
DWP Claims on Estates: What are they claiming and why?

If someone was receiving means tested benefits during their lifetime, the Department for Work and Pensions (DWP) might ask for information about their estate after they have died.

This is because they want to make sure that any benefit paid, was correctly assessed during the person's lifetime. In some cases, money has to be paid back.

What happens if the DWP ask questions?

The Social Security Administration Act 1992 section 126, allows the DWP to ask for a list of assets that belonged to the person who has died. The DWP will know that the person has died because the Probate Registry will have told them when a Grant of Representation was obtained.

The DWP compare the information provided with that declared during the period benefit was paid. If it is the same then they will take no more action and confirm this by letter. If the details are different however, for example, if the person had more money in the bank than the DWP were aware of, then they may make further enquiries.

It is important when replying to the DWP to tell them if your loved one was in a nursing or residential care home, and when this became a permanent arrangement. This is because it can make a difference to the benefits claimed.

You should treat any request by the DWP for information of this nature as a claim against the estate. We advise not to distribute any of the property or money in the estate to beneficiaries until the DWP have concluded their enquiries. This is because the executor may be held personally responsible for any claim.

What happens next?

After the initial information about the estate has been provided, and if the DWP think that your loved may have been paid too much means tested benefit, they will ask the office that paid the benefits to send any relevant documents to them. They will then write to you again once they have received these documents.

If the DWP need more information from you at this point, they will ask for specific things, such as bank statements and passbooks, together with information about particular assets in the estate, such as shares.

They will usually ask you for this information to cover a specific period of time before the person died.

They will then use this information to work out the amount of any potential overpayment.

What if I don't have this information?

If you do not hold the information requested, the banks and building societies will be able to provide either statements or balances for all accounts, either open or closed.

The law says banks and building societies must hold records for the previous 6 years and most hold them for 10 years. If they banks say they are unable to give balances for the dates requested, you'll need to ask them to provide the earliest balances they hold.

If there are other accounts, even if they were opened after the dates requested, you'll need to provide opening statements for the earliest dates available. If there are any transfers to or from any accounts, which are not included in the estate, you'll need to tell the DWP about these too.

What not to send

Do not send original documents, such as passbooks or share certificates. The DWP will accept photocopies and cannot be held responsible for lost documents.

What happens then?

You'll need to return the specific information requested to the DWP. They will give you a time limit to reply. If you cannot get the information to the DWP by the date set out in their letter, you'll need to contact them to give them a timescale for providing this information to them.

Make sure you have told them about all of the assets in the estate. They may need to get in touch again for more information, depending on the circumstances.

Once they have all the information they need and have gone through it, they will let you know the outcome of their investigation.

What happens at the end of the investigation?

If the DWP consider that the person who has died was paid too much benefit during their lifetime, then they are entitled to have this repaid from the assets in the estate.

The DWP will tell you how much has been overpaid, how they worked it out and how to repay the money to them. You must pay this money back to the DWP from the estate before the final distribution of property and money is made to beneficiaries.

If the DWP consider that the person who has died was paid the correct amount of benefit during their lifetime, they will confirm this to you by letter and no further action will be necessary. The estate can be distributed to beneficiaries.

How long does it take?

Enquiries from the DWP about the estate can take anywhere from a few weeks to several months, depending on the circumstances, the composition of the estate and the information requested by the DWP.

You'll also need to factor in the time it takes to get information from third parties, such as banks and building societies.

How we can help

If you are dealing with a DWP claim yourself and need help to navigate the process, please do not hesitate to contact us.

Where we are dealing with a DWP claim as part of the administration of an estate, we will keep you advised throughout the process and keep the investigation moving along by regularly keeping in the touch with the DWP to ensure that the investigation proceeds as quickly and efficiently as possible so that the estate can be concluded.

If you have any questions or concerns about a DWP investigation, please contact us for further help and guidance.

If you'd like more information call [01904 866139](tel:01904866139)
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