

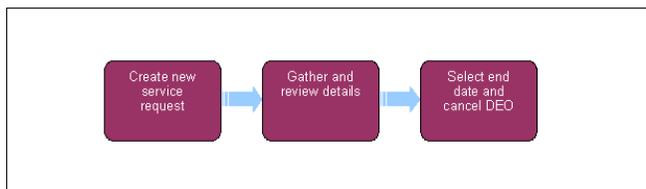


## DEO - Cancel

A deduction from earnings order (DEO) is a method of payment from (MOPF) which the Child Maintenance Group (CMG) can use to secure payments of child maintenance and/or arrears directly from a paying parent's wages/earnings. Cancellation of a DEO is processed as a change of circumstances (CofC) by a caseworker at any stage in the life of a case. A request for cancelling a DEO can be received from a paying parent but is more often received via an employer to advise that the paying parent has left their employment. To request a cancellation of a DEO a paying parent must provide a valid reason and a new MOPF. In some circumstances the request will be refused.

A paying parent is subject to a fixed charge of £50.00 when the child maintenance group (CMG) impose an enforced DEO. If an existing DEO is cancelled at the paying parent's request in favour of another preferred MOPF, and subsequently re-imposed due to non payment the paying parent will incur a further £50.00 charge. Please refer to the procedure for [Civil Enforcement Overview](#) for more information about enforcement charging.

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.

 When cancelling a DEO there may be occasions when a further payment will be received from the employer. In these scenarios the clients expectations must be managed to ensure they understand what will happen next, addressing any concerns they may have.

### Create Service Request

1. Create a change of circumstances (CofC) service request (SR) in order to update the method of payment from (MOPF) information. From the drop down lists select:
  - **Process = Change Of Circumstances**
  - **Area = Change Method Of Payment**
  - **Sub Area = Change Method Of Payment From**
  - **Source = NRP**
2. Populate the **Subject details** applet with the paying parent details.
3. Update the **Status** of the SR to **In Progress**, the system will generate an activity plan for to follow. For more information on methods of payment refer to the Policy, Law and Decision Making Guidance 

### Generate Child SR

#### Caseworker action

4. Generate a child SR which will allow cancellation of the Deduction of Earnings Order. From the drop down lists select:
  - **Process = Payments**
  - **Area = Method of Payment From**
  - **Sub Area = Amend Existing MOPF**

If cancelling the MOPF, remove the employer's name from the **Account** field then choose **Cancel MOP** from the drop down in the **Action** field or **Unsuspend MOP** if unsuspending a MOPF, set the SR **Status** to **In Progress**.

5. Select the Internal Account Number using the MVG button and select Deductions from Earnings Order in the Current Method of Payment field.
 

 If HMRC or an employer is reporting a change to employer details or end date, the DEO is cancelled and/or new employer details recorded. An automatic trigger generates a new SR which is routed to the owning team. As a preferred MOPF, the paying parent must provide a reason for cancelling the DEO which is authorised by a team leader. If the request is to cancel a self-selected DEO and no other MOPF is

held go to **step 12** and contact the paying parent. If the request is to cancel a mandatory DEO and no other MOPF is held, before cancelling the DEO check that it has been in place for six months from when the payments started to be made by the employer.

- Update the SR **Notes** field with the reason the DEO is to be cancelled and, if appropriate, record a Welfare of the Child Decision. Set the **Resolution Code** to **Amend Accepted** then select **Ctrl and S**, this automatically updates the **Status** and **Sub Status** and sends the work item for approval. In some circumstances TL authorisation is not needed, where this is the case, the SR will not automatically seek approval.
- To prevent the casegroup moving segments whilst awaiting TL authorisation, set the **Lock Assignment Flag**. For more information on how to do this refer to [BOM - Segments Summary](#).

For more information on preferred methods of payment refer to the Policy, Law and Decision Making Guidance 

### Team Leader action

- Review the SR from the caseworker and confirm that the reason for cancelling the DEO, is fully documented within the SR Notes. If cancelling an enforced DEO, check that the DEO has been in place and in payment for 6 months.
- If after viewing all the information if agreeing with the decision set the **Action** to **Approved**. If not agreeing with the decision set the **Action** to **Rejected** and complete the comments field with the rejection reason.

### Caseworker action

 Attempting to update BaNCS on more than one occasion from an SR will result in an Error/Critical state which will require an incident to be raised. Check if a BaNCS update request has been sent by selecting the **Show More** button then the internal account number **MVG**. If an update has already been requested from that SR there will be an integration message on the right hand side of the screen. A new SR will need to be raised for any additional updates.

 Do not manually change the sub status to 'In Progress' after task has been approved as this will prevent further progression of SR because an error message will be received.

- Enter today's date in the **Action Date** field. Update the **Resolution Code** to **Amend Accepted** and select **Send Update** to complete the process of cancelling the DEO.
- Issue **CMSL2021** to the employer. For more information about issuing outbound letters refer to [Letters Outbound](#)
- Within the **Amend MOPF SR**, change the **Status** to **Closed** and the **Sub Status** to **Complete**.
- Now that the DEO has been cancelled, record this in the paying parents **Notes** at **Contact** level. This will then be visible to the Employer Payments team when reconciling DEO payments. Once completed then return to the CofC SR.

 When cancelling a DEO, ensure that a new MOPF is setup and a new P2P is run. Failure to do this will result in the existing DEO schedule remaining in place. For more information refer to [Change MOPF - Summary](#).

- Where the client was paying child maintenance via an enforced DEO and they have left their job, set the **Desire for DEO** flag. Refer to [HMRC - employment details DEO/DER](#), follow instructions on how to do this and then return to this procedure to complete the process of cancelling the DEO. You must immediately set a default standing order as MOPF and run a new P2P.
- When the paying parent is in arrears and they were paying via an enforced DEO, refer to [Arrears Negotiation and Missed Payments](#) for information on the next steps to take.

### Create Perform Calc SR and complete CofC SR

- Complete the activity plan in the parent CofC SR and update the **Resolution Code** to **CofC Accepted**.
- A Perform Calc SR will automatically generate. If another MOPF has been set up, a P2P and a liability schedule will generate, if the DEO has been cancelled and another MOPF not set up, only a liability schedule will generate. Check the notifications and close the Perform Calc SR.
- Return to the CofC SR and close it by changing the **Status** to **Closed** and the **Sub Status** to **Complete**.
- Remove the **Lock Assignment Flag**.
-  Contact the receiving parent and the paying parent and advise them that the change to payment from type has been processed.

NICMS replaces CMG in Northern Ireland

[CMSL2021 Please cancel a Deduction from Earnings Order](#)

CMSL2021 To employer - Letter to inform them of a specific paying parent DEO cancellation

[Arrears Negotiation and Missed Payments](#)

[Change MOPF - Summary](#)

[DEO - Enforced](#)

[DEO - Self Selected - Set Up](#)

[DER - Enforced](#)

[DER - Self Selected - Set Up](#)

[DER - Cancel](#)

[Standing-order-set-up.aspx](#)

[Terminology Changes](#)