

Overpayment to a Former Employee Templates



OVERPAYMENT
— to a —
FORMER
EMPLOYEE

4 LETTER TEMPLATES

*A set of letter templates with must know tips, easy steps,
sample phrases and sentences.*

INTRODUCTION

Overpayments can occur in a number of ways; genuine **payroll errors** and **miscalculation of bonus/commission to holiday pay or benefits** such as a car allowance or train season ticket loan.

You may be able to utilise the Employment Act 1996 and deduct the overpayment from the next payroll process. However, it would be wise to obtain advice from an expert in Employment Law to ensure that the deduction is not deemed unlawful.

If the overpayment is to a former employee, a deduction may not be possible. However, it is vital that you notify the former employee as soon as you identify the error. Failure to act quickly may result in the former employee successfully challenging your right to recover this sum.

To assist you with notifying the former employee, this document provides you with template letters for different types of overpayments.

OVERPAYMENT LETTER TEMPLATES:

1. Salary/Wages
2. Holiday Pay
3. Benefits
4. Training Fees

These letters are for guidance only and they require you to adapt them to your situation. Letters should only be sent to former employees if your employment contracts and/or loan or training scheme agreements allow you to claim the sums you are seeking to recover.

SALARY/WAGES OVERPAYMENT

Former Employee
100 Example Road
London
SW10 EXP

Our reference:

DD Month Year

Dear Former Employee

Re: Overpayment: £ (insert amount)

We are writing to you with reference to the above salary overpayment that was paid into your bank account on **(insert date(s) of overpayment)**.

The payment you should have received was **(insert amount that should have been paid)** but unfortunately the sum of **(insert sum actually paid)** was paid incorrectly to you. As a result, you received an overpayment of **(insert total sum due)**,

In order to rectify this matter, please return to us the sum of **(insert total sum due)**, within 14 days from the date of this letter. Payment can be sent to:

(Insert details of where payment can be made to, address or bank details)

Please ensure you quote our reference **(insert reference)** when making payment.

May we take the opportunity to sincerely apologise for any inconvenience caused by this oversight. If you would like to discuss this please do not hesitate to contact us.

Your sincerely

Your Company Name

HOLIDAY PAY OVERPAYMENT

Former Employee
100 Example Road
London
SW10 EXP

Our reference:

DD Month Year

Dear Former Employee

Re: Overpayment: £ (insert amount)

When your employment ended on **(insert date employment ended)** you had taken more annual leave than you had accrued, resulting in an overpayment.

Your annual leave entitlement for a full year was **(insert number of days of holiday entitlement for the year)** days. As you have worked for **(insert number of months worked during the year)** months, you were entitled to **(insert number of days entitlement calculated pro rata)** days holiday this year.

However when your employment ended you had already taken **(insert number days annual leave taken)** days, which is **(insert number of days taken in excess of entitlement)** days more than you are entitled to.

In accordance with the terms of your employment contract, you will need to repay the sum of **(insert total sum due)**, please send us payment in full within 14 days from the date of this letter. Payment can be sent to:

(Insert details of where payment can be made to, address or bank details)

Please ensure you quote our reference **(insert reference)** when making payment.

May we take the opportunity to sincerely apologise for any inconvenience caused by this oversight.

If you would like to discuss this please do not hesitate to contact us.

Your sincerely

Your Company Name

BENEFITS OVERPAYMENT

Former Employee
100 Example Road
London
SW10 EXP

Our reference:

DD Month Year

Dear Former Employee

Re: Overpayment: £ (insert amount)

Our records show that when your employment ended on **(insert date employment ended)** there was an outstanding balance in respect of **(insert benefit e.g car allowance, mobile phone contract or loan for train season ticket/other travel)** amounting to **(insert total sum due)**,

As you need to repay the sum of **(insert total sum due)** in accordance with our agreement, please send us payment in full within 14 days from the date of this letter. Payment can be sent to:

(Insert details of where payment can be made to, address or bank details)

Please ensure you quote our reference **(insert reference)** when making payment.

May we take the opportunity to sincerely apologise for any inconvenience caused by this oversight.

If you would like to discuss this please do not hesitate to contact us.

Your sincerely

Your Company Name

TRAINING FEES OVERPAYMENT

Former Employee
100 Example Road
London
SW10 EXP

Our reference:

DD Month Year

Dear Former Employee

Re: Overpayment: £ (insert amount)

Our records show that when your employment ended on **(insert date employment ended)** there was an outstanding balance in respect of training fees amounting to **(insert total sum due)**,

As you need to repay the sum of **(insert total sum due)** in accordance with the terms of employment and/or our agreement, please send us payment in full within 14 days from the date of this letter. Payment can be sent to:

(Insert details of where payment can be made to, address or bank details)

Please ensure you quote our reference **(insert reference)** when making payment.

May we take the opportunity to sincerely apologise for any inconvenience caused by this oversight.

If you would like to discuss this please do not hesitate to contact us.

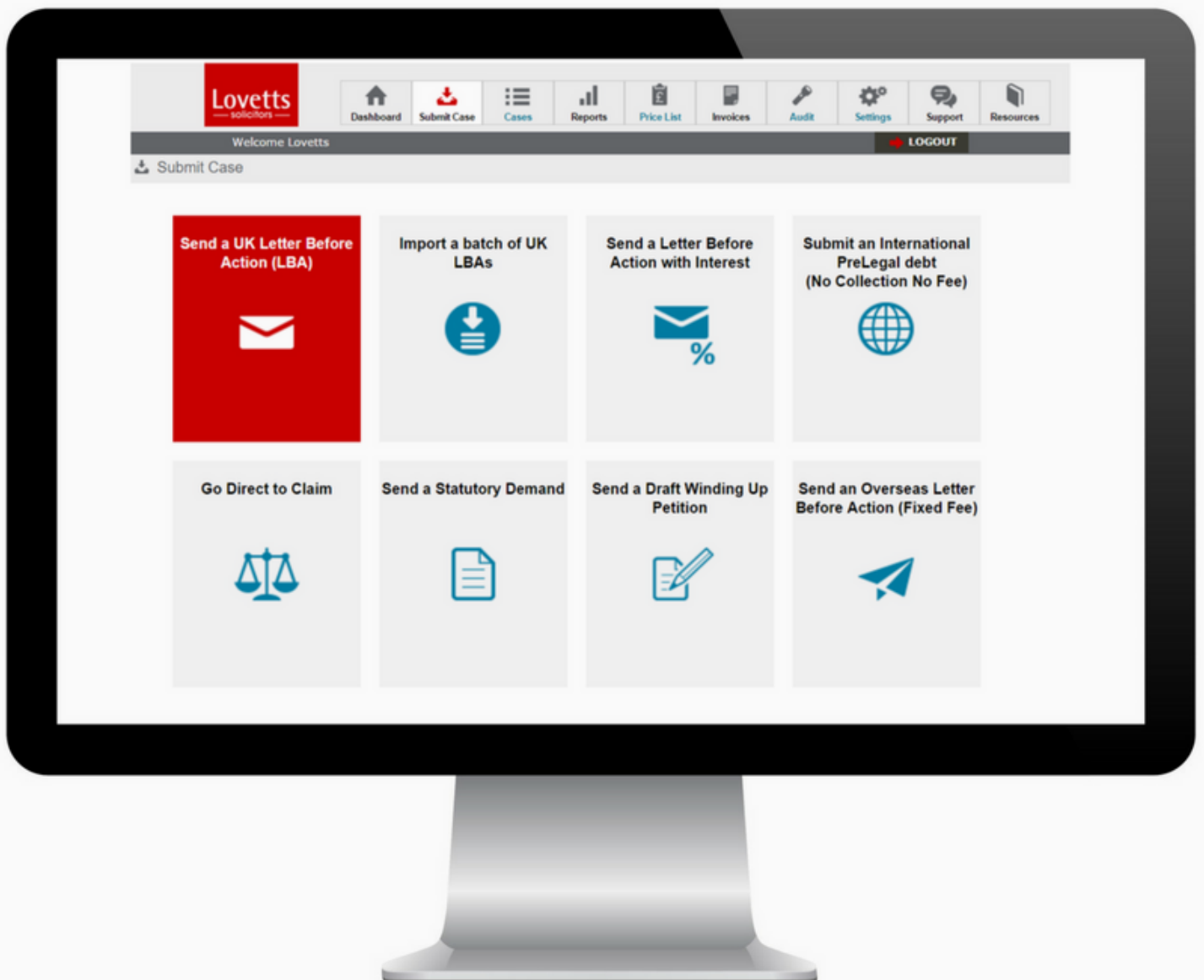
Your sincerely

Your Company Name

NEXT STEPS

If you do not receive any response to your letter, you may wish to escalate the matter and warn the former employee that legal proceedings may be issued if payment is not forthcoming. This can be done internally with you sending a letter, but you can also send a **Letter Before Action (LBA)** via Lovetts.

Through Lovetts online Casemanager portal, you can submit an LBA request within 2 minutes. The letter can be sent on the same day by post and email if Lovetts receive your instructions before 2pm.



Didn't receive a response to your letter?

Let's warn your former employee that legal proceedings may be issued if payment is not forthcoming.

*Fill out your company information.
It's free and only takes a few minutes!*

START HERE

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