CSA Overpayment

This procedure should be used when a paying parent contacts Child Maintenance Service (CMS) to report that the balance of their CSA arrears are incorrect and they have overpaid maintenance through their CSA case, and investigative actions by CMS confirm that this is correct. These investigative actions are carried out by the 1993/2003 Rules Reassessment Team, who contact both parties.

Offsetting an overpayment against arrears can only take place where both the overpayment and the arrears involve the same case participants.

The procedure should only be followed where the amount of the confirmed overpayment is greater than the amount of residual arrears added to the 2012 system. Where the overpayment is equal to or less than the residual arrears, the arrears balance is corrected. For more information refer to Arrears (CSA) - Manually Add/Correct Balance.

Before considering a reimbursement, establish if there are any arrears or ongoing maintenance which can be used to resolve the discrepancy between the amount previously paid and the amount that was due to be paid. Reimbursements should only be considered where there are no outstanding arrears or ongoing maintenance.

Where there has been an overpayment and there is no ongoing maintenance Accounts Reconciliation Team (ART) carry out these actions.

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

CSA Overpayment Identified

1. Where both parties have agreed that payments have been made while the CSA case was open, the residual arrears balance is incorrect and remedial action is needed. Reimbursements are discretionary decisions, and caseworkers should first look at whether there are other arrears or ongoing maintenance which should be used to correct the discrepancy first. For more information on when to allocate an overpayment against arrears or ongoing maintenance refer to the Policy, Law and Decision Making Guidance
2. Contact Advice and Guidance if you're unsure whether a reimbursement is appropriate. Reimbursements should only be considered when there are no outstanding arrears or ongoing maintenance to correct the overpayment. For more information refer to Advice and Guidance - Create Request.
3. Where the amount of the overpayment is less than or equal to the residual arrears, correct the balance. For more information refer to Arrears (CSA) - Manually Add/Correct Balance.
4. Set the Lock Assignment Flag for the period of time needed to carry out the corrective actions. Select the box located within **Set Up and Assignment Details** in case view while in the master case. For more information refer to BOM - Segments Summary.
5. Where the amount of the overpayment is greater than the amount of the residual arrears, different solutions are available depending on the circumstances of the case.

   Where there is no ongoing maintenance contact Accounts Reconciliation Team to refer the case for further actions.

   Select the appropriate scenario below:

Service type is direct pay, ongoing maintenance exists

1. Where the amount of the overpayment is more than the residual arrears, and the two parties have an existing case with ongoing maintenance which is direct pay, an arrangement should be made to allow the paying parent to pay a lower amount for a certain period of time. For more information about overpayments refer to Policy, Law and Decision Making Guidance .
2. Call both parties to ensure that they understand that maintenance is being reduced to account for a previous overpayment and ensure that it is clear to the clients that when the overpayment is cleared the previous payment amount will be re-instated.
3. Record a decision note to fully document any agreements within the SR **Notes** field.
4. Remove the total of the incorrect residual arrears. For more information refer to Arrears (CSA) - Manually Add/Correct Balance.
5. Create a service request against the paying parent contact. From the dropdown lists select the following values:
   - **Process = CofC**

- **Area = Review case**
- **Sub Area = DP adjustments**
- **Reason = Partial Payment**
- **Source = the paying parent**

Record an adjustment for the full value of the CSA overpayment. Select future liabilities to reduce the OGM going forward. For step-by-step guidance refer to Direct Pay - Overpayment/Underpayment.

Service type is collect and pay, ongoing maintenance exists

1. Where the amount of the overpayment is more than the residual arrears, and the two parties have an existing case with ongoing maintenance which is collect and pay, an arrangement should be made to allow the paying parent to pay a lower amount for a certain period of time. For more information about overpayments refer to Policy, Law and Decision Making Guidance.
2. Call both parties to ensure that they understand that maintenance is being reduced to account for a previous overpayment and ensure that it is clear to the clients that when the overpayment is cleared the previous payment amount will be re-instated.
3. Fully document any agreements in Notes within the 2012 system.
4. Remove the total of the incorrect residual arrears. For more information refer to Arrears (CSA) - Manually Add/Correct Balance.
5. Create a service request against the paying parent contact. From the dropdown lists select the following values:
   - **Process** = **Payments**
   - **Area** = **Manage payment**
   - **Sub Area** = **Record voluntary payment**
   - **Reason** = **Direct Non Scheme Payment**

   Record a direct non-scheme payment (DNSP) for the full amount of the CSA overpayment. Select future liabilities to reduce the OGM going forward. For step-by-step guidance refer to Direct Non-Scheme Payment - Collect And Pay.

No ongoing maintenance

Record Voluntary Payment

CSA Overpayment Accounts Reconciliation Team (ART) Actions

1. Set the flag for manual allocation on the case. For more information refer to Manual Allocation Flag - Set Up.
2. Ensure that there is a method of payment to (MOPT) in place for the paying parent. For more information refer to Method Of Payment - Set Up Initial.
3. Create a voluntary payment equal to the amount of the CSA overpayment. This enables the overpayment to be recorded within the 2012 system. Create a service request (SR) with the following values:
   - **Process** = **Payments**
   - **Area** = **Manage payment**
   - **Sub Area** = **Record voluntary payment**
   - **Reason** = **Voluntary Payment**
4. Update the **Status** of the SR to **In Progress**.
5. Navigate to the **Payments** dropdown list, select **Payment Allocation** view then select **New** in the applet. Select the **NRP** and the relevant **PWC** BaNCS account number. Enter the reported amount of voluntary payment made in **Amount Paid**. For more information refer to Voluntary Payments.
6. Go to **COC/More Info.** Update the **Activity plan outcome** field for the **Voluntary Payment confirmed by both parties** as **Yes**, enter the decision in the **Notes** field, document that the reason for the voluntary payment is as a workaround due to a CSA overpayment.
7. Mark any letters as **Not Required**.

8. Within the **Payments** tab, navigate to the **Payment Allocation** view then select **Get Payment Allocation Details** to view the active residual arrears liabilities the paying parent has on BaNCS for the receiving parent account. Tick the **Select** box next to the liabilities to assign the voluntary payment then select **Update Siebel**.
9. Complete the **Amount Allocated** field next to each payment.
10. Update the **Resolution code** to **Voluntary Payments Accepted**. This will automatically update the **Status** and **Sub Status** and send it for team leader approval.

ART Team Leader Actions

11. Review the SR to make a decision on the voluntary payment.
12. If you do not agree with the payment:
    - Set the inbox **Status** to **Rejected**
    - Complete the **Comments** field for rejection reason
    - Return this to the caseworker
13. If you agree with processing the payment
    - Set the inbox **Status** to **Approved**
    - Enter reasons for approval
    - Return to caseworker
14. When the authorisation request has been processed by the TL record the decision in the **Notes** field on the SR.

ART Caseworker Actions

15. If accepted, from the **Payments** tab, **Payment Allocation** view update the SR resolution code to **Voluntary Payment Accepted**.
16. Select **Submit Payment Allocation Details**. BaNCS is updated with the voluntary payment.
17. Update the SR **Status** to **Closed** and the **Sub Status** to **Complete**.

Remove CSA Arrears

18. Remove the full incorrect amount of residual arrears. For more information refer to Arrears (CSA) - Manually Add/Correct Balance. This creates an excess payment on the receiving parent's account.

Reimburse Paying Parent

19. Perform a **Non Standard Payment** SR to the paying parent, using the reason **Maintenance Refund**. This ensures the overpayment goes back to the paying parent and the receiving parent is put into overdraft. For more information refer to Payment - Non Standard.

Inform CFAT

20. E-mail CFAT to inform them you have sent a non-standard payment for the CSA overpayment, using the address CM 2012 Scheme CFAT Banking & Accounting <2012SCHEMECFAT.BANKING-ACCOUNTING@DWP.GSI.GOV.UK>. Use the subject "Cross Scheme Reimbursement", and include the following information in the email:
    - Paying parent name
    - SCIN
    - BaNCS number
    - Amount of VP

Set Up Repayments

21. Contact the receiving parent to arrange repayment of the amount of overpayment. Record the repayment decision in **Notes**. For more information refer to Receiving Parent/Payee Repayment Request - Create.

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Advice and Guidance - Create Request

Arrears (CSA) - Manually Add/Correct Balance

BOM - Segments Summary

Direct Non-Scheme Payment - Collect And Pay

Direct Pay - Overpayment/Underpayment

Manual Allocation Flag - Set Up

Method Of Payment To - Set Up Initial

Payment - Non Standard

Receiving Parent/Payee Repayment Request - Create

Voluntary Payments

Should the voluntary payment be recorded as a discretionary decision?

No - in this scenario it isn't a voluntary payment which is being recorded, this is just the service request which needs to be used to allow the CSA overpayment to be taken into account by the system.

What if the ongoing maintenance is nil rate?

If the case has ongoing maintenance but the liability is nil-rate, follow the section for **No Ongoing Maintenance**.