Department for Work & Pensions Procedures ▸ DEO - Reconcile

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DEO - Reconcile

This procedure explains the steps to reconcile a deduction from earnings order (DEO) or a deduction from earnings request (DER). This action is dealt with by the employer's account manager within the employer payments team.

All employers with active DEOs are automatically issued with target schedules by the system. DER schedules are issued to the Ministry of Defence (MOD). Target schedules are issued at the weekend prior to the 6th of each month and contain a list of all the DEOs/DERs the employer/MOD is expected to perform in the following month.

Self service users receive a self service message prompt alerting them that their latest target schedule is available online. Non self service users will be issued with a paper copy of their schedule via post.

Self service is a user friendly and quick to use online portal that employers can access by secure login. The employer self service exist in addition to existing methods of contact but are encouraged as the first point of contact with the Child Maintenance Group (CMG) for any employer issues.

Where applicable, the employer returns the target schedule detailing any changes that are due for the period, this is known as an actual schedule. If an actual schedule is not received when the DEO/DER payment is received a service request (SR) is generated and the account manager will undertake manual reconciliation of DEO/DER payments against the target schedule.

Where a DEO/DER payment received from the employer/MOD does not match the schedule, the system automatically generates a DEO exception SR and allocates this to the employer account manager. Where the employer is not assigned with an account manager the SR is allocated to an employer payments team leader, they then assign this to an employer payments team caseworker.

CMG's preferred method of payment for employers is via Bulk payment. If an employer refuses or is unable to use this method, they can also pay via Employer Reference Number (ERN) Detailed Automated Credit Transfer (DACT) and paying parent (PP) DACT.
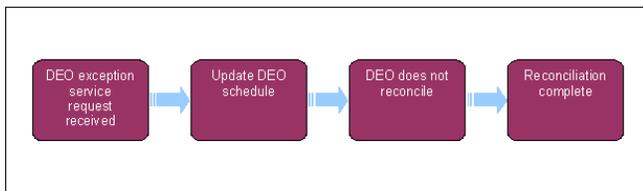
Employers paying by ERN DACT will send individual payments for each employee on the schedule to the Employer Record.

Employers paying by PP DACT will send individual payments for employees on the schedule direct to the paying parent account. This is not the preferred payment method and is only to be used when an employer refuses to change to Bulk Payment or ERN DACT.

The payment method will be agreed within the Welcome Call and will be documented within the employer notes.

Reconciliation of the employer team suspense account must take priority and be cleared within four days of the expected payment date.

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

ℹ When speaking to clients always use the new terminology. For more information refer to Terminology Changes.

ℹ 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.

DEO/DER service request (SR) received

1. The following SR will be received when an employer has made a payment and has:

   - not sent in a schedule, or;

   - returned a schedule via email, or;

   - returned a schedule via post.

     - **Process = Employer**

     - **Area = DEO Schedule**

     - **Sub Area = Create**

The following SR will be received when an employer payment does not match the schedule received via self service or an error has been made by an employer account manager when manually entering an actual schedule:

- **Process** = **Employer**
- **Area** = **DEO Schedule**
- **Sub Area** = **Exception**

2. Within the SR select **Status** and change to **In Progress**. This generates an activity plan for to follow. An activity plan is a list of activities to be carried out to enable the completion of the reconciliation.

3. Select the **Go To Employer**, the following information is then viewable:

- Employer schedule
- Service requests
- Account statements - When the employer is paying via ERN DACT, this will show within the account statement view as individual payments for each PP on the schedule;
- Activities
- Non resident parent (NRP) national insurance number (NINO)
- Employer Notes

4. Where an employer payment has been received but a schedule hasn't, check through any outstanding inbound correspondence work items received from the third party contractor. If a schedule is located input it into the system, for more information refer to DEO - Actual Schedule. If unable to locate a schedule:

- Where an employer has a single DEO and the payment received matches the amount requested on the target schedule, the system will automatically allocate the payment to the relevant account without the need for Employer Payment Team intervention.
- Where an employer has multiple DEOs and the payment received matches the amount requested on the target schedule, check the previous payments made. If the payment matches the payment on previous schedules accept the payment. For more information refer to DEO - Actual Schedule.

Otherwise contact the employer and either confirm the information over the phone or request they send the schedule in.

5. If the employer payment does not match a schedule received go to **Schedule Does Not Reconcile**

6. If the payment does match the schedule received, continue to **Reconcile Schedule**

7. If an error has been made by an account manager when completing an actual schedule review the schedule and re-enter it once the error has been identified, for more information refer to DEO - Actual Schedule.

Reconcile Schedule

8. Confirm which schedule the payment from the employer relates to, then input the **Start Date** and **End Date** as follows:

- For monthly schedules, use the dates 6th of the month to the 5th of the following month in line with the schedule that was issued to the employer. This is irrespective of the dates given by the employer; or
- Where the period covered by the payment is less than a full month, use the dates provided by the employer

9. Where it is clear that the payment is for a period less than a full month but there are no dates provided by the employer, calculate the best dates to use. Consider the employers previous payment pattern or make a reasonable assumption, e.g. if the amount received is around a quarter of the expected full amount, the payment is likely to be a weekly payment. When calculating the best dates to use, use either:

- The 6th of the relevant month as the **Start Date** where this is the first payment for the monthly period; or
- The day after the last **End Date** where other payments have been made for this monthly period.

10. Select each paying parent NINO individually. When a NINO is selected view the paying parent's DEO/DER breakdown.

11. For any payment updates received from the employer/MOD amend the DEO/DER actual schedule. To do this select the original SR (**DEO Exception** SR) and select the **Amend DEO Schedule/s** view.

When dealing with an underpayment from MOD, check the paying parent's contact address. If the address is **JPAC Process team**, this indicates the paying parent is on active duty. Update the **Notes** field and the SR to show that no arrears action is required against the paying parent on active duty. For more information refer to Active Duty Flag.

12. Select the checkbox for each paying parent to be updated and then select **Update Selected NRP/s**.

13. This will go to the **DEO Schedule Updates** view. In this view appropriate updates can be made, as per any recent updates received from the employer/MOD. To update the amount to be received for each paying parent, amend the **Actual Amount** box.

14. For paying parents to be removed from the schedule, update the **Reason For Revision** box with the reason why the paying parent is no longer on the schedule e.g. NRP Dead, Left Employment. This will automatically generate an SR for the maintenance team to action the change.

15. Once all amendments to the schedule have been made select **Commit Updates**. If the DEO/DER now reconciles, go to **Reconcilliation Complete**. If it does not reconcile, go to **Schedule Does Not Reconcile.**

Schedule Does Not Reconcile

16. In cases where the DEO/DER still does not reconcile or there have been no updates received from the employer/MOD, contact the employer/MOD and discuss the discrepancies, explaining the Child Maintenance Group (CMG)'s expectations and outlining next steps.

17. Once contact is made, confirm:

- List of employees with a DEO/DER

- Have any paying parents left employment

- Payment received and payment on actual schedule

- If there is a shortfall - has a clerical error been made by the employer. For more information refer to Employer - Handle Missed Payment SR.

 If employers/MOD have 2012 scheme cases only or a mixture of 2012 scheme and 1993/2003 scheme cases they should use the CMG preferred method of payment of BACS payments.

18. If any of the paying parents are reported to have changed their circumstances or left employment go to the **DEO Exception** SR and select the **Amend DEO Schedule/s** view.

19. Select the checkbox for each paying parent to be updated and then select **Update Selected NRP/s**.

20. This goes to the DEO Schedule Updates view. In this view amendments can be made for any paying parent that need to be amended or removed from the actual schedule.

21. The values that can be chosen to explain the discrepancy in payment are:

Employers (DEO)	Armed Forces (DER)
Add stat paternity pay	Add stat paternity pay
Deceased	Deceased
Full deduction not sent	Left employment
Left employment	Minimum drawing rate applies
Multiple reasons	Multiple reasons
NRP change of income	NRP change of income
Payroll frequency not aligned	Protected earnings
Protected earnings	Redundancy
Redundancy	Statutory adoption pay
Remove - not required	Statutory maternity pay
Statutory adoption pay	Statutory paternity pay
Statutory maternity pay	Statutory sick pay
Statutory paternity pay	
Statutory sick pay	

22. For each paying parent where the deduction received is less than the full rate enter:

- **Record Code** = record the relevant reason code

- **Reason For Revision** = updated successfully against the DEO schedule records

 In circumstances where the paying parent is now deceased or no longer works for the employer, the entered Reason Code and Reason For Revision will prompt the system to automatically create a Change Of Circumstance (CofC) SR for a maintenance caseworker to update the paying parent's case.

23. Once the actual schedule is updated with all changes select **Commit Updates**.

24. Where a clerical error has been made by either the employer/MOD or the CMG the amount for the paying parent will need to be amended. For more information refer to DEO - Update.

Reconciliation Complete

25. Once the reconciliation is complete, review the updated employers actual schedule. Select **Retrieve Schedule Total** and **Account Balance**. The reconciled schedule amount should match the actual amounts.

26. The system automatically determines the difference between the reconciled schedule amount and the actual amount.

27. When the reconciled schedule amount matches the actual amount, access the SR and select **Amend DEO Schedule** and then select **DEO Schedule Updates** view for each paying parent that has been amended.

28. Update the drop down reason for revision as either:

- Incorrect payment sent

- Incorrect bulk schedule amount

- Incorrect line entries

- Duplicate schedule created

This depends on the reason provided by the employer for the revision.

29. Any difference is recorded in the **Overdraft/Refund Amount Data** field, an overdraft is displayed in brackets (). Where there is an amount recorded in this box. For more information refer to Employer - Provide Refund or Employer - Use Overdraft.

30. When the schedule and payment reconcile, select **Confirm Schedule**. Once completed this commits the schedule to BaNCS.

Error message after employer has reported left or deceased CSA scheme paying parent

When an employer edits the DEO schedule on the Employer Self Service Portal and reports a 1993/2003 scheme paying parent as a leaver using the reason codes "left employment" or "deceased", the system attempts to generate an SR for investigation. As the paying parent does not exist on CMS2012 an error is created. To remove the error complete the following actions:

31. Go to the **homepage** and select the **Accounts tab** and **Query** tab.

32. In the **Name** field enter the name of the employer (or the first two letters and *) and select **Go** to run the search

33. Highlight the name file of the relevant employer and drill down into the account

34. Select the **More** tab and **Errors** tab.

35. Highlight the **1st log ID** and scroll down to view the full details

36. From the **Exception Status** dropdown select **Ignore** from the three options (open/resolve) and save the record. Repeat these steps until all error items are completed.

37. To remove the CSA paying parent from the employer target schedule, create a new SR within the employer account with the following values:

- **Source = Employer**
- **Process = Employer**
- **Sub area = Update**

Set the SR to **In Progress**.

38. Select the **More** dropdown arrow and select **Amend DEO Schedule** check box.

39. Update the **selected paying parent** and the Reason for Revision as **Remove** and **save**.

40. Update the Reason for Revision to **Incorrect Line Entries** and the **Status** to **Revised Confirmed** and **save**.

41. Update the **activities** and **close** and **complete** the SR.

Active Duty Flag

Change Employment Status

Credit/Debit Card - One Off Payment

DEO - Actual Schedule

DEO - Self Selected - Set Up

DEO - Target Schedule

DEO - Update

DER - Self Selected - Set Up

Employer - Handle Missed Payment SR

Employer - Provide Refund

Employer - Refer To Enforcement

Employer - Triage

Employer - Use Overdraft

Terminology Changes