMRC, and National Fraud Initiative (NFI).
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#### **5. Prevention of Housing Benefit Overpayments**

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- 5.1 All overpayments must be identified and actioned as soon as possible by acting on reported changes promptly, keeping levels of outstanding work to a minimum, and suspending payments to prevent further payments being issued.
- 5.2 Minimising fraud and error is a key objective. This will be achieved by taking the following measures:
- Continuing to verify the claimant's income and identity.
  - Continuing with daily Quality Assurance checks against all Benefit Officer's.
  - Continuing with risk based Quality Assurance checks.
  - Periodically reviewing entitlement to Housing Benefit through the Housing Benefit Award Accuracy initiative.
  - Delivery of continual staff training to ensure staff knowledge is up to date.
  - Advise claimants and landlords of the requirement to report changes in circumstances promptly.
  - Monitoring of overpayment levels through the subsidy claim.

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## 6. *Classification of Overpayments*

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6.1 On identification, all overpayments are categorised into specific types to record reasons for the overpayment occurring and for subsidy purposes.

6.2 Overpayments of benefit are mainly classified as claimant error, Local Authority error, DWP error, and fraud (if prosecuted or an administrative penalty is accepted).

For example:

### **Claimant error**

- Mistake by the claimant in completion of a claim form.
- Claimant delay in reporting a change in their circumstances.
- Deliberate fraud by the claimant for failing to disclose a material fact or deliberate misrepresentation).

### **Local Authority error**

- Mistake made by the council
- Delay in processing a reported change in circumstance.

6.3 To classify the overpayment correctly, the Benefit Officer must determine:

- The cause of the overpayment.
- The period and amount of the overpayment.
- Whether or not the overpayment is recoverable.
- Whether or not recovery should be sought.
- From whom recovery should be sought.

6.4 The classification of an overpayment is checked by the Quality Assurance & Subsidy team throughout the year to support the council's Subsidy Claim, which is submitted to the Department for Work and Pensions mid-year and at the end of each financial year.

6.5 Where an error is identified against the classification of an overpayment, this can be revised by the Benefit Officer if the overpayment classification needs to be amended. Where the overpayment classification needs amending in part, this can be corrected by a Benefits Team Leader or a Quality Assurance & Subsidy Officer.

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## 7. *Calculation and notification of overpayments*

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7.1 When an overpayment or excess payment is identified the claimant is notified in writing and given the following information:

- The reason for the overpayment/excess payment
- The amount
- The benefit period covered
- The method of recovery
- Their right of appeal

- 7.2 Where an overpayment is identified the Council will invite claimants to provide sufficient information to establish any underlying benefit entitlement. This will allow for the overpayment to be netted down against their true entitlement, as though the relevant changes been notified to the council at the time they occurred.
- 7.3 The Council will endeavour to carry out the calculation of the overpayment within 14 days of its receipt of any written notice of change and any further information that is reasonably required for the correct administration of the overpayments procedure as is required by regulations.

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## **8. *Who should the overpayment be recovered from?***

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- 8.1 All overpayments are recoverable, but the council can use its discretion to not pursue an overpayment. Where an overpayment is deemed to be recoverable, it is in the interest of the council and the claimant to act quickly. It will be much more difficult attempting recovery from a claimant who has moved and left no forwarding address; and from a claimant's point of view, they can make a better provision for repayment if they are informed as soon as possible after it has arisen.
- 8.2 Before recover action is undertaken, in each case consideration should be awarded to the relevant facts of the individual case. This may mean that further specific information will need to be obtained from affected parties prior to a decision being made. Recovery should be made from the most appropriate person who may be:
- a) The claimant, or
  - b) The person to whom the payment was made, or
  - c) The person who misrepresented the material fact or failed to disclose the fact or
  - d) The partner of the claimant. However, regulations provide that this can only be the case where the partner was living as a member of the claimant's family at the time of the overpayment and at the time of the decision being made in respect of recovery.
- 8.3 Recovery of fraudulent overpayments should, in the first instance, be sought from the person who misrepresented or failed to disclose material facts giving rise to the overpayment. In some circumstances, this may be someone different to whom received the payment of Housing Benefit.

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## **9. *Supporting Vulnerable People***

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- 9.1 The Council recognises that some members of the community may be more vulnerable and, therefore, may require additional support in dealing with their financial affairs. Vulnerability does not mean that a person will not be required to pay amounts they are legally obliged to pay.
- 9.2 The Council will identify and assist those who face difficulties in paying at an early stage and to actively encourage them to contact us at the earliest stage.
- 9.3 Where a person is recognised to be vulnerable consideration should be given to:
- Allowing longer to pay
  - Postponing enforcement action
  - Assisting the person to claim benefits, discounts or other financial support

- Supporting people to access sources of independent advice
- Providing information in an accessible format
- A temporary payment arrangement with lower repayment than would normally be agreed
- Where appropriate engagement with third parties to assist the debtor with their financial affairs
- Returning debt to North Norfolk District Council if the debt has been pursued by the Enforcement Agent.

- 9.4 The Council will also recognise that some customers who have an overpayment of Housing Benefit, will often have multiple debts and often experience a spiral of debt that affects the whole family and life quality and becomes a way of life. All staff dealing with families in difficult circumstances must be cognizant of this and recognise the effect being in debt has.
- 9.5 The council will optimise its partnership working the Citizens Advice and its internal Early Help & Prevention team to ensure people in genuine financial difficulty are supported to claim any benefits they are entitled to and where appropriate are signposted towards free debt advice.
- 9.6 The cause of vulnerability may be temporary or may be permanent in nature and the degree of vulnerability will vary widely. In some circumstances it will be appropriate to liaise with or seek further advice from other agencies that may be involved in working with the customer.

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## 10. *Methods of recovery*

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- 10.1 There are various methods available to recover outstanding debts that are mentioned in this policy. This Council supports fair debt collection and recovery practices.
- 10.2 Appropriate means of recovery should be considered in all cases under Regulation 102 of the Housing Benefit Regulations 2006.
- 10.3 Where the customer has an ongoing entitlement to Housing Benefit, recovery action will commence by making deductions from the **ongoing housing benefit payments**. The Regulation prescribes the maximum weekly deduction that can be made to recover an overpayment from ongoing entitlement. There are prescribed rates of deduction depending on whether the overpayment has arisen because of fraud or not. These rates may be updated annually by the Department for Work and Pensions on the 1<sup>st</sup> April. A minimum of 50p per week must be left in payment.
- 10.4 Where there is no ongoing entitlement to Housing Benefit an **invoice** will be raised and sent to the debtor. Invoices will be raised for overpayments of £25 or more. The credit terms are 28 days from the date of the invoice. If after a further 14 days the account is unpaid, the account will move into recovery and one of the following recovery methods will commence.
- 10.5 The first principle will be to seek payment in full. Where the debtor can show that this is unaffordable, then instalments will be negotiated under a **Special Arrangement**. An income and expenditure form will be completed to prove the arrangement is affordable.
- 10.6 **Deductions from other DWP benefits.** Where there is no ongoing entitlement to Housing Benefit recovery can be sought from an attachment of other DWP welfare benefits through the Payment Deduction Programme. This is the electronic method of requesting an attachment of benefit.
- 10.7 **Deductions from housing benefit payments made by other local authorities.** If a debtor has moved to another Council area and is in receipt of Housing Benefit there, a letter can be sent to the Authority requesting that they make deductions from the claimants ongoing benefit entitlement at

the suitable rate. The Housing Benefit overpayment would be passed across to an invoice to create an account for payments to be credited to NNDC.

- 10.8 **Direct Earnings Attachment.** The Welfare Reform Act 2012 allows NNDC to ask employers to make deductions from the employees pay. The deduction is based on the level of earnings. An attachment cannot be made if the debtor is working for a small company or if they are self-employed.
- 10.9 **Collection of Overpayments from Landlords.** Where the claimant is no longer entitled to Housing Benefit, the overpayment will be sought from the landlord where they have failed to report a material change which they would have reasonably expected to realise had occurred. The overpayment will be invoiced. Where the landlord fails to settle the account, the overpayment will be recovered directly from future Housing Benefit payments for other tenants. The tenants are protected, and the deduction counts as their rent payment. This is referred to as Blameless Tenant recovery.
- 10.10 **Enforcement Agent.** Where an invoice has been raised, and the payment has not been received the debt can be passed to an Enforcement Agent to collect.
- 10.11 **County Court Judgement.** Where an invoice has been raised and a reminder issued, and non-payment of the debt continues the debt can be passed to legal services for action in the County Court via a County Court Judgement. A Claim Letter will be sent to the debtor first as a pre-warning that County Court action will take place. This gives the debtor a further opportunity to dispute the debt or advise the authority that they are seeking financial assistance.
- 10.12 **Recovery action (Post County Court Judgement).** The overpayment is registered as a judgement of the court. Unpaid debts can be recovered by several enforcement methods – warrant of execution, attachment of earnings, third party debt order, charging order, bankruptcy or High Court Enforcement (see 10.13 below).
- 10.13 **Housing Benefit Debt Service (HBDS).** This is administered by the DWP and allows us to retrieve debtor’s employment, self-employment, private pension information and address details directly from the HMRC.
- 10.14 **High Court Enforcement.** This is where a Writ of Execution (a cost to NNDC of £66 if not successful) will be obtained from the High Court authorising a High Court Enforcement Officer to recover the amount owed by the debtor or take sufficient goods to be sold at auction to raise what is owed. The Enforcement Agent will not raise or charge any costs or fees more than the costs and fees allowed under the regulations in force as shown in the table in 10.14.
- 10.15 **Schedule of Enforcement Fees (other than under a High Court Writ).**

| Fee Stage                | Fixed Fee | Percentage fee (regulation 7): % of sum to be recovered exceeding £1000 |
|--------------------------|-----------|-------------------------------------------------------------------------|
| Compliance stage         | £75.00    | 0%                                                                      |
| First enforcement stage  | £190.00   | 7.5%                                                                    |
| Second enforcement stage | £495.00   | 0%                                                                      |
| Sale or disposal stage   | £525.00   | 7.5%                                                                    |

*The above figures are not including VAT.*

- 10.16 **Recovery from an estate.** Where the case involves the death of a claimant, the deceased's representative or executor should be approached to seek recovery from the estate. However, the overpayment should not be recovered from ongoing benefit deductions from the surviving spouse.
- 10.17 **Excess Council Tax Support** will be added back onto the Council Tax account and collected in accordance with the Council Tax recovery Regulations.
- 10.18 The Council will determine the most appropriate option for recovery of the debt.
- 10.19 Recovery action will commence after taking into consideration the claimant's eligibility to underlying entitlement or a new claim pending. This will allow for the claimant to provide further information or make any reapplication for housing benefit, thereby reducing any overpayment, in addition to allowing time for the affected persons to register any appeal rights that they may wish to enact, and or to reach a mutually acceptable arrangement for the recovery of the overpayment.
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## **11. Multiple debt management**

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- 11.1 We will proactively check for multiple debts owed to the council, and we will work with colleagues in other service areas to ensure that creditors are not in competition.
- 11.2 Customer who have multiple debts will be encouraged to share with staff information relating to any debts owed outside of the council.
- 11.3 A solution will be identified to allow for the best outcome for the council and the customer.
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## **12. Breathing Space**

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- 12.1 We recognise that households in debt may not always be able to resolve their financial problems easily or quickly. The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 came into force with effect from 4 May 2021 and ensures that we allow households the time to get independent financial help without fear of their debts increasing further, which can happen when recovery action is taken.
- 12.2 The scheme aims to help people in problem debt to better manage their finances, seek professional debt advice and reach sustainable solutions. When we are advised that people are working with a debt advice organisation to reach a sustainable solution to their debt, they will be protected from recovery action for up to 60 days. If the person is receiving mental health crisis treatment, then under the mental health crisis moratorium there are some stronger protections which last as long as a person's mental health crisis treatment, plus 30 days.
- 12.3 During the breathing space we will pause recovery action on any debts included in the breathing space and not contact the debtor to seek payment.
- 12.4 The Insolvency Service, which maintains the central electronic system that debt advisers use, will notify the Council when a person has entered a breathing space. The Council will process the notifications to implement the protections under the breathing space. The Council will also conduct

a search of its records for any additional debt(s) owed to them by the debtor, as they may be eligible to be added to the breathing space.

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### 13. Financial Inclusion

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- 13.1 Promoting financial inclusion encompasses efforts to reduce poverty and reduce financial stress by: increasing benefit income; reducing levels of debt; providing better access to financial products; and increasing financial capability, i.e. the skills, knowledge, confidence and motivation to manage finances in the short and long term.
- 13.2 The Financial Inclusion team at North Norfolk District Council work with residents to build financial capability, both with basic financial tasks, such as budgeting, and helping them make the right financial decisions in the longer term. This choice reflects both our commitment to improve the lives of our communities and a commitment to greater organisational cost efficiency and effectiveness.
- 13.3 Financial inclusion work can help us become more cost efficient:
- Local Authorities constantly deal with the wider consequences of poverty.
  - Financial inclusion interventions can increase the skills and motivation of staff, improving recruitment and retention.
  - Developing financial inclusion work can improve responses to arrears, evictions and tenancy turnover, reducing the impact of homelessness in the district.
  - It can support the delivery of related initiatives to increase employability, and resident engagement.
  - Reduction to the number of households living in poverty, social exclusion and homelessness.

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### 14. Insolvency

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- 14.1 When a debtor becomes insolvent (i.e. formally unable to pay debts), this affects overpayment recovery in the following ways:

| Insolvency Type                        | Effect on HB Debt                                                        |
|----------------------------------------|--------------------------------------------------------------------------|
| Bankruptcy                             | Debt is included in the bankruptcy estate; recovery must stop.           |
| Debt Relief Order (DRO)                | Debt is frozen for 12 months and written off if DRO completes.           |
| Individual Voluntary Arrangement (IVA) | Recovery action must cease; partial payment may be received via the IVA. |

- 14.2 When the council is informed of impending insolvency it will:
- Stop recovery immediately upon notification of insolvency.
  - Submit a proof of debt to the Insolvency Practitioner where applicable.
  - Monitor discharge status and update records (write off, suppress future recovery attempts).

- 14.3 Notably, fraudulent overpayments (overpayments caused by benefit fraud) are not always written off in bankruptcy — councils may still pursue them, though this is relatively rare.

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## 15. Write-offs

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- 15.1 The Council will make every effort to collect monies due, to maximise the resources it has available to provide good quality services to its community. However, it also recognised that there will be occasions when debts become irrecoverable and will need to be considered for write off in accordance with the **Councils Corporate Debt Write-Off Policy**.
- 15.2 In such circumstances prompt and regular write offs of such debts is good practice, as this allows for a correct calculation of bad debt provision each year and avoids wasting resources chasing debt where there is no realistic prospect of recovery.
- 15.3 The Council will seek to minimise the cost of write offs by taking all necessary action to recover what is due. All debts will be subject to full collection, recovery and legal proceedings as outlined in this policy.
- 15.4 Write off is only appropriate where:
- The invoice has been raised correctly and is due and owing.
  - That every effort has been made to recover the debt, in the form of reminders and any other relevant recovery action undertaken.
  - There is a justified reason why the debt should not be pursued further.
- 15.5 The definition of irrecoverable is a debt that will never be paid to the person owed, and is uncollectable for whatever reason, and should therefore be written off.
- 15.6 Whilst it is not possible to list every scenario which could make a debt suitable for write off, the most common circumstances where a debt may be written off have been categorised as follows:

| Category                                                                                           | Requirement                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| De-minimus / Uneconomic to collect                                                                 | Debts less than £25.00 would not be cost effective to pursue. Sundry Income Debts of £100 plus which have been returned from tracing agents and where legal costs will exceed the debt. |
| Debtor deceased - No Estate                                                                        | Insufficient funds in estate to discharge debt.                                                                                                                                         |
| Debtor absconded / Unable to Trace / Detained or Imprisonment *                                    | All attempts to trace debtor have failed. Including tracing agent for debts over £25.00. Including long-term imprisonment (12 months) or more.                                          |
| Debtor in bankruptcy or liquidation or other insolvency proceedings including Debt Relief Orders** | A claim against the debtor has been lodged with the administrators. No dividend is to be paid or the balance after the dividend is submitted.                                           |
| Debt cannot be proved (conflict of evidence)                                                       | An explanation should be given as to why recovery cannot be made.                                                                                                                       |

|                                                                    |                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ill Health & no means                                              | Written evidence of one of the following criteria:<br>1. Terminal illness and limited means<br>2. Where payment would cause further ill health<br>3. Old age and frailty and no financial assistance<br>4. Severely mentally impaired and no financial assistance<br>5. Long term hospitalisation or residential care and no means to pay |
| Undue hardship and debt remaining following negotiated settlement. | Where the debtor can provide written evidence of genuine financial difficulty, showing evidence of inability to pay even small instalments, or that such payment will cause undue hardship.                                                                                                                                               |
| Irrecoverable / Out of Jurisdiction***                             | The debtor has moved out of legal jurisdiction, or the debt has been returned null a bona and all other recovery avenues have failed.                                                                                                                                                                                                     |

\*If a debtors whereabouts become known after the write-off has been approved, then the debt should be written back on.

\*\* If a dividend is subsequently paid, then the debt should be written back on.

\*\*\* If the debtor subsequently moves back into legal jurisdiction, then the debt should be written back on.

- 15.7 The Council will make all necessary attempts to trace any debtor that has absconded to ensure that payment is received. This will include checking internal and external sources of information and sharing information with other authorities and using tracing agents as appropriate. The timeliness of tracing, allowing time for the debtor to reappear will be considered before the debt is submitted for write off.
- 15.8 Appropriate records of all authorised write-offs will be maintained.
- 15.9 Authorisation levels are reflected in the Scheme of Delegation as detailed in the **Councils Corporate Debt Write-Off Policy**.

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## 16. Credit Balances

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- 16.1 Where an account has been overpaid or falls into credit for some other reason, with the agreement of the customer, the credit will be refunded or may be transferred to reduce another debt owed by the customer. All refunds will be repaid by electronic transfer to a UK bank account, and only by cheque in exceptional circumstances.
- 16.2 Whilst the customer's permission may be required to transfer to another outstanding debt, every reasonable effort must be made not to refund the credit whilst other debt is outstanding.

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## 17. Appeals and disputes (Inhibits)

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- 17.1 If there is a dispute against a Housing Benefit overpayment after it has been invoiced, the Benefits Team must attempt to resolve the matter within 30 days of the dispute being registered.
- 17.2 Accounts will be placed on hold (an inhibit applied) for one month whilst the dispute is resolved.
- 17.3 Monthly monitoring of accounts will take place using reports produced by the Civica Debtors System. Reports will be investigated and stored for audit purposes.
- 17.4 Notations will be made on the Civica IT System of the reason why accounts have been inhibited from recovery.

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## 18. Performance and debt monitoring

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- 18.1 The Council recognises that prompt recovery action is essential for effective debt management and will:
- regularly monitor the level and age of its debt
  - set clear targets for the recovery of debt
  - have written recovery procedures
  - assess recovery methods to ensure maximum returns
  - regularly review irrecoverable debts for write-of
- 18.2 To ensure this policy achieves its objectives a range of indicators are in place to monitor performance against annual targets. Key indicators include:

| Performance Measure                                                                                                                                                                                       | Comments (Including benchmarking)                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Total overpayments raised                                                                                                                                                                                 | Helps understand trends and whether internal processes are generating preventable overpayments. |
| The amount of Housing Benefit (HB) recovered (£)                                                                                                                                                          | Core measure of recovery effectiveness; shows cash collected.                                   |
| HB overpayments recovered as a percentage of the total amount of HB overpayment debt raised.<br><i>Overpayments recovered / Overpayments raised x 100</i>                                                 | Tracks efficiency of recovery efforts in proportion to debt created. DWP target.                |
| Total value (£) of outstanding HB overpayment debt at period-end.                                                                                                                                         | Indicates long-term burden; used to track backlog or legacy cases.                              |
| Portion of debt where the debtor has an agreed payment plan in place or other successful recovery method.                                                                                                 | Shows proactive engagement and reduces enforcement risk.                                        |
| Housing Benefit (HB) overpayments written off as a percentage of the total amount of HB overpayment debt outstanding at the start of the year, plus amount of HB overpayments identified during the year. | Important for financial forecasting and audit; high rates may indicate systemic issues.         |
| % of Debt Recovered by Method.<br>Break down by: Deductions from ongoing HB, Invoices/payment plans, DWP Debt <u>Management</u> , (DEA), Housing benefit offset, Enforcement (bailiffs, court)            | This helps analyse what's working and where to invest effort.                                   |
| Average number of days/weeks from overpayment identification to full recovery (or setup of recovery arrangement).                                                                                         | Efficiency and responsiveness.                                                                  |
| Breakdown of debt by age (e.g., 0–6 months, 6–12 months, 1–2 years, 2+ years).                                                                                                                            | Shows how quickly overpayments are being addressed and where old debt is accumulating.          |

- 18.3 Performance monitoring will be discussed with the DWP Performance Development Team as part of the Council's regular performance meetings.

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## **19. Roles and responsibilities**

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- 19.1 The Council will publish and promote its Housing Benefit Overpayment Policy and the steps taken to recover debt, so our customers understand the consequences of non-payments.
- 19.2 The Benefits Manager will ensure that:
- a) Financial Regulations in relation to the collection of Housing Benefit overpayments are adhered to and this policy is correctly followed.
  - b) All officers proactively support the achievement of corporate targets for debt collection.
  - c) All officers are fully appraised of their responsibilities in collecting debt.
  - d) Relevant systems and procedures are put in place to achieve the above.
  - e) Staff involved in the debt collection process are appropriately trained.

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## **20. Equality Statement**

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- 20.1 Whilst it is vital for the Council to maximise the income collected to deliver and invest in services, we also need to ensure that we are consistent and fair in our dealings with residents, regardless of race, disability, gender, gender orientation, religion or belief, or age.
- 20.2 By administering the policy we will assist in tackling poverty by offering the right advice to enable people to maximise their income and to help prevent the build-up of debt.
- 20.3 It will also allow us to engage with different groups and further assist specific people who may need community services or who are at risk of financial hardship.
- 20.4 When people get into arrears, we will:
- ensure that customers who are hard to reach, at risk or vulnerable have access to information and support to enable them to get help if they are in financial difficulty, so that they can start repaying their debts.
  - ensure that as far as possible, payment arrangements reflect the ability to pay as well as the level of debt owed.
  - expect Priority Debts to be given priority over other debts owed.
  - work with recognised advice agencies and charities wherever possible to reach an acceptable arrangement for the recovery of the debt.
  - ensure that Breathing Space legislation is adhered to, and recovery action is suspended in relevant cases.
  - treat individuals consistently and fairly and in accordance with the Council's Equalities Strategy.

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## 21. *Review of this policy*

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- 21.1 The Council is committed to continuous improvement, and it is critical that new approaches and ways of working will be introduced. This policy will be reviewed annually to allow it to be updated and to take any service improvements or changes into account.

| <b>Officer Name</b> | <b>Version</b> | <b>Date Updated</b>        | <b>Reason for update</b> | <b>Review Date</b>         |
|---------------------|----------------|----------------------------|--------------------------|----------------------------|
| Trudi Grant         | 1.0            | April 2023                 | New policy               | 1 <sup>st</sup> April 2024 |
| Trudi Grant         | 2.0            | 1 <sup>st</sup> June 2025  | Review of policy         | 1 <sup>st</sup> April 2026 |
| Trudi Grant         | 3.0            | 29 <sup>th</sup> June 2026 | Review of policy         | 1 <sup>st</sup> April 2027 |