



## Arrears - Consider Action

This procedure guides caseworkers in the maintenance segment how to decide the appropriate enforcement action when recovering arrears on a case.

Caseworkers should be aware that Case Surveillance cases may appear in their work queue following an HMRC/CRA trigger or due to an arrears consider action SR. Caseworkers should ensure that they take the next appropriate action or re-refer to enforcement if appropriate. For more information refer to [CRA - Case Surveillance](#).

When clients opt for the collection service the Child Maintenance Group (CMG) automatically issues a payment schedule to the paying parent and receiving parent.


If a paying parent misses a payment, the CMS checks the circumstances of the case to see whether arrears action is appropriate and which team should take this action.

For more information on Arrears and the Arrears fields refer to [CMS System Finance Overview](#).


For more information on CMG's debt steer refer to the Policy, Law and Decision Making Guidance 

The system automatically raises an SR to the maintenance team when arrears action needs to be considered. Caseworkers will consider compliance options in the following order of preference:

1. Deduction from earnings order or request (DEO/DER)
2. Disclosure for deduction order action
3. Liability Order (LO)

When a caseworker makes a decision to impose arrears repayments on the paying parent, they need to document their decision. For more information refer to the Evidence and Decision Making in the Policy, Law and Decision Making Guidance 

The following checklist has been developed to aid effective arrears negotiation discussions - [Compliance card](#)

 When contacting a paying parent, ask if they can make a one-off card payment to cover any period of arrears. For more information refer to [Credit/Debit Card - One off Payment](#).

 In addition to contacting a paying parent by telephone, consider issuing an SMS. For further guidance refer to [SMS Text](#).

### Deduction from Earnings Order or Request (DEO/DER)

When a paying parent is employed the first action is a DEO. If this is unsuccessful, after exhausting all arrears action options, e.g. DEO telephone contact etc. then the caseworker should consider Disclosure action for Deduction Order, regardless of the debt amount.

For self employed, unemployed paying parents or when parallel action on a DEO is needed, caseworkers will consider disclosure for deduction order or LO action, regardless of the debt amount.

For more information refer to Evidence and Decision Making in the Policy, Law and Decision Making Guidance 

### Disclosure for Deduction Order

For Deduction order the caseworker will raise an SR for the Deduction Order Team (DOT) to carry out disclosure action on the paying parent, however, case ownership remains with the owning segment.

Disclosure identifies any suitable accounts the paying parent has for deduction order action. Once disclosure action has been completed by DOT, they will be advise the case owning team of whether or not a Regular Deduction Order (RDO) or Lump Sum Deduction Order (LSDO) action is applicable. If RDO or LSDO is applicable DOT will inform the case owning team when they have set it up, varied it, lapsed or discharged it. For more information refer to [Disclosure for deduction order action](#).

When LO is deemed appropriate the caseworker will review the case again to ensure no further information has been identified whilst DOT action has been ongoing. If no further information is available, then the caseworker will send the case to enforcement who will then take ownership of the case.

### Referrals to Enforcement

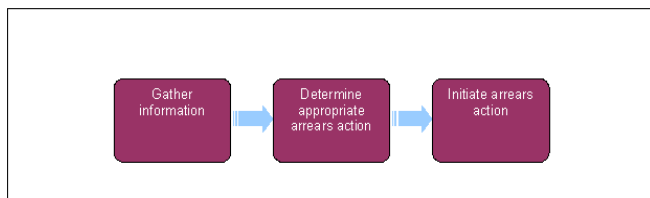
Before the case is sent to Enforcement, caseworkers will refer to the [enforcement checklist](#) for the criteria and actions required. It is imperative all options have been exhausted and effective negotiations have been attempted to secure an effective arrears agreement before referring the case to Enforcement.

When a caseworker selects LO, the system sends the appropriate service request (SR) to the team leader for authorisation before the case is sent to enforcement. Caseworker completes the [enforcement checklist](#) with a clear record of the options considered, including details of all attempted debt negotiated calls.

If the team leader decides that LO is not appropriate, alternative arrears action is recommended and the case is returned to the caseworker. If the case is referred to Enforcement, the enforcement case manager will then take ownership of the case and will determine the next course of action, whilst considering the de minimis values for different enforcement actions as follows:

- Liability Order £500.00
- LSDO £500.00
- Charging Order £500.00 - £750.00 depending on the court
- Order for Sale £3,000.00
- Commitment £1,000

For more information refer to the Policy, Law and Decision Making Guidance 





 When speaking to clients always use the new terminology. For more information refer to [Terminology Changes](#).


 This procedure uses the terms receiving parent and paying parent.

The receiving parent is the parent who receives or who is expected to receive child maintenance, known as the parent with care (PWC) or person with care (PeWC) on the system and in legislation. The paying parent is the parent who pays or who is expected to pay child maintenance, known as the non resident parent (NRP) on the system and in legislation.

## Gather Information

 If, during the call the paying parent indicates that they are still making payments on a CSA case with the named receiving parent check the case to confirm whether the Data Warehouse look up has been triggered. Where it hasn't, refer the case to the 1993/2003 Rules Reassessment Team Dual Liability single point of contact (SPOC), [DUAL.LIABILITY@DWP.GSI.GOV.UK](mailto:DUAL.LIABILITY@DWP.GSI.GOV.UK).


 If the case is marked as sensitive on the CSA system, contact the CMS Special Client Records Team, email CM 2012 SCHEME Special Client Records, who will obtain the information about any arrears balance and arrears collection on any CSA case. Before contacting the Special Client Records team, identify all the information required to progress the case.

 Before working on the SR, check the **Addresses** tab under the contact view. If the client's correspondence address is marked as DLO or NFA, record this in the SR notes and then **Close** and **Cancel** the SR.

 Where the Segment 5 Case checkbox is populated within an **Arrears Review** SR, go to **Segment 5 Compliance Opportunity**.

1. Locate the following SR. If this SR has to be created manually, generate this through an Action Missed Payment SR, see [Arrears negotiation and missed payments](#).

- **Process = Arrears**
- **Area = Arrears Management**
- **Sub Area = Arrears Review**

 If more than one **Arrears Review** SR exists and no arrears action has been started, open the latest SR for the latest arrears balance. If arrears action has been started use the SR already in progress. Close and cancel any duplicate SRs - if the system won't allow this, raise an incident via AAC.

2. Set the SR **Status** to **In Progress** and the CMS generates an activity plan.
3. Review the case details to build up a picture of the case and what action may be needed. Consider the following:
  - **Inbound Interaction** and **Outbound Interaction** views – to show previous contact with the paying parent and receiving parent/s
  - **Notes** contact level
  - Check for instances of direct payments being made while the service type is collect and pay, which were confirmed verbally by the receiving parent or proved by the paying parent. Repeated instances of this type are grounds to consider changing service type to direct pay.
  - The **More Info Arrears** view – for the arrears balance at the time the Arrears Review SR was generated, the payment failure reason and the number of missed payments
  - **Financial Accounts** view - to see the live arrears balance and any new payments received since the SR was generated
  - If the schedule has recently been revised within the missed payment tolerance period, the revised schedule will include the missed payment amount and therefore you will need to take no further action. Update the remaining activity plan steps as **Not Required**. Then close the SR using **Resolution Code No Action Appropriate** to complete your action.
  - Current liability on the CMS

- Arrears balance and arrears collections on any CSA cases
- Employment status obtained by HMRC
- Whether Universal Credit is in payment as per CIS
- If paying parent is believed to be a Sole Trader, Director of a Ltd Company or a Multiple Director, caseworkers should check the [Companies House](#) website to obtain further information.
- If the Arrears Review SR has generated for an Enforcement owned case and there is a RDO in place then the Enforcement Case Manager (ECM) must:
  - Contact the Paying Parent to negotiate full payment of the RDO shortfall and continue to **Step 5**. In addition to contacting a paying parent by telephone, consider issuing an SMS. For further guidance refer to [SMS Text](#).
  - Contact DOT to determine if continuance of the RDO is viable and to identify if further assets are available for parallel actions to be considered. For more information about parallel actions refer to [Enforcement Action - Consider \(E and W\)](#), [Enforcement Action - Consider \(Scotland\)](#) or [Enforcement Action - Consider \(NI\)](#). If advised of asset availability and parallel action is appropriate go to **Initiate LO Arrears Action**
  - Set the Disable Missed Payment Monitor if no further assets have been identified by DOT. The ECM will then review enforcement options when more information generates after the next Annual Review date. For more information refer to [RDO - Set Up, Vary, Lapse/Discharge](#)
- This list is not exhaustive



If there is debt due to migrate over from CSA, then Enforcement action will not be accepted until transition is complete.

4. If the Arrears review SR has generated for an Enforcement owned case and there is an RDO in place then the Enforcement Case Manager must:
  - Contact the Paying Parent to negotiate full payment of the RDO shortfall. For more information about negotiation refer to [Arrears Negotiation And Missed Payment](#)
  - Contact DOT to determine if continuance of the RDO is viable and to identify if further assets are available for parallel actions to be considered. The DOT contact can be identified via the Owner field in the latest **RDO set up SR**
  - Activate the **Disable Missed Payment Monitor** (for more information refer to [Case Routing - Enforcement, Step 75](#))
  - If DOT confirm the RDO is still viable and identify additional assets consider parallel action and go to **Initiate LO arrears action**. For more information about parallel actions refer to [Enforcement Action - Consider \(E And W\)](#), [Enforcement Action - Consider \(Scotland\)](#), or [Enforcement Action -Consider \(NI\)](#)
  - If DOT confirm the RDO is still viable but identify no additional assets, enforcement options will be reviewed when more information becomes available or when the reminder activity generates for DOT after the next Annual Review date (for more information refer to [RDO - Set Up, Vary, Lapse/Discharge, Step 24](#))
  - If DOT confirm the RDO is no longer viable and have lapsed or discharged it but identify no additional assets, enforcement options will be reviewed when more information becomes available or at the next Annual Review
5. Check whether any arrears notice letters have been sent to the paying parent i.e. CMSL6031 or CMSL6038. If no arrears letters have been sent before, issue CMSL6031. If, since issue of the last arrears letter there has been a period of compliance for 12 weeks or more and the paying parent then misses a further payment, or if there has been no response to CMSL6031, try to contact the Paying Parent and then send letter CMSL6038. Set the SR **Status** to **Wait** and the **Sub Status** to **Wait State Arrears Notice**, set a wait period of seven days.



Following telephone contact if the paying parent requests to re negotiate missed payments or arrears, or claims to have made a direct payment to the receiving parent, refer to [Arrears Negotiation And Missed Payment](#)

#### Initiate DEO arrears action

### Initiate DEO arrears action

1. Select **Get Employment Status** in the **More Info Arrears view** to retrieve the paying parent's employment status from Her Majesty's Revenue and Customs (HMRC). To view the employment status select **Go to Contact** and **More Info** view. Select the **Show More** button; the update from HMRC is displayed under **Employment Status**.



If an Error/technical message is received at this point, check the Contact level **More info** tab to confirm that the paying parent employment status has been updated to **No employment details**.

2. If HMRC updates status to No employment details, set the **Desire for DEO/DER flag**, this can be found in the **More Info** tab for the **Paying Parent**. Select either **Mandatory** or **Self Selected**. The system will then automatically re-request employment information from HMRC every two weeks and new paying parent employers will trigger an SR for a caseworker to review. Consider alternative enforcement action - **go to Initiate Disclosure arrears action**. If HMRC return new employment details at any stage then alternative enforcement action may be impacted while a DEO/DER is implemented – contact DOT to discuss any case progress in this instance as they may need to lapse/discharge an RDO or pursue an LSDO in parallel.



When the Desire Flag has been set, if either of the following apply:

- No Employment Information Provided, or;
- Evidence has been provided from either the PP, RP or employer to suggest the information is out of date

Add a note at contact level of the date the Desire Flag was set. Raise an activity reminder at Case level for 6 weeks after the Desire Flag was set, this will alert the caseworker working on the case. To raise an activity:


- Select the **Activities** Tab and then the **New** button
- Populate the **Type** Field with **Prompt**


- Within the **Description** field, add a note to advise why the reminder has been set to advise whoever is working on the case that an incident is to be raised if information has not been provided by HMRC.
- Populate the **Due** field the date 6 weeks after the Desire Flag was set
- Update the **Status** to **In Progress**
- Add a Tick to the **Alarm** Field and **Control** and **Save**

When the activity reminder is received, attempt to **Get Employment Status** to determine if employer details are present. If they are present, continue to **Step 6**. If there are still no details, continue to progress with RDO and LSDO actions and raise an incident for investigation.

To raise an incident, continue to Raise Incident with AAC within [Incident Management - Manage Incident Locally](#).

Where caseworkers have been advised by a paying parent that they have been employed by their current employer for three months or more, and no employer is returned from HMRC interface, the incident is to be raised.



 If HMRC return employment status as **self employed** – consider alternative enforcement actions – go to **Initiate Disclosure arrears action**

3. Update the Arrears Review SR **Sub Status** to **Gather Additional Info**, to generate the next steps in the activity plan.
4.  Contact the receiving parent/s, explain that enforcement action is being considered due to the arrears on the case, and gather any information about the paying parent that could help with the arrears action such as:
  - Employer details
  - Income
  - Assets such as vehicles, property or bank accounts
  - Address and contact details
  - The list is not exhaustive.

Use this opportunity to gather information to understand the needs of the child/ren in the receiving parent's household, to help you assess the welfare of the qualifying child/ren and of any other children linked to the case, that could be affected by your discretionary decision.


For more information on discretionary decisions refer to the Policy, Law and Decision Making Guidance 


5. If **Employment Status** updates to employed at step 1, update the SR **Sub Status** to **Initiate Arrears Action** and select **Get Employment Details**. To view the employer select **Go to Contact** from the **Arrears Review** SR, from the Paying Parent contact summary select the **Employers** view. Within this view, select the relevant employer Name hyperlink which will open the employer record and show phone numbers and addresses held.
6. If unable to set up a DEO because no employment status or employment details are confirmed by HMRC. Consider alternative Enforcement actions – go to **Initiate Disclosure arrears action**
7. If setting up a DEO at this point please refer to the procedure for [DEO - Enforced](#)
8. If setting up a DER at this point please refer to the procedure for [DER – ENFORCED](#)


 This is a discretionary decision, this includes making a Welfare of the Child Decision, for more information on discretionary decisions including a verbatim statement to record in **Notes** refer to Policy, Law and Decision Making Guidance 

#### Initiate Disclosure arrears action

### Initiate Disclosure arrears action

 Where arrears are identified as being on the CSA system, you will need to ask for the arrears to be fast tracked onto the CMS system. For more information on fast track arrears refer to [Fast Track Legacy Arrears to CMS System](#). Although this speeds up the receiving parent arrears decision process, any further deferral rules will still apply. Due to this there is no set time frame for arrears to be sent to the CMS and the time taken will depend on each individual case. Update the Arrears Review SR **Sub Status** to **Gather Additional Info**, to generate the next steps in the activity plan.

1.  Contact the receiving parent/s, explain that enforcement action is being considered. Consider whether the welfare of the qualifying child/ren (QC) or any other children linked to the case is affected.


For more information on discretionary decisions refer to the Policy, Law and Decision Making Guidance  Policy, Law and Decision Making Guidance.

2. Gather any information about the paying parent that could help with the arrears action such as:
  - Confirm if any maintenance direct agreement or FBA in place and happy for enforcement actions to be progressed
  - Employer details – including whether the Paying Parent is a multiple director, sole trader of a LTD company, self employed or on Zero hours contract
  - Income

- Assets such as vehicles, property or bank accounts, including details of any bank accounts previously used for direct debits with the CSA
- Address and contact details
- The list is not exhaustive.


If unable to contact the receiving parent by phone send letter **CMSL5511** requesting that RP get in contact for case progression. Make a note of this contact in **SR Notes** and commence Disclosure action.

3. Check **CRA details** tab in the contact view, for any paying parent financial information. For more information refer to the [CRA interface overview](#) page. If the paying parent has recently moved you should also search any previous addresses for active bank accounts as the paying parent may not have advised the bank that they have moved.
4. Update any assets the receiving parent has advised of or has been located in **CRA details** tab including any active bank accounts located at previous addresses held on CMS system. Go to the **Contacts** screen, select **NRP** and **Assets** tab. Select **New** and enter the **Asset Type** and **Account Type** and then record as much information as possible in the Asset fields.
5. If disclosure arrears action is already ongoing, disclosure SR's will exist at paying parent **contact level, service request** tab. You will be able to see which bank disclosure has been requested from either the disclosure SR or paying parent outbound **interaction tab** letter-outbound activity
6. Check the outcome of any previous arrears action at case level, view any relevant SRs:
  - Disclosure – the Deduction Order Team will have updated SR notes and emailed caseworker to explain the outcome of disclosure – This information can be viewed in the **Disclosure SR**
  - Action missed payment – view any recent SR's to see the outcome of any negotiation
  - RDO/LSDO/LO – view the SR to confirm the outcome of team leader authorisation and the success of enforcement actions

 If HMRC return new employment details at any stage then alternative enforcement action may be impacted while a DEO/DER is implemented - contact DOT to discuss any case progress in this instance because they may need to lapse/discharge an RDO or continue pursuing an LSDO in parallel. For more information refer to [DEO – Self Selected - Set Up](#) and [DER– Self Selected - Set Up](#) and [DEO-enforced](#). For more information refer to Evidence and Decision Making in the Policy, Law and Decision Making Guidance 


7. If considering a new Disclosure request at this point with a view to RDO or LSDO action create an **Action Missed Payment** SR and give the paying parent a final chance to negotiate payment.
8. This is selected from the **Create SR** field with the **Arrears Review** SR. Change the action missed payment SR **Status** to **In Progress** and follow the steps in the activity plan. Refer to the table below - **Negotiation Initiated**
9. Once negotiation attempted complete, do not close the **Action Missed Payment** SR down and refer to the table below - **Disclosure Initiated**.



Intended action	Service request
<b>Negotiation Initiated</b>	Use the <b>Action Missed Payment</b> SR to give the paying parent a final chance to negotiate payment of the arrears. If negotiation fails go back to the <b>Arrears Review</b> SR and continue from <b>step 11</b> . For more information refer to <a href="#">Arrears Negotiation and Missed Payments</a> .
<b>Disclosure Initiated</b>	Outstanding changes of circumstances must be completed prior to requesting disclosure. The <b>Disclosure</b> SR is subsequently created from the <b>Create SR</b> drop down within the <b>Action Missed Payment</b> SR as a related SR. For more information refer to <a href="#">Disclosure For Deduction Order Action</a> - skip <b>step 2</b> of the procedure as the <b>Action Missed Payment</b> SR has already been created. If disclosure is successful refer to <b>Disclosure successful authorise RDO/LSDO</b> . If Disclosure was unsuccessful go to <b>Initiate LO arrears action</b>

 The status of activity 14 "Initiate and execute appropriate process/work items to take arrears action" should not be updated until all actions have been completed in the **Arrears Review** SR as well as any Child SRs generated from the **Arrears Review** SR.

#### Disclosure successful authorise RDO/LSDO

### Disclosure successful authorise RDO/LSDO

 If disclosure action has been successful, the case owner will be advised by the Deduction Order Team if an RDO or LSDO can be set up and if so, when it has been set up. This will also be recorded within the disclosure SR notes field. RDO or LSDO action must be completed within the recommended 48 hours to increase success.

 This is a discretionary decision, this includes making a Welfare of the Child Decision, for more information on discretionary decisions including a verbatim statement to record in Notes refer to Policy, Law and Decision Making Guidance 

 If disclosure has not been successful go to **Initiate LO arrears action**

1. If disclosure was successful, route to the **Action Missed payment** SR used to create the disclosure request and update SR **notes** and activities with the outcome.
2. If the referral for LSDO or RDO is approved continue to **Step 3**. If the referral is not approved go to **Step 7**.

### Action approved and implemented by the Deduction Order Team

3. If the Deduction Order Team (DOT) approves the referral and confirms that LSDO set up is complete, go to **Step 4**. If RDO set up is complete, set a review date to contact DOT and check payment compliance in three payment's time. For more information refer to [RDO - Set up, Vary, Lapse/Discharge](#):
  - Go to **Case Activity** view, create an **Activity Type Review** (ensure Case Number is detailed in the activity)
  - Set the review date in the **Start Date** field for the third payment based on the promise to pay schedule plus five working days. The promise to pay schedule can be viewed in the paying parent's **Financial Account** view
  - In the **Description** field insert PP SCIN - RDO Payment Review
  - Tick the **Alarm** box
  - Select **Ctrl+S** to save the record
4. Update the **Status** to **Closed** and **Sub Status** to **Complete** in the **Action Missed Payment SR**.
5. Ensure that any child SR's including the **Arrears Review SR** are **Closed** and **Complete**. Mark all activities as **Done** or **Not Required** within the **Returned Authorisation SR** and close using the appropriate values.
6. Check the **More Info** tab for the paying parent and set the **Desire for DEO/DER** flag to **Mandatory**.

### Action not approved by the Deduction Order Team

7. If the Deduction Order Team does not approve the RDO/LSDO referral, and if no arrears action is appropriate record your reasons in **SR Notes** and proceed to **Initiate LO arrears action**.



This is a discretionary decision, this includes making a Welfare of the Child Decision, for more information on discretionary decisions including a verbatim statement to record in Notes refer to Policy, Law and Decision Making Guidance

### Arrears notified by the Deduction Order Team of RDO/LSDO shortfall or full compliance

8. RDO and LSDO compliance will be monitored by DOT but RDO compliance updates may be requested by the case owner contacting DOT on the review date set at **Step 3**.
9. DOT will assess the level of compliance and notify the case owner. The case owner will take the action appropriate to the level of compliance notified by DOT.
  - If less than 90% of a scheduled RDO payment is received and it is the first occasion the case owner must refer to [Arrears Negotiation and Missed Payments](#) and notify DOT of the outcome. For more information refer to [RDO - Set Up, Vary, Lapse/Discharge](#)
  - If less than 90% of a scheduled RDO payment is received more than once, or if negotiation for the shortfall is unsuccessful, then the case owner must proceed to **Initiate LO arrears action** and the case will eventually allocate to Enforcement.
10. If the third full RDO payment or full LSDO payment is received return the compliant case to Maintenance. For more information refer to the fundamental Arrears Management: [Approach - Moving Cases from Arrears](#).

#### Initiate LO arrears action

### Initiate LO arrears action

1. If disclosure action is not appropriate or was unsuccessful, update **Sub Status** to **Gather Additional Info** and **Ctrl+S**, select the **Outcome** in the activity plan of the **Arrears Review SR** to **Review LO Initiated**. When considering LO action, create an **Action Missed Payment SR** to give the paying parent a final chance to negotiate payment. This may be selected from the **Create SR** field with the **Arrears Review SR**. Change the **Status** to **In Progress** and refer to the table below Negotiation Initiated

Intended action	Service request
<b>Negotiation Initiated</b>	Use the <b>Action Missed Payment SR</b> to give the paying parent a final chance to negotiate payment of the arrears. If negotiation fails update <b>notes</b> and refer to <b>Review LO initiated</b> . If negotiation is successful for more information refer to <a href="#">Arrears Negotiation and Missed Payments</a> .
<b>Review LO Initiated</b>	The <b>Review LO SR</b> is subsequently created from the <b>Create SR</b> drop down within the <b>Action Missed Payment SR</b> as a related SR (the <b>Review LO SR</b> is only created from the <b>Arrears Review SR</b> when residual arrears are added to the case)



This is a discretionary decision, this includes making a Welfare of the Child Decision, for more information on discretionary decisions including a verbatim statement to record in Notes refer to Policy, Law and Decision Making Guidance

2. Within the **Action missed payment SR** use the **Create SR** drop down to generate a child **Review LO SR**.
3. Review the following before sending for TL approval
  - Confident address held for the paying parent
  - Inbound/outbound contact with the paying parent and the receiving parent/s
  - Arrears, current balance and agreements in place
  - Welfare of the child
  - Case effective dates are correct



- Other relevant enforcement methods, deduction from earnings order/request (DEO/DER), disclosure for regular deduction order (RDO) and lump sum deduction order (LSDO)
- Caseworker notes

This list is not exhaustive. Refer also to the [enforcement checklist](#) and ensure all points have been reviewed.

4. Within the **Review LO** SR, update **Notes** to state the above action has been taken, then update the SR **Status** to **In Progress** and advise your team leader that you require their approval for a Liability Order referral. The team leader will allocate the Review LO SR to themselves and will carry out the steps within the procedure [Liability Order Referral - TL](#).
5. Update the **Sub Status** to **Awaiting LO authorisation** within the **Arrears Review** SR while the **Review LO** SR is being considered for authorisation.
6. If the **Review LO** is authorised go to **Step 7**. If it is not approved go to **Step 12**

#### Action authorised

7. Once the **Review LO** SR has been approved and allocated, complete any remaining activities in the activity plan. Within the authorisation SR use the **Create SR** drop down to generate a related SR **Recommend LO**.
8. The CMS System creates a case routing SR (Review case and Decide next Action). There is no need to take any further action within this SR as it will be handled by the enforcement team once the actions in the next step have been completed.
9. Mark all activities as **Done** or **Not Required** within the **Review LO** SR and close using the appropriate values. Ensure that any child SR's are closed and completed.
10. Mark all activities as **Done** or **Not Required** within the **Action Missed Payment** SR and select the Resolution Code that matches the arrears action. Close the **Action Missed Payment** SR by updating the **Status** to **Closed** and the **Sub Status** to **Completed**.
11. Mark all activities as **Done** or **Not Required** within the **Arrears Review** SR and select the Resolution Code that matches the arrears action. Close the **Arrears Review** SR by updating the **Status** to **Closed** and the **Sub Status** to **Completed**.


Case ownership will move overnight to the enforcement team who will receive a **Review Case and Decide Next Action** SR to consider the enforcement action appropriate.

#### Action not authorised


12. If the **Review LO** SR is not approved, and if no arrears action is appropriate record your reasons in SR **Notes** and proceed as suggested by the team leader in the rejection.

### Segment 5 Compliance Opportunity

## Segment 5 Compliance Opportunity

 Completion of the following actions must be treated as a priority in order to prevent any delay in creating new schedules and to prevent any further missed payments.

1. Set the **SR Status** to **In Progress** and the 2012 System generates an activity plan.
2. Review the case details to decide what action may be needed. Consider the following:
  - **Inbound Interaction** and **Outbound Interaction** views – to show previous contact with the paying parent
  - **Notes** contact level
  - The **More Info** Arrears view – for the arrears balance at the time the **Arrears Review SR** was generated, the payment failure reason and the number of missed payments
  - **Financial Accounts** view - to see the live arrears balance and any new payments received since the SR was generated
  - If the schedule has recently been revised within the missed payment tolerance period, the revised schedule will include the missed payment amount no further action is required. Update the remaining activity plan steps as Not Required. Then close the SR using **Resolution Code No Action Appropriate**
  - This list is not exhaustive

 Where payment has not been received since the SR generated, or a new schedule has not been generated, the action to take will depend on whether there has been contact with the paying parent concerning the missed payment.

- Where no contact has not been made, go to **Step 3**
  - Where contact has been made, go to **Step 4**
3. Where no contact has been made to advise of problems making the payment, the compliance opportunity must now be ended. Create a **Compliance Opportunity Outcome SR** from the **Create SR** dropdown and complete the **Early End of Compliance Opportunity** steps within [Segment 5 Compliance Opportunity](#)
  4. Where contact has been made, determine whether the reason for non-payment was acceptable. For a missed payment to be acceptable, the reason must meet the conditions as laid out in [Policy, Law and Decision Making Guidance](#). If these criteria are met, create an **Action Missed Payment SR** from the **Create SR** drop down and complete the **Negotiate New Arrears Payment Schedule** steps within [Arrears Negotiation and Missed Payments](#)
  5. If the criteria for acceptable missed payments are not met, then create a **Compliance Opportunity Outcome SR** from the **Create SR** dropdown and complete the **Early End of Compliance Opportunity steps** within [Segment 5 Compliance Opportunity](#)

6. Once those actions are complete, mark all activities as **Done** or **Not Required** within the **Arrears Review SR** and select the Resolution Code that matches the arrears action. Close the **Arrears Review SR** by updating the **Status** to **Closed** and the **Sub Status** to **Completed**.

#### NI Exceptions

The Charging Warm-Up lines to take for NICMS can be accessed by selecting the following link: [NICMS Charging Warm-Up Lines to Take](#).

#### HMRC Sensitive Employers

There are some employer details that will never be returned for some paying parents, this is because Her Majesty's Revenue & Customs (HMRC) mark them as sensitive, when this data is requested by CMS2012 nothing will be returned.

There are roughly 200,000 persons marked this way by HMRC out of a nationwide working population of roughly 50,000,000. Not all of these will be clients or require a deduction from earnings order (DEO) so it'll only likely effect a very small number of clients.

Below is a list of employers that are known to be considered as sensitive by HMRC, this list isn't exhaustive:

- HMRC
- Home Office
- Police Service of Northern Ireland (PSNI)
- The Security Services (MI5, MI6, GCHQ)

If no employment details are received, which prevents a DEO order being applied, an alternative enforcement action must be used. For more information refer to [Arrears - Consider Action](#).

#### CMSL6038 Pay immediately or face legal action

Inform paying parent that they have missed a payment (threatening chase) DEFAULT FOR MANUAL SELECTION.

All fields in this letter are system generated, no manual intervention is required.

#### 2012 System Finance Overview

[Arrears \(Negotiated Payment Schedule\) - Calculate](#)

[Arrears Negotiation and Missed Payments](#)

[Arrears Overview](#)

[Change - Address Details](#)

[Change - Employment Status](#)

[Credit/Debit Card - One Off Payment](#)

[Confirm Current Location](#)

[Promise To Pay Exceptions](#)

[DEO - Enforced](#)

[DER - Enforced](#)

[Disclosure For Deduction Order Action](#)

[Enforcement Action - Consider \(E And W\)](#)

[Enforcement Action - Consider \(Scotland\)](#)

[Enforcement Action - Consider \(NI\)](#)

[Legacy Transition Request - Summary](#)

[Liability Order Referral - TL](#)

[LSDO - Authorise](#)

[RDO - Authorise](#)

[RDO - Set Up, Vary, Lapse/Discharge](#)

[Terminology Changes](#)

[Transition \(Reactive\) - Invoke](#)

[PP self employed or Director, what action can I take?](#)

Caseworker should consider the following Paying Parent employment status when deciding on the most appropriate course of action:

- Is paying parent on a zero hour contract?
- Caseworkers should look to implement DEO wherever possible and consider parallel action (e.g. RDO / LSDO) if the DEO fails.
- Is paying parent Self-employed or a company director?



- Paying Parent Multiple Director – We cannot assume a DEO is not applicable as we must try a DEO first. This is because someone other than the Paying Parent could take the deductions, as the company may not want the possibility of criminal action.
- Sole Trader or a LTD Company – We need to ascertain whether the Paying Parent is a director/sole trader. If confirmed sole trader then DEO is not appropriate. The case should be referred to the Deduction Order Team (DOT) then to Enforcement after the DOT outcome.
- Self Employed Paying Parent – Caseworkers should look at alternative enforcement actions, i.e. Regular Deduction Order (RDO), Lump Sum Deduction Order (LSDO) and Liability Order (LO)

Can I use CWOL to trace paying parent on other addresses held in system?

Yes. Refer to CWOL fundamental for education CWOL/CRA [fundamental](#)

How do I generate a CMSL5511?

Raise an activity call inbound, scroll along to global flag field and tick box. Go back and change call inbound activity to letter outbound. Under template choose CMSL5511 drill into letter outbound activity and choose appropriate recipient and click generate. Once CMSL5511 has generated, open generated document and amend text.

How long should I give receiving parent to respond to CMSL 5511 prior to referring to DOT / LO?

Current steer from DOT / LO is 7 days however in some cases disclosure process can be started immediately. Each case for DOT / LO process should be reviewed on its own merits. If in doubt contact DOT / LO to discuss.

If LSDO / RDO action ongoing can I also take a card payment or secure an alternative MOPF?

Consultation should be made with DOT. Essentially a preferred MOPF should always be attempted over any enforcement actions.

Paying Parent wants to clear all arrears owing?

Refer to arrears negotiation and missed payment. The SR Action Missed Payment shows everything owed (unsatisfied or partial unsatisfied) up to the last posting date PLUS calculates the daily accrual of OGM / Collection Charges up to yesterday. Today's accrual is included in the total OGM owed until AR and the system calculates this automatically in a new schedule and therefore can not be counted twice.

How long does an incident on HMRC interface take?

There is a 72 day turnaround for HMRC interface issues – consider alternative enforcement actions

How does the arrears routing logic work?

Following the first missed collection on a promise to pay schedule the case routes to the collections team to contact paying parent. If the paying parent refuses to pay the collections team will raise an arrears review SR to the maintenance team with a reason code of refusal to pay. If the paying parent requests to re negotiate payments the collections team will raise an action missed payment SR (arrears-negotiation-and-missed-payments) The system automatically sends an arrears review SR to maintenance teams following the second missed payment or more with a reason code of arrears routing logic