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UK Targets Overseas Child Benefit Fraud in £350m Crackdown

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The UK government has announced new measures to stop child benefit payments being claimed by individuals who no longer reside in the country. The initiative aims to save taxpayers an estimated £350 million over the next five years.

According to official figures, 2,600 people who left the UK but continued to receive child benefit have already been removed from the system. Tens of thousands more may now face investigations as part of a wider crackdown on fraudulent or erroneous claims.

Starting next month, the Cabinet Office will increase the number of officials dedicated to tackling child benefit fraud and error from 20 to 200. This expansion follows a pilot programme in which a team of 15 investigators prevented £17 million in wrongful payments within less than a year. Investigators will use international travel data to cross-check claims and identify individuals living outside the UK.

Cabinet Office minister Georgia Gould stated: “From September, we’ll have ten times as many investigators saving hundreds of millions of pounds of taxpayers’ money. If you’re claiming benefits you’re not entitled to, your time is up.”

Child benefit currently supports 11.9 million children in 6.9 million families across the UK. However, under existing rules, claimants are ineligible if they remain outside the UK for more than eight weeks, except in exceptional cases. HM Revenue and Customs (HMRC) advises anyone leaving the country for eight weeks or more to report their absence to avoid potential overpayments.

The pilot programme, run by the Public Sector Fraud Authority in partnership with HMRC and the Home Office, examined 200,000 child benefit claim records against international travel data. Where discrepancies were found, HMRC carried out manual checks before taking action. Claimants flagged for wrongful payments are contacted, informed of the decision, and provided with the opportunity to appeal.

The government has placed a strong emphasis on reducing benefit overpayments as part of its wider cost-cutting efforts. According to recent estimates, benefit overpayments cost the UK public purse approximately £9.5 billion in the year leading up to March.

Officials believe that raising public awareness about the eight-week rule will also help reduce errors, as many individuals continue to claim without realising they are no longer eligible.