

DEO - Enforced

The purpose of this process is to set up an enforced deduction from earnings order (DEO) on a paying parent.

The arrears management process is triggered when there is a missed payment or when pre-determined arrears thresholds are met.

A DEO is one of the preferred methods of payment from (MOPF) that the Child Maintenance Group (CMG) uses to secure payments of child maintenance and/or arrears from a paying parent's wages/earnings. A DEO schedule is calculated and issued to the paying parent's employer or occupational pension provider and the money is sent directly to the CMG.

Caseworkers in the maintenance service initiate the set up of the DEO process. Where the DEO is the first CMS2012 DEO the employer will operate, the systems sends a service request to the Employer Payments Team (EPT). They will contact the employer to explain how DEO's operate in CMS2012 and collect any further information the employer wishes us to hold on our records. E.g. Preferred contact name for future contacts from us.

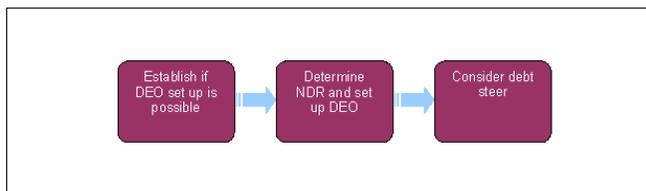
The DEO includes ongoing maintenance, collection fees and arrears and can be set up to a gross equivalent of 40% net income when the paying parent has arrears. For more information refer to making decisions on the appropriate level of deduction in the Policy, Law and Decision Making Guidance 

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 Evidence and Decision Making in the Policy, Law and Decision Making Guidance 

If a paying parent has more than one employer DEOs are implemented on all employers. This process is dealt with by caseworkers in the maintenance service.

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

A paying parent is subject to a £50.00 charge when an enforced DEO is imposed upon them. If the DEO is split between more than one employer the charge should only be applied once. For more information on enforcement charging refer to the procedure for [Civil Enforcement Overview](#).



 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.

 Complete the steps detailed in [Arrears - Consider Action](#) before following this procedure.

Establish whether DEO set up is possible

1. Before setting up a deduction from earnings order (DEO) on the 2012 system, ensure no arrears action is being taken by this method on a CSA case in the case group. For more information refer to [Arrears - Consider Action](#).

 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](#).

 Document any decisions to impose arrears repayments on the paying parent. For more information refer to Evidence and Decision Making in the Policy, Law and Decision Making Guidance 

2. From the **Arrears Review** service request (SR), set **Sub Status** to **Initiate Arrears Action**, then select **Get Employment Details**.
3. Select **Go to Contact** and then select the **More Info** tab from the **Paying Parent Contact Summary** and check the **Transition Date** and **NRP Case Group Look Up** fields. Where both fields show:
 - **Transition date** = Any date before 30/06/2014
 - **NRP Case Group Look Up** = Reactive Transition with Pause

View the **Procedural Exceptions** tab to complete the steps for **Incorrect Initial Effective Dates**.

The Paying Parent cannot have two DEOs on different schemes. More than one DEO across more than one child maintenance scheme is not enforceable. For further information, refer to [Dealing with DEOs set up on more than one scheme](#).



At this point, confirmation is required that any CSA arrears have transitioned. To confirm this, access the **Arrears More Info** view of the **Arrears Review** SR. Where the arrears have transitioned, there will be a value within the **Total Residual Arrears** field.

Where a case has a Transition Date but the arrears have not transitioned, complete the [Cross Scheme DEO Cancellation Request Template](#) and forward to [CMG Cancel Legacy DEO](#).

4. Locate the employer telephone number by selecting **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 containing the telephone numbers we hold for them.



Contact the employer by telephone to confirm that the paying parent is still in their employment. If so, ask the employer:

- Do you already make child maintenance deductions for this employee? If so, advise the employer that this is a CSA DEO which needs to end. Advise the employer that they do not currently need to do anything but to expect a letter from the CSA cancelling the current DEO. Ensure that the Cross Scheme DEO Cancellation Request Template has been sent to the Cancel Legacy DEO inbox.
- Will this be the first deduction from earnings order you've received from the Child Maintenance Service? If the employer says yes or is unsure, advise them that if they are new to the Child Maintenance Service they will receive a Welcome Pack and a call from the Employer Payments Team (EPT).

Some employers may be unwilling to provide personal information over the telephone, as they want to make sure we are who we say we are. To prevent any delay in progressing the case, an email can be sent to the employer from a shared inbox while speaking to the employer on the phone to confirm our identity. Please refer to [Employer – Manage Contact](#) for further information on what action to take when using email to validate our identity.

All reasonable attempts should be made to contact the employer to confirm the paying parent is still in their employment. Where this has been unsuccessful, proceed with completing the DEO setup which must be completed prior to two days before the end of the month.

5. From within the Paying Parent contact, create a **Call - Outbound** activity to record the attempted contact with the employer, adding notes in the **Description** field. This will then be visible to the Employer Payments Team when they are completing the Employer Set Up process.
6. If unable to set up the DEO because the Paying Parent has left the employer, consider alternative enforcement actions. For more information refer to [Arrears - Consider Action](#).
7. To set up a DEO in the **Arrears Review SR**, create a child SR by selecting **Setup DEO** from the **Create SR** drop down which will generate the following SR:

- **Process = Arrears**
- **Area = Arrears management**
- **Sub Area = DEO**



All receiving parent cases must be linked to the SR at this point to ensure any letters issued provide the correct information.

8. Change the **Status** to **In Progress**.
9. Within the **Arrears Management DEO SR**, create a Grandchild SR by selecting **Setup DEO MOP** from the **Create SR** drop down which will generate the following SR:

- **Process = Payments**
- **Area = Method of Payment from**
- **Sub Area = DEO**

The DEO Enforcement Charge is applied whilst completing this SR. Ensure that the charge has been applied.

When setting up DEOs for multiple employers, ensure that a separate Method of Payment From - DEO SR is created for each employer, and that each SR is completed before a new one is started.

10. Update the **Action** field to **Replace MOP** if replacing an existing method of payment from (MOPF). Alternatively, update the **Action** field to **Create MOP** if creating the initial MOPF, or where no active MOPF is present. Ensure you select the correct action as it cannot be changed once the SR is in progress.



The existing DEO must be cancelled before completing this step if you're replacing a DEO where a new employer has been identified. For more information refer to [DEO - Cancel](#).

11. From the **Internal Account Number** menu, select the Paying Parent account.
12. Select **Mandatory** from the **DEO/DER Type** dropdown. This will now enable you to select the employer's **Internal Account Number**.
13. From the **Internal Account Number** menu, select the Employer account. This will associate the employer account number with the Paying Parent. The applet displays a list of all the employers returned by the HMRC interface:
 - If the paying parent has multiple employers and the DEO is self selected, the paying parent must advise which employer they wish the DEO to be set up with
 - Where the DEO is enforced, view the Income/Employment Details within the **Employers** tab to determine the correct employer (or employers) to attach the DEO to. Consider basing the apportionment on the employer details that are held, e.g. if the paying parent works full time and part time, it's safe to assume that all or the majority of the DEO amount should come from the full time

job. Where there is no clear indication based on the employer details, contact the employers to determine the gross income for each

 Ensure that the Paying Parent BaNCS account is set as the primary account, failure to do this will result in the DEO not setting up correctly.

14. Check if the **Account** data field in the **SR Information** applet is populated. If any details are held in this data field, delete the entry.
15. Update the SR **Status** to **In Progress**. The system generates an activity plan for you to follow.
16. Update the **Current Payment Method** and **Reason for Change** fields, unless using **Create MOP** in which case update to **Current Payment Method** is not required. The **Resolution Code** cannot be updated without this information.
17. The system establishes whether an employer is new to the DEO process. If the employer does not exist, they are created in the system. BaNCS creates the employer's account automatically and updates the integration status to **Complete**.
 On first set up of an employer, an SR is automatically generated to notify the employer payments team who issue a welcome pack and gather further information e.g. fax number/payroll contact details.
18. Apply the DEO Enforcement Charge. For more information refer to [Enforcement Charge - Apply](#). Select the **Charges** tab from the more view tabs dropdown menu of the **Method of Payment From DEO** SR.
19. Update the Resolution Code to **DEO Accepted** then save the record.
20. Select **Send MOP** to create the payment profile for the client in BaNCS.

 When BaNCS returns a **Success** message, the correct **Resolution Code** must be selected and not set to **Transaction Rejected**.

21. Update the MOP SR **Status** to **Closed** and **Sub Status** to **Complete** to close the SR. The DEO is then visible as a Payment Method within the Paying Parent's **Payment Profile**.
22. When the DEO is set up successfully, update the activity plan of the **Arrears Management DEO** SR. If a DEO is not possible at this stage, refer back to the **Arrears Review** SR and consider alternative enforcement action.
23. If no DEO Enforcement charge was applied continue to **step 25**.
24. Select the **Charges Tab** within the dropdown and select the **Charge Reference** MVG button to list of all previous charges and select the relevant charge and select **Save**.
 A message will now appear to state **Not Sent** with **Referenced Charge** showing in the **Reason Code** field. The charge has now been successfully associated.

Calculate the Maximum Normal Deduction Rate (NDR) BaNCS

25. Navigate to the **NRP Customer Profile** and make a note of the income used in the **last calculation**. The correct income record to use will be the most recent of the following income types:
 - **Earned Income - HMRC**
 - **Annual Income Update - Earned**
 - **Current Income**

 If there is more than one figure in the **Last Calculation** field, or you are unsure which figure to use, navigate to the **Perform Calc** SR that generated the most recent liability schedule and use the figure from that SR.

26. Using the [2012 Debt Negotiation Support Tool](#), input the income figure, from the NRP Customer Profile, into the Annual Gross Income field in the Input tab of the tool to calculate the maximum normal deduction rate (NDR) for later use.

Alternatively, using the [ATNIC calculator](#) input the income figure in the **Gross Income** field in the **current tax year** tab. Make a note of the max normal deduction rate (NDR), 40% of monthly net income. For more information refer to [ATNIC summary](#).

27. From the **Payment Schedule** view within the **Arrears Management DEO** SR, select the **DEO NDR Details** sub view. Select **New** and choose the Paying Parent's employer.
28. Input the **Annual Gross Income** and the **Maximum NDR Amount** as calculated in the 2012 Debt Negotiation Support Tool or ATNIC calculator.

 Due to a known system validation error which prevents the scheduling of unpaid Collection Fees and Commission arrears, an offline calculation is required as outlined below.

A **DEO Scheduling Calculator** has been produced to assist caseworkers in determining the amounts to be entered in the DEO SR. For more information refer to the [DEO Scheduling Calculator](#).

If the 2012 Debt Negotiation Support Tool has been used, the amounts entered into it and calculated by it can be applied to all the fields of the DEO SR apart from the "No of collections on schedule".

29. To complete the required calculations in a **DEO SR**, you will need to gather the following items of information:
From the **Arrears Management - DEO SR**:

- **Annual Review Date**
- **FSc Maintenance Arrears**
- **Total Residual Arrears**

From the **Paying Parent Financial Accounts** (accessed via the **Financial Accounts** view within the **NRP** contact, selecting the **Account Number** link, and the **Payment Schedule** view):

- **Total Accrued Balance**
- **Accrued Liability till date**
- **Total o/s OGM until AR**

From the **Summary Case Details** of any Direct Pay cases:

- **Weekly Liability Amount (of all DP cases)**

From the **Receiving Parent Financial Accounts** of any Direct Pay cases (accessed via the **Financial Accounts** view within the **PWC** contact, selecting the **Account Number** link, and the **Payment Schedule** view):

- **Total Accrued Balance (of all DP cases)**

Calculate the Till Date Accrued Liability

30. The Till Date Accrued Liability is calculated as follows:

- **Total Accrued Balance (PP Accounts) minus**
- **Total Fsc Maintenance Arrears (DEO SR) minus**
- **Total Accrued Balance (of all DP cases) minus**
- **Total Residual Arrears (DEO SR) plus**
- **Accrued Liability til Date (PP Accounts) minus 1 day's OGM plus**
- **Accrued Liability til Date (PP Accounts) minus 1 day's OGM, divided by Daily OGM amount, multiplied by Daily Collection Fee amount**

 Where using the DEO Scheduling Calculator, there is no need to determine the Daily OGM or Collection Fees, or to deduct one day's liability (of OGM or Collection fees) from the Accrued Liability til Date field. The Calculator automatically determines these balances.

 Where 1 day's liability (both OGM and Collection fee) is deducted in the above steps, this refers to 1 day of all Calc and Collect liabilities. Performing this calculation accounts for the system validation issue and determines the balance of any Calc and Collect liabilities (including any Enforcement Charge) that have accrued since the last Liability Schedule posting prior to generation of the Arrears Review SR. The calculated balance is then visible in the **Till Date Accrued Liability** field of the calculator.

31. Enter the balance as calculated above in the **Till Date Accrued Liability** field within the **DEO SR**.

Calculate the Negotiated Payment Amount

32. Enter £0.00 in the **Lump Sum Payment Amount** field if no payment has been made.

33. The **Negotiated Payment Amount** is calculated as follows:

- **Fsc Maintenance Arrears (DEO SR) plus**
- **Til Date Accrued Liability (DEO SR) plus**
- **Total Residual Arrears (DEO SR) minus**
- **Lump Sum Payment Amount**

34. Enter the balance as calculated above in the **Negotiated Payment Amount** field within the **DEO SR**.

 Where using the DEO Scheduling Calculator, this balance is automatically determined and returned in the **Negotiated Payment Amount** field.

Calculate On-going Maintenance (OGM) and Collection Fee amount

35. Calculate the number of collections remaining for the DEO schedule in order to calculate the OGM per period. There are two rules to consider when calculating the number of collections available:

- The first collection depends on when a schedule is being calculated. On or before the penultimate day in each month, the system assumes a deduction in the next DEO period, which appears as a collection on the 19th of the following month e.g. If calculating a schedule on 29th June, the system assumes a deduction in July which appears as a collection on 19th August. If completing on the 30th June, the first deduction is assumed in August and will appear as a collection on 19th September
- The last collection in a schedule depends on the annual review date of the case. The system schedules two more collections after the case annual review. To calculate this, check the annual review date and count the following two 19th of the month: e.g. annual review is 10th June the final two collection dates are 19th June & 19th July
- If the annual review date is the 19th then this date will still count towards the two final collections e.g. annual review is 19th June the final two collection dates are 19th June & 19th July

Once the first and last collection dates are worked out you can determine how many collections there are.

36. To determine the amount of OGM between now and the Annual Review, view the **Total o/s OGM until A/R** in the **Paying Parent Financial Accounts**.

37. As this figure contains only OGM, to determine the amount of Collection Fees until Annual Review, the following calculation is needed:

- **Total O/S OGM until A/R** divided by **Daily OGM Amount**
- Number of days (calculated as above) multiplied by **Daily Collection Fee** amount

38. To determine the amount of OGM and Collection fees each month, divide the total of the balances from **Steps 36** and **37** by the number of collections as determined at **Step 35**.

 Where using the DEO Scheduling Calculator, there is no need to perform this calculation. The amount is calculated automatically. The calculator determines the daily rates automatically by calculating the number of days between today and the Annual Review Date and calculating daily liabilities based on the Value in the Total O/S OGM until A/R field. The balance is visible in the **OGM per Period** field.

Calculate the Negotiated Arrears Amount

39. Enter the Negotiated No. Of Periods to Pay Across to calculate the amount the Paying Parent pays each month, this is independent of the number of collections for OGM. Consider whether this might affect the welfare of the qualifying child/ren (QC) or any other children linked to the case. For more information on discretionary decision, refer to the Policy, Law and Decision Making Guidance 

40. The system displays the **Negotiated Arrears Amount Per Period**. Multiply this amount by the **Negotiated No.Of Periods to Pay Across**. If the calculation is a couple of pence different to the **Negotiated Payment Amount** due to rounding, record the calculated value in the **Negotiated Payment Amount** field. This prevents an incorrect extra collection being made. Record that you have amended the value in this field in the SR Notes.

Deducting the OGM per period amount as calculated at step 38 from the max NDR amount (derived from the ATNIC calculator at step 26) will enable you to identify the maximum amount of arrears that can be collected each period without breaching the max NDR rate of 40%.

 Where using the DEO Scheduling Calculator, there is no need to adjust the Negotiated Payment Amount due to rounding. Both the **Negotiated Payment Amount (adjusted)** and the **Till Date Accrued Liability (adjusted)** fields in the calculator will automatically update to account for any rounding, these figures should then be entered into the DEO SR.

41. Tick both boxes to confirm that a **Negotiated Schedule** is in place and acceptable.

 Failure to do this will cause outstanding arrears to be rescheduled by the system at the point of annual review, over the length of the next promise to pay schedule.

Calculate the Normal Deduction Rate

42. Add together the **Negotiated Arrears Amount Per Period** (calculated at **step 40**) and **Regular OGM** and **Collection Fee** amount (calculated at **step 38**) and input this as the **Monthly NDR Amount** in the **DEO NDR Details** subview within the **Payment Schedule** view. Ensure this is not more than the **Max NDR** amount and make a note of the details you have input here.

After saving the record, the system will calculate the Weekly, Two Weekly and Four weekly equivalents of the NDR.

 If the figure breaches the NDR amount, return to the **Negotiated Arrears Amount per Period** field and input a revised amount. Where the Regular OGM amount breaches the Maximum NDR amount, consider alternative enforcement actions. For more information refer to [Arrears - Consider Action](#).

 Where using the DEO Scheduling Calculator, the Monthly NDR amount and/or the Monthly NDR amount (inc. DP liabilities) field will turn red if the Normal NDR breaches the Max NDR. It will also account for any Direct Pay liabilities within the schedule, based on the information gathered at **step 29**.

Create Promise to Pay Schedule and complete DEO set up

43. Return to the **More Info/Arrears** view of the Arrears Management - DEO SR, update the **Sub Status** to **Pending Schedule** and complete the Activity Plan. Create a Child SR by selecting **Schedule DEO - OGM + Arrears** from the **Create SR** dropdown which will generate the following SR:

- **Process = Perform Calculation**
- **Area = Payment Plan Only**
- **Sub Area = Arrears-enforced DEO**

44. Open the SR and set the **Status** to **In Progress**. Go to the **DEO NDR Details** sub view within the **Payment Schedule** view and resubmit the same information as entered in the DEO SR at **step 42**. For more information on setting up Promise to Pay Schedules where there are multiple DEOs refer to [MOPF Set Up - Multiple](#).

 In the **DEO NDR Details** tab you will need to remove lines if they are duplicated. Where the paying parent has two employers and the DEO is only being applied to one employer, the line containing the employer not subject to the DEO should be removed. If list of employers blank select **New** and choose the Paying Parent's employer.

45. Select **Promise to Pay** from the **Create Schedule** dropdown in the **More Info/Liability Calculation** view. Review the Promise to Pay schedule to confirm it has created as expected.

46. Record the action taken in the **Notes** view of the **Arrears Management - DEO** SR. If further arrears action is needed, record the reasons why. Consider whether this might affect the welfare of the qualifying child/ren (QC) or any other children linked to the case. Form more information on discretionary decisions, refer to the Policy, Law and Decision Making Guidance 

 A Lump Sum Deduction Order (LSDO) may be pursued as a parallel action. For more information about parallel actions refer to [Civil Enforcement Overview](#) or [Civil Enforcement Overview \(Scotland\)](#), and for LSDO refer to [Arrears - Consider Action](#).

47. Update the **Sub Status** of the **Arrears Management - DEO SR** to **Set Up Complete**. Select the relevant **Resolution Code** as follows:
- **Successful** – Parallel Action – when you have set up the DEO but need to take further arrears action. For more information refer to Evidence and Decision Making in the Policy, Law and Decision Making Guidance 
 - **Set Up Successful** – when you have set up the DEO and do not need to take any further arrears action
 - **Set Up Failed** – when the DEO setup failed and you are not waiting for new employment details from HMRC
48. Update the **Activity Plan** to show whether the schedule has breached the debt steer and whether further arrears action is needed. For more information on making decisions on the appropriate debt level refer to the Policy, Law and Decision Making Guidance 

Send Notifications

49. Send correspondence items **CMSL2019** and **CMSL2040**:

- CMSL2040 to the Employer;
- CMSL2019 to the PP;
- CMSL6063 to the RP

from **Arrears Management - DEO SR**.

Send correspondence items CMSL4080 and CMSL4081 to the clients from **Payments Plan Only - Arrears Enforced DEO SR**. **Cancel** the letter Outbound activity for the CMSL2019 and CMSL2040 within the **Payment Plan Only SR**.

50. Ensure all correspondence items have been sent before closing the SR. This may mean that you will have to wait until the following day to close the SR to allow letters to be issued.
-  If the case is with the Annual Review team, set the Lock Assignment Flag to prevent the case from moving and to allow the check to be completed. When it is confirmed that the letters have been issued, remove the Lock Assignment flag.
51. Close the SR by changing the **Status** **Closed** and the **Sub Status** to **Complete**.

To Consider When Issuing Letters

 CMSL2019 is an automated letter, however, it is important to drill down into the letter to select the **Recipient Preference** as **Contact**. Failure to do this will result in the letter being unable to determine its destination and cause an error. To ensure the correct figures populate on the letter, select the **Employer Name** and select the Employer in the **Account** field. When issuing CMSL2040, ensure that Employer is selected from the **Letter Outbound** applet in the **Account** tab.

 Issue CMSL2040 and CMSL2019 in the following scenarios:

- when completing the initial setup of the DEO;
- at Annual Review;
- when notified that the PP has failed the compliance opportunity and the DEO has increased from 50% to 100%;
- when the employer is being considered for referral to the Financial Investigation Unit (FIU);
- when notified by either the employer or Employer Payments team that:
 - the employer is refusing to adhere to the DEO schedule following a CoFC, as the amount shown on the schedule differs from the amount shown on the CMSL2040;
 - the initial CMSL2040 was issued with incorrect or no information;

 In certain circumstances the CMSL2040 does not generate correctly or does not reflect the arrears agreement made with the Paying Parent. Scenarios include:

- Multiple Employers
- Arrears only Direct Pay case exists within the Case Group
- Paying Parent has multiple active MOPf
- Two active cases - Maintenance Direct and Collect and Pay

If any of the above applies, a FT2040 needs to be issued clerically. FT2040 can be accessed here: http://intranlink/1/csa/btools/forms/2012scheme/forms/index.asp#P68_4057

 Where the case is arrears only, CMSL6063 must be created clerically and issued to the Receiving Parent.

The DEO should now be complete. The activity plan of the **Arrears Review SR** can now be updated and the SR closed.

 Once DEO set up has been completed contact may be received from the Receiving Parent asking when they can expect payment. Follow the Receiving Parent Lines To Take which can be found here - [Receiving Parent DEO Lines to Take](#)

DEO Missed Payment

Follow the steps below when a query is raised relating to a missed DEO Payment. A guide is available here:
[DEO Missed Payments](#)

Caseworker actions

1. Access the relevant case and determine if the question can be answered from the information held on the client account. If the relevant information has been located, continue with case progression. If the information required has not been located, continue to **step 2**.
2. Within the case record, obtain the **employer name** and **employer reference number (ERN)**.
3. Having obtained the employer details, access the employer record to determine if the required information is available.
 If the information has been located, continue with case progression.
 If the information has not been located, continue to **step 4**.
4. When unable to locate the relevant information, if possible discuss in person with your local DEO ambassador. If unable to discuss in person a list of DEO Ambassador e-mail addresses is below:

CSA South West DEO Ambassador EPT Queries
 CMG 2012 Birkenhead DEO Inbox
 CMG Falkirk 2012 Maintenance DEO Ambassador
 CMG South East 2012 DEO
 CMS 2012 Eastern DEO Queries
 CMS 2012 NI DEO queries
 CMG 2012 DEO Ambassadors (North East)

If unable to discuss in person, send the following information in the email to the local DEO ambassador for investigation:

- Identify if the source of the enquiry is - Client Complaint/MP Complaint/ICE (If applicable)
- Employer Name
- Employer Reference Number (ERN)
- PP SCIN
- Details of missed payment - Amount, date etc.
- Text of the question you wish to raise
- Any other information that may be of relevance

The email subject heading must include **one** of the following options:

- Client Compliant/Employer Name/Employer Reference Number
- MP Complaint/Employer Name/Employer Reference Number
- ICE/Employer Name/Employer Reference Number
- Employer Name/Employer Reference Number

Within the body of the email, the following must be included:

- Employer Reference Number (ERN)
- Employer Name
- PP SCIN
- Missed Payment Details - Amount and date(s)
- Text the question you wish to raise
- Any other information that may be of relevance

 Ensure that the email signature includes your name and telephone number.

5. Set an **activity reminder** and await a response from the DEO ambassador if the query has been raised via email.

DEO Ambassador

 Enquiries relating to the current months DEO Missed Payment are only to be submitted to Employer Payments Team after five days following the 24th of the month as before that time, any missed payment action may be currently being investigated.

6. Having received a query from a caseworker relating to a DEO missed payment, attempt to resolve the query using the client and/or the employer record.

If the relevant information has been located, provide a response to the originating caseworker.

If the relevant information can not be located, continue to **step 7**.

7. Send an email to the Employer Payments Team via 2012SCHEME.EPTQUERIES@DWP.GSI.GOV.UK. The email subject heading must include one of the following options:
- Client Compliant/Employer Name/Employer Reference Number
 - MP Complaint/Employer Name/Employer Reference Number
 - ICE/Employer Name/Employer Reference Number
 - Employer Name/Employer Reference Number

Within the body of the email, the following must be included:

- Employer Reference Number (ERN)
- Employer Name
- PP SCIN
- Missed Payment Details - Amount and date(s)
- Text the question you wish to raise
- Any other information that may be of relevance



Ensure that the email signature includes your name and telephone number.

8. Within the email, select the **Follow Up** option located on the tool bar at the top of the screen.
9. Select **Custom** and input the **Due Date**.



When the query relates to a complaint, set the due date for two days after the email is sent. When the query is not related to a complaint, set the due date for five days after the email is sent.

10. Add a "Tick" to the **Reminder** box and input the **Date** and **Time**.
11. Select the **OK** button and then send the email. The "Follow Up" is added to the **Tasks** field of the email inbox, to monitor any enquiries.
12. When the information has been submitted, advise the originating caseworker that the enquiry has been sent to the Employer Payments Team.
13. When a response has been provided by the Employer Payments Team, communicate this to the originating caseworker.
14. Delete the "Follow Up" action prompt if required.

Caseworker actions

15. When a response has been provided, continue with case progression.
16. **Close** to **cancel** the **activity reminder** if one is open.

Incorrect Initial Effective Dates

Incorrect Initial Effective Dates

Caseworker action

For more information on lines to take refer to [MP218 Lines to take](#).

1. Ask your team leader to move the Arrears management > Arrears Review service request (SR) in to the main hopper and then email the correct Area and Segment MP218 single point of contact (SPOC) Ensure that the following is included within the email:
 - In the subject field enter - **MP218 action required prior to DEO**
 - In the email body enter:
 - The paying parent's name
 - Master Case Number
 - Scheme client identification number (SCIN)
 - Details of the maintenance segment that the DEO/DER service request is held in (eg maintenance chance of circumstance, arrears management or annual review)

For more information on determining the correct SPOC email address, refer to [MP218 SPOCS email list](#).

SPOC action

2. The effective date will need to be checked to confirm that correct effective dates were used, check the 2012 scheme case effective date, once checked the transition case will be checked as well.
3. Navigate to the **Case** view and select **Activities**. Select **Query**, and in **Type**, select **Letter Outbound – Auto** this will list all system letters issued for case. The letter to be checked are:

- Receiving Parent/Child in Scotland applicant - **Liability Statement**
- Paying parent applicant - **Issue Maintenance Calculation Decision**

Select **Go to Correspondence** to view the **Letter Template**.



Where no letter can be found, check the case to confirm that a clerical letter was issued and the date the letter was issued on. Clerical letters issued have been scanned on to the system and can be viewed.

4. The **Created** field shows the letter creation date and the **Status** field shows if the letter was successfully fulfilled. Select **Open Generated Document** and view the effective date recorded in the letter. The effective date should equal the letter creation date plus next working day plus two days eg:

- Letter created date = 18/09/2013
- Next working day = 19/09/2013
- Initial Effective date = 21/09/2013

Compare this date with the effective date held in the **Summary Case Details** view for both the 2012 scheme case and transition case/s.

5. If the effective date of the letter matches the date held in **Summary Case Details**, no further action is required and continue with setting up the DEO in the **Details** tab.

Calculate correct arrears

6. Set the manual allocation flag and record in the SR Notes that the flag has been set pending a write off decision, for more information refer to **Manual Allocation Flag - Set Up**.
7. Navigate to the **Initial calculation** SR, select the **More Info** tab. In the **Liability Calculation** view, select **Calculation Breakdown**, make a note of the amount held in the **NRP's Final Daily Liability**.
8. Calculate the number of days from the correct initial effective date calculated in **step 4** and that of the initial effective date held on the system. Multiply the NRP's Final Daily Liability by this amount eg:

- Correct initial effective date = 21/09/2013
- System held initial effective date = 23/09/2013
- Number of days multiplied by daily liability of £27.04 = $£27.04 \times 2 = £54.08$

Make a note of this amount as it will need to be used for setting up the DEO as well as correcting the accounts.

9. Update the **DEO SR Notes** and **Case notes** to record the new correct effective date and the arrears amount to be corrected.
10. Set the DEO SR to Wait for five days using the following:
 - **Status = Wait**
 - **Sub Status = Not Started**
11. Set the **Lock Assignment flag** to prevent the case leaving the segment. For more information refer to **BOM - Segments Summary**.
12. Refer the incorrect arrears amount to the Write off and Part Payment team, for more information refer to **Arrears - Write Off**, starting at **step 4**.
13.  Contact the receiving parent and the paying parent to advise that the initial effective date has been amended and an amount of arrears has been removed from the system and issue CMSL0134 to the paying parent and CMSL0135 to the receiving parent.
14. Once the Write off and Part Payment team have completed their action, consider removing the **Lock Assignment flag**.
15. Continue with setting the DEO in the **Details** tab, make sure that the incorrect arrears amount isn't included.

CMSL0134 Important information about your child maintenance payments

Letter informing paying parent of incorrect effective date and corrected outstanding arrears

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

CMSL0135 Important information about your child maintenance payments

Letter informing paying parent of incorrect effective date and corrected outstanding arrears

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

CMSL2019 Your deduction from earnings order is attached

Letter to the paying parent informing them that a deductions from earnings order (DEO) has been set up with their employer.

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

It will include FT2040 (the DEO schedule) as an enclosure and be issued automatically by the system.

[CMSL2040 Deductions from earnings order](#)

Deductions from Earnings Order for Employer.

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

[CMSL6063 Your child maintenance payments – deduction from earnings](#)

Inform the receiving parent that the DEO has been set up and that the paying parent's arrears will be included within these payments going forward until the balance is cleared.

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

[Arrears Negotiation and Missed Payments](#)[Arrears Overview](#)[Arrears - Consider Action](#)[ATNIC Summary](#)[Change - Employment Status](#)[Change MOPF - Summary](#)[Civil Enforcement Overview](#)[DEO Scheduling Calculator](#)[DEO - Self Selected - Set Up](#)[DER - Enforced](#)[DER - Self Selected - Set Up](#)[Employer - Triage](#)[Enforcement Charge - Apply](#)[Fast Track Arrears to 2012 System](#)[Incident Management - Manage Incident Locally](#)[Manage Employer Overview](#)[Terminology Changes](#)[Transition \(Reactive\) - Invoke](#)[What is the normal deduction rate \(NDR\) when setting up a DEO?](#)

The caseworker will need to calculate the NDR using the automated tax and national insurance calculator (ATNIC) employed calculator which will represent an estimated 40% net income inclusive of arrears.

[What if HMRC returns no employment details for the paying parent?](#)

The caseworker will decide to set a desire for DEO flag and/or use an alternative method of enforcement e.g. regular deduction order (RDO), lump sum deduction order (LSDO), liability order (LO). Once the flag is set the system will check HMRC data every two weeks.

[Will a DEO only be applied if HMRC returns current employment details for the paying parent?](#)

Yes. A desire for DEO' flag should be set on the case which will then automatically re request employment information from HMRC every two weeks

[Can a DEO be implemented on more than one employer?](#)

Yes DEOs can be implemented on all employers.