



Change - Employment Status

A change to employment status is within the overall process of managing a change of circumstances.

A change to employment status is required when we are notified that the paying parent's current employment has ceased or changed. We may be notified by various parties of this including:

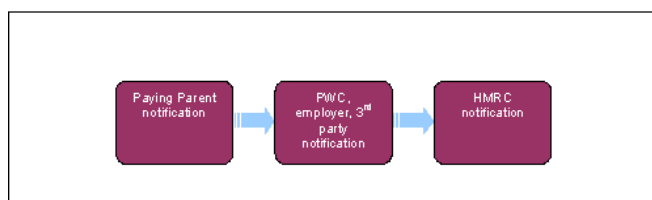
- Paying parent
- Receiving parent
- Third party

This procedure should only be used when the paying parent notifies the Child Maintenance Group (CMG) that they are unemployed or unemployment has ceased, or receiving parent or third party notify CMG that the paying parent's employment status has ceased or changed.

If we are notified of a change to the paying parent's employment status from HMRC via the interface or the Employer via the Employer team, refer to [Change - DEO Employment Details](#).

This action is carried out by a caseworker in the owning segment.

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.


[Paying Parent Notification of Unemployment](#)

Paying Parent Notification

1. When a paying parent reports that they are unemployed, i.e. they are not in receipt of income or benefit, explain that this needs to be verified by information in our system and we may need supporting evidence. The type of evidence depends on whether the paying parent was previously employed or self employed and the method of payment. Also, ask the paying parent how they are supporting themselves, e.g. they may say they are being supported by someone else or living off savings. If they state that they or their partner intend to claim benefit inform them that their existing liability will remain in place until CMG is notified of their benefit award. For more information on the types of evidence that can be accepted refer to the Policy, Law and Decision Making Guidance:
 - Employed: 
 - Self employed: 

 If the receiving parent or a third party verbally advise that the paying parent is unemployed, the change in employment status must be verified by additional supporting evidence from either the paying parent, employer or information on CMS 2012 (obtained from HMRC and CIS). All call recordings, including conversations where verbal declarations are made, are stored for 14 months.

 Verbal declarations of a change of employment status can be accepted from an employer; however this only means that the employer is confirming the paying parent is no longer employed with them. This does not necessarily mean the paying parent is unemployed, and all relevant evidence must be sought to confirm whether the paying parent is unemployed or has another source of income.



 If it is identified the paying parent's unemployment date is recorded incorrectly, refer to [Revision - Change to Employment Status](#) to amend the unemployment date.


2. Create a new service request (SR) selecting the following options:
 - **Process = Change Of Circumstances (CofC)**


- **Area = Change To Employment/Income**
- **Sub area = Change To Employment Status**

The SR must be raised under the person who has reported the change. Within the SR, the **Source** is the person reporting the change.


3. In the **CoC More Info** tab enter the details of the paying parent in the **Subject Details** field. Change the SR **Status** to **In Progress**.
4. Update the **Sub Status** to **Employment Status** to generate new activities.
5. There are various system verification and/or supporting evidence that are required to support verbal declarations of a change in employment status:

Scenario	Method of Payment From	System Verification	Supporting Evidence / Written Declaration
<ul style="list-style-type: none"> ◦ Benefit ended (Source of "CIS") and paying parent states that they are not employed 	Non DEO	<ul style="list-style-type: none"> ◦ Confirm no active benefit AND ◦ The paying parent has verbally stated/confirmed that the historic income (employment and/or self-employment) previously returned from HMRC is not reflective of their current circumstances. AND ◦ No active current income 	<ul style="list-style-type: none"> ◦ Not required
<ul style="list-style-type: none"> ◦ Employment ended OR ◦ Self employment ended OR ◦ Annual review SR with Reason "No Income Available" 	Non DEO	<ul style="list-style-type: none"> ◦ Confirm no active benefit AND ◦ The paying parent has verbally stated/confirmed that the historic income (employment and/or self-employment) previously returned from HMRC is not reflective of their current circumstances. AND ◦ No active current income 	<p><u>Employed</u></p> <ul style="list-style-type: none"> ◦ Refer to Policy, Law and Decision Making Guidance  <p><u>Self employed</u></p> <ul style="list-style-type: none"> ◦ Refer to Policy, Law and Decision Making Guidance 
<ul style="list-style-type: none"> ◦ Employment ended OR ◦ Annual review SR with Reason "No Income Available" 	DEO	<ul style="list-style-type: none"> ◦ Confirm no active benefit AND ◦ The paying parent has verbally stated/confirmed that the historic income (employment and/or self-employment) previously returned from HMRC is not reflective of their current circumstances. AND ◦ No active current income AND ◦ Change DEO Employment Details SR with Reason "Left Employment" and Source "HMRC" or "Employer" 	<ul style="list-style-type: none"> ◦ Not required

 Evidence of a change in employment status can be taken verbally from employers but if they will only provide evidence in response to a written request, or if communication with the paying parent can only take place in writing, refer to Written request for employment evidence in the Procedural Exceptions tab.


 If communication with the paying parent can only take place in writing and evidence is needed to support a claim of unemployment; issue **CMSL9803** requesting further evidence and allow 14 days for the response. If all verification received consider if SMS is appropriate - for more info refer to [SMS Text](#)

6. Make a decision to accept/decline the paying parent's verbal declaration of unemployment, along with system verification and/or supporting evidence for the change request. Record the effective date in the **Effective Date** field and any further evidence in the **Gather record evidence** tab. For more information on effective dates and evidence refer to the Policy, Law and Decision Making Guidance. 

 Details of the decision to accept or decline changes involving verbal declaration of unemployment must be clearly recorded in the SR **Notes**. E.g. if the change is accepted, record: "Verbal declaration of unemployment accepted as reasonable, probable and not contradictory".

7. If evidence:

- Is provided - update the **Sub Status** to **Accepted**, manually generate letter CMSL9806. Update the **Resolution Code** to **Accepted** and complete the calculation. This will show the paying parent as unemployed and the system will generate a perform calculation child SR for the nil liability, refer to [Calculation Post Initial](#). If the MOPF is DEO refer to [DEO - Cancel](#). Set the DEO desire flag. Go to the Paying Parent contact and select the **More Info** tab and update the **Desire for DEO/DER** field drop down. Return to **Change To Employment Status** SR and close and complete the SR. If the **Perform Calculation SR** has used Historic or Current Income go to the **Procedural Exceptions** tab in [Calculation - Post Initial](#) to complete the **Perform Calculation Checks**.

-  Is not provided in time, or fails verification, update the SR **Sub Status** to **CofC decline** and send **CMSL9805** to the paying parent. Update the **Resolution Code** to **Rejected**, the **Status** of the SR to **Closed** and the **Sub Status** to **Complete**.



This letter should always be issued regardless of whether the case is pre or post initial calculation. It is accompanied by a fact sheet '**What to do if you think this decision is Wrong**' which explains the 32 days rule and that the client can ask us to look at the decision again and has the right to appeal against it. Refer to [Mandatory Reconsideration](#) (Valid Mandatory Reconsideration)



If the change in employment status is accepted call the receiving parent to explain the nil assessment and that a liability letter will be issued.

Receiving Parent and Third Party Notification


Receiving parent and third party notification



If notified of a change to the paying parent's employment status from HMRC via the interface or the employer via the Employer team refer to [Change - DEO Employment Details](#).

1. This process is almost identical to paying parent notification with the following exceptions:



For receiving parent and third party notification contact the paying parent to verify the change has occurred. For more information refer to the Policy, Law and Decision Making Guidance. 


2. Update the **Notes** field and Close the SR.

End Unemployment Status

End un-employment status

1. When it is reported that a paying parent is no longer unemployed and evidence has been provided to support this, the un-employment status will need to be ended and HMRC income put back in place.



If a receiving parent reports that the paying parent is no longer unemployed and telephone contact with the paying parent has failed;  issue **CMSL4212** to ask the paying parent for verification of their change in employment status and the date unemployment ceased.

2. If the paying parent does not provide details or cannot be contacted, call the receiving parent and ask if they have details. Check the system for any employer or accountant contact details. For more information refer to [Confirm Current Location](#).



If there was no HMRC record in place prior to the un-employment status originally being updated, make the decision to update current income, use best evidence or a DMD. Refer to [Calculation - Non HMRC](#).

3. In the paying parent **Customer Profile** view, add an end date next to the current income record of **£0.00** in the **End Date** field and save. The end date should be the day before the Effective date of the change.

4. Manually create and complete a **Perform Calculation SR**:

- **Process = Perform Calculation**
- **Area = Case Maintenance**
- **Sub Area = Change Client Data**

The **effective date** of the change is the date the Paying Parent started working. Refer to [Calculation - Post Initial](#).

5. If the **Perform Calculation SR** has used Historic or Current Income go to the **Procedural Exceptions** tab in [Calculation - Post Initial](#) to complete the **Perform Calculation Checks**.

6.  Send **CMSL4092** to all receiving parents and **CMSL4098** to the paying parent to advise all parties of the correction.



If current income has been provided and a new calculation is to be completed cancel the above letters and only issue the calculation letters with the correct liability calculation.

7. If the paying parent has provided evidence of current income ensure the prior HMRC income has been updated then refer to [Change - Income](#).



There is no 25% tolerance when the paying parent's unemployment status has been ended even if HMRC income is in place. Tolerance does not have to be applied and can be overridden, go to [Change - Income](#)

Written request for employment evidence

If communication with the paying parent can only take place in writing and evidence is needed to support a claim of unemployment issue CMSL9803 requesting further evidence and allow 14 days for the response.



Evidence of unemployment can be taken verbally from an employer, but if they will only provide evidence in response to a written request issue CMSL9804. In order to issue CMSL9804 manually create a **Letter - Outbound (3rd Party)** activity to the activity plan in the **Change to employment status** SR and select CMSL9804 from the list of templates.

CMSF4203 NRP updates employment details

This form does not need any editing, and is completed entirely by the client. A pre paid envelope is enclosed.

CMSL9803 We need some information for your child maintenance case

Letter to the paying parent to confirm that we have been advised they are now unemployed (i.e. they are not working and not receiving benefits). Request paying parent to confirm this and provide any evidence.

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

CMSL9804 We need some information about a child maintenance case

If the paying parent can't provide sufficient evidence or doesn't respond, a letter to their employer to confirm the paying parent's details with them. Letter should confirm end date of employment and request any information about what the paying parent is now doing. Include employment details form.

This form is completed entirely by the employer, and is issued with a pre paid envelope.

CMSL9805 Your child maintenance payments will not change

To the paying parent - A letter to decline a change of circumstances if no evidence is provided or evidence provided proves or suggests they are still employed.

Under the heading Your child maintenance payments will not change select from the following paragraphs to explaining the reason that the change has been declined.

- If the change is being declined based on evidence held by the Child Maintenance Group (CMG) select **TM_10263_E** 'The evidence we have seen shows that this is not the case. Because of this we cannot change your child maintenance payments at this time'
- If the change is being declined based on evidence held by the Child Maintenance Group (CMG) select **TM_10264_E** "The evidence we have shows that this is not the case. Because of this we cannot change your child maintenance payments at this time"
- If the change is being declined due to lack of evidence, use the paragraph **TM_10265_E** 'Since then we haven't been given any evidence that supports this. Because of this we cannot change your child maintenance payments at this time'
- Also under the heading 'Your child maintenance payments will not change' add any additional information for the customer in the freetext field in the final paragraph.

CMSL9806 Confirmation that we have updated our records

To paying parent - A letter to confirm to the paying parent that we have updated our records (paying parent no longer employed) and will send them a new payment plan shortly (they are likely to now be nil-assessed)

CMSL9807 We need to know about your new employer

This is to ask the paying parent their preferred method of payment following from when they've left their current job. The paying parent currently paying by self-selected deduction from earnings order (DEO) and we've been told the paying parent has changed employment. Request the paying parent to confirm whether they wish to continue paying by DEO from new employment (if so provide new employers details through enclosed form). Or pay by direct debit (DD) (The paying parent can call us to set this up).

- All fields in this letter are system generated, no manual intervention is required
- A form will be enclosed with this letter for completion by the NRP

[CMSL9808 Keeping you informed about your child maintenance case](#)

To the receiving parent or the paying parent - We've been advised that the paying parent has/you have changed employment. However, because HMRC is the 'master' of this data when paying parent's are on DEOs, we haven't updated our records and will await an update. For now, payments will remain the same.

Under the heading 'Keeping you informed about your child maintenance case' select the paragraph specific for the role of the recipient of the letter i.e. paying parent or receiving parent:

- If the letter is for the paying parent select the paragraph: 'We found out recently that you had changed jobs and have a new employer. We're now writing to keep you informed about what changes you can expect in your child maintenance case for: (QC name/s)'
- If the letter is for the receiving parent select the paragraph 'We found out recently that (paying parent name) had changed jobs and has a new employer. We're now writing to keep you informed about the changes you can expect in your child maintenance case for: (QC name/s)'

Under the heading 'Keeping you updated' select the paragraph specific to the role of the letter recipient:

- If the letter is for the paying parent select the paragraphs starting from 'We cannot update your child maintenance case details or change your child maintenance payments until HMRC have confirmed the change to your employment. You pay child maintenance through a deduction from earnings order (DEO). We can't set up your DEO with your new employers until HMRC have given us some essential information about them. This could take up to three months depending on how long it takes your new employer to provide the information.'
- If the letter is for the receiving parent select the paragraphs starting from 'We cannot update your child maintenance case details or change your child maintenance payments until HMRC have confirmed the change to (paying parent's name) employment. This is because they pay child maintenance through a deduction from earnings order (DEO). We can't set up a DEO with (paying parent name) new employers until HMRC have given us some essential information. This may take up to three months, depending on how quickly their new employers pass the information to HMRC.'

[Calculation - Non HMRC](#)[Calculation - Post Initial](#)[Change - DEO Employment Details](#)[Change - Income](#)[Change MOPF - Summary](#)[DEO - Cancel](#)[DEO - Enforced](#)[DEO - Self Selected - Set Up](#)[Terminology Changes](#)