

Steps in the decision-making aspects of the Recovery Process

STEPS	A	B	C	D	E	F	G	H
Q U E S T I O N	Was the payment of a type subject to later adjustment	Did the recipient receive the overpayment in good faith	Is it already clear that it would not be cost-effective to invite recovery	Does the recipient agree, albeit reluctantly, to repay the amount due	Does the recipient allege a valid defence	Has hardship been claimed and would recovery cause genuine hardship to the recipient or his/her family	Is it now clear that it would not be cost-effective to pursue recovery	All feasible attempts should be made to recover an overpayment, including set-off against subsequent payments or other monies owed by the government to the recipient.
If Answer is YES	Recover by deduction from later payments. Recipient to be informed, in advance if possible, of adjustment. If automatic adjustment not appropriate or feasible, recover by other means.	If recipient acted in bad faith, all efforts to be made to recover full amount (including from pension benefits or set-off against other sums due from government). The MOD should also consider whether matter to be regarded as fraud, with prosecution or disciplinary action being taken.	Waive recovery. The presumption is that recovery action should be pursued in all cases. The MOD should only make a decision not to invite repayment, at the outset, if it is satisfied that recovery action would not be cost-effective.	Where the recipient agrees to refund an overpayment, it should be recovered, applying set-off if necessary.	Where recipient claims to have a valid defence, legal advice should be taken before proceeding. Note: it is possible that defence will only be raised at step G .	Repayment may be waived in part or whole if genuine hardship would be caused.	Waive recovery. The presumption is that recovery action should be pursued in all cases. The MOD should only make a decision not to invite repayment at the outset if they are satisfied that recovery action would not be cost effective.	This includes, if necessary, legal action.
If NO	Go to B >	Go to C >	Go to D >	Go to E >	Go to F >	Go to G >	Go to H >	