

WELFARE REFORM ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

PART 3: Social Security Administration: General

Overpayment recovery

Section 44: Recovery of overpaid benefit: Great Britain

235. This section amends section 71 of the Social Security Administration Act 1992 in relation to the recovery of overpayments of benefits.
236. *Subsection (2)* provides for the removal of section 71(5), which, according to a Social Security Commissioner's decision, has the effect that benefit overpayments caused by errors made in the direct credit transfer system (which are recoverable in accordance with regulations under section 71(4)) can be recovered only where a decision to revise the award and a decision that the payment is recoverable were made at the same time.
237. Section 71(5A) provides that, where overpayments of benefits have arisen because a person has misrepresented facts, such overpayments are not recoverable unless there has been a decision to revise the award, e.g. on appeal. *Subsection (3)* amends section 71(5A) by widening its scope to include overpayments recoverable under section 71(4) so that the necessary decisions can be made separately.

Section 45: Recovery of overpaid child benefit and guardian's allowance: Northern Ireland

238. This section provides for the same changes as section 44 in respect of child benefit and guardian's allowance in Northern Ireland. Child benefit and guardian's allowance are not devolved in Northern Ireland. Her Majesty's Commissioners for Revenue and Customs administer these two benefits throughout the United Kingdom.