Department for Work & Pensions Procedures ▸ Direct Pay Liability Correction

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Direct Pay Liability Correction

An issue occurred with clients with a direct pay start date prior to 30/06/2014 during the bulk reschedule following the introduction of collections fees. This means that some direct pay liability was not automatically satisfied between 30/06/2014 and 10/08/2014. This procedure sets out the corrective action required to correct this liability and should only be followed on direct pay cases with a start date prior to 30/06/2014 for which a change of circumstances that will change the liability has been reported.

Clients who changed to direct pay after 30/06/2014 or who have had an annual review or a schedule produced after 11/08/2014 are unaffected by this issue.

Check with both clients how much was paid directly between 30/06/2014 and 10/08/2014 inclusive.

If any payments have been made for this period then this procedure must be followed.

1. Create a service request (SR) with the person reporting the change as the contact. From the drop down list select:

    - **Process = CofC**

    - **Area = Review Case**

    - **Sub Area = DP adjustments**

    - **Reason = Partial Payment**

    Update the **Source** field with person reporting the change.

2. Navigate to the **CoC More Info/DP Adjustments** tab. Within the applet select the **Last Name** MVG to populate with the other party in the case. Set the **Status** of the SR to **In Progress**.

3. Calculate how much liability was due for the period 30/06/2014 - 10/08/2014 during which the client paid directly. To work this out check the paying parent liability schedule and identify any liabilities that were posted during 30/06/2014 - 10/08/2014. This will be the total amount of any unsatisfied liabilities as well as the amount left of any partially satisfied liabilities.

4. Update the **Overpay/Underpay Amount** field with the amount calculated at the previous step.

5. Update the **Sub Status** to **Overpayment**. In the **CoC More Info** tab tick the **Evidence Confirmed** box and update the **Adjustment Type** field to **Overpayment**.

6. Set the **Status** of the SR to **Pending Approval** and **Sub Status** to **Pending Approval - TL** to send to your team leader for approval.

    ### Team Leader Action

7. Set the **Action** to **Approved**, enter reasons for approval (optional) and return to the caseworker.

    ### Caseworker Action

8. Set the **Resolution Code** to **DP Adjustments Accepted**.

9. Select the **Create DP Non Scheme SR** button.

10. The system creates a child SR with the following values:

    - **Process = Payments**

    - **Area = Manage Payments**

    - **Sub Area = DP Direct Non Scheme**

11. Update the **Status** of the child SR to **In Progress**.

12. Select **New**, the BaNCS Account Numbers should automatically populate, if they do not, select the NRP and the relevant **PWC BaNCS Account Number**.

13. Input the amount previously accepted in the **Amount Paid** field and update the reason code with **Overpayment**.

14. Select **Get Payment Allocation Details** to view the active liabilities the paying parent has on BaNCS for the receiving parent account. Tick the **Select** box next to the liabilities you want to assign the overpayment to and select **Update Siebel**.

15. Assign the payment amount in the **Amt Allocated** field next to each selected liability until the total payment is cleared or covered all of the liabilities. Any excess is stored on the system for future liabilities.

16. From the **Payments/Payment Allocation** tab set the SR **Resolution Code** to **DP Non Standard Payment Accepted** and select Ctrl and S to save progress. The **Status** and **Sub Status** of the SR are automatically updated and an approval work item will be sent to the team leader (TL) for authorisation.

    ### Team Leader Action

17. Set the **Action** to **Approved**. Complete the comments field with the reasons for approval (optional). Return to the caseworker.

Caseworker Action

18. In the child SR, within the **Payments/Payment Allocation** tab update the SR **Resolution Code** to **DP Non Standard Payment Accepted**.

19. Before selecting **Submit Payment Allocation Details** to update BaNCS with the payment, ensure the resolution code is showing **DP Non Standard Payment Accepted**.

20. To issue a new P2P schedule go back to the **DP adjustments** SR and select **DP Non Scheme P2P** from the **Create SR** field.

21. From the **Perform Calc** SR, issue letter CMSL4080 to the paying parent and issue CMSL4081 to the receiving parent, the letters will have the new P2P information.

22. Once you have completed the letters close all three SRs the following day to allow the letters to be issued, update the **Status** to **Closed** and the **Sub Status** to **Complete**. Ensure all activities are closed as the SR will not close if any activity remains open.

23. E-mail CFAT to carry out financial reconciliation on these changes, using the address 2012SCHEMECFAT.BANKING-ACCOUNTING@DWP.GSI.GOV.UK, or in Northern Ireland use CM 2012 Scheme NI CFAT. In the e-mail provide the following information:

    - the SCIN of the case

    - the date the SR was started/finished

    - the amount of collect and pay arrears outstanding

24. Return to the change of circumstances procedure to begin the change.