

Handling overpayments

In most circumstances an employer has the right to claim back money if they've overpaid someone. They should contact the employee as soon as they're aware of the mistake.

If an employee notices an overpayment in their payslip, they should talk to their employer as soon as possible.

Agree how the money is paid back

An employer should not deduct money from their employee's wages without letting them know.

The employer should talk to the employee first and agree how the money will be paid back.

For example, if the employer recently made a simple overpayment, they could let the employee know that they'll deduct it from their next wages. They could also agree to pay the money back a different way, for example by bank transfer.

If the overpayment was a large amount or over a long period of time, an employer should:

- be flexible and fair claiming the money back
- agree a repayment plan – this can help the employee manage their finances

[Contact the Acas helpline](#) to discuss your options if you:

- cannot agree a repayment plan
- believed you were being paid the correct amount and will struggle to pay the money back

Looking after an employee's wellbeing and mental health

In some situations, an employee might be worried about paying back money. This can be stressful.

It's important that employers consider the wellbeing and mental health of their employees.

Looking out for employees' wellbeing and offering support can help prevent:

- absence
- mental health problems arising
- existing mental health problems getting worse

The employer should share any specialist help available through work. For example, through an employee assistance programme (EAP).

Find out more about:

- [managing work-related stress](#)
- [supporting mental health at work](#)

If someone has left the organisation

If an employee owes money but no longer works for the organisation, the employer should contact them. They should explain why they think they owe them money and how much.

If the former employee refuses to pay back the money, the employer might be able to make a court claim to get the money back from them.

[Find out more about making a court claim on GOV.UK](#)

Contact the Acas helpline

For more advice about overpayments and paying back money, [contact the Acas helpline](#).