



Exceptional Case - Create Payment Schedule

Initially there may be a small number of cases that cannot be set up or supported on the 2012 system. There are two types of cases identified for exceptional case handling:

- Type one cases cannot be started on CMS2012 as one or more case participant has no national insurance number (NINO) or child reference number (CRN)
- Type two cases are initially on CMS2012 and due to an incident that prevents progression these cases are moved to 2012 exceptional case handling solution

The application process; gathering and verifying information, parentage process, issuing relevant letters, maintenance calculation and payment process will be managed offline.

This procedure shows caseworkers how to create the paying parent's promise to pay (P2P) schedule manually, and a subsequent payment plan for the receiving parent.



Where the case has been assessed on the 2012 system, but then becomes a type two exceptional case, any payment schedule that has already been calculated on the system will need to remain in place, along with any arrears agreement.

The following tools will help in calculating the schedule:

- Calculation tool - provides the effective date of the paying parent's liability, the weekly liability amount and the annual review date
- Application tool - this provides the date the case was made Exceptional, the MOPF and the payment frequency
- Date Calculator - this tool is available on the **calculation tools** section of the intranet, and can be used to determine the number of days/weeks from the calculation date to the annual review date

If there is no agreed method of payment from (MOPF) in place, refer to **Method of Payment From - Set Up Initial**. Once a MOPF has been established, to calculate the amounts of ongoing maintenance (OGM) for each collection due you will need to work out the total annual liability and then divide this by the number of collections for the year.

When calculating P2P schedules, you will need to consider the following points:

- The paying parent always pays in arrears - the first payment date should therefore be after the date of the first liability posting. The last payment in the schedule (or last two payments if the MOPF is a deduction from earnings order (DEO)) should be on or after the annual review date.
- Direct debit cannot be used as a MOPF for ECH cases, the preferred MOPF's are standing order, credit or debit card, deduction from benefit and direct pay. Use the **Worldpay** icon on your desktop to take credit/debit card payments - for further information refer to [Credit/Debit Card - One Off Payment](#).

Weekly and monthly liability schedule examples

Note that the below examples are for a full year's schedule - the number of weeks or months in a schedule will be less where a change of circumstances calculation is performed part way through the year.

If the weekly liability is £124.00 - divide this by seven to obtain the daily rate: **£124.00/7 = £17.71 (round the daily rate to two decimal places)**

£17.71 x 365 = £6464.15 (round the annual liability to two decimal places)

For a **weekly** schedule, divide this figure by 52 = £124.31 per week (rounded to two dp). Therefore the paying parent will make 52 payments of **£124.31**.

Note that as £124.31 x 52 = £6464.12 the paying parent will have underpaid by three pence - this will be added to the payments that are due the next time a P2P schedule is produced.

For a **monthly** schedule, divide the annual liability figure by 12 = £538.68 (rounded to two dp). Therefore the paying parent will make 12 payments of **£538.68**.

Again, note that as £538.68 x 12 = £6464.16 the paying parent will have overpaid by a penny - this will be deducted from the payments that are due the next time a P2P schedule is produced.

If a change of circumstances calculation is performed part of the way through the year then the annual liability will be calculated using the number of days from the calculation date to the annual review date (the amount accrued from the effective date to the calculation date will be classed as arrears). The regular OGM will be the maintenance due from the calculation date to the annual review date, divided by the remaining number of collections.

Where the case is assessed as an exceptional case, and has arrears, the arrears will be calculated by dividing the amount into 12 equal payments. For further information and guidance on scheduling the arrears, refer to the **Arrears** section of the procedures.

DEO Schedule

When creating a P2P schedule where the MOPF is DEO, the DEO payment date should be set for the 19th of the month, with the frequency set as monthly. The first DEO payment date will be set depending on the date in the month when you are calculating the schedule. The employer DEO deduction period runs from the 6th of one month to the 5th of the next. For example, if the deduction period is the sixth of May to the fifth of June:

- If completing the process on or before the 30th in a 31 day month, 29th in a 30 day month or the 27th February, account for a deduction in the the next available deduction period, to be sent to the Child Maintenance Group (CMG) by the 19th of the following month. For example, if you are completing the schedule on or before the 29th April, then a deduction should be expected in the May Deduction period, with the first collection due to be sent to the CMG by the 19th June (this will be the first date on the promise to pay schedule).
- If you are calculating the P2P schedule less than six days before the deduction period starts, e.g. the 1st May then the first collection should be expected in June with the collection due to be sent to the CMG on the 19th July (this will be the first date on the promise to pay schedule). The reason for this is that the cut off date for generating a target schedule for May will have been missed.

For further information on the set up of DEO's, refer to [DEO - Self Selected - Set Up](#), and [DEO - Target Schedule](#). If the paying parent is in the armed forces, for further information on setting up a deduction from earnings request (DER) refer to [DER - Self Selected - Set Up](#).

Calculate payment plan and issue clerical schedules

Once calculated, the P2P schedule will need to be completed clerically on form FT0004 and issued along with the relevant calculation letter in the **2012 Scheme letters** homepage. Create the receiving parent's payment plan based upon the dates that the paying parent will be making payments. The payment plan will need to be completed on form FT0005 - you will need to calculate the OGM for each receiving parent in the paying parent's casegroup by using the receiving parent's weekly liability rather than the paying parent's (as the paying parent's will be the liability for all cases). Use the examples above to calculate a weekly or yearly schedule for each receiving parent.



A separate FT0005 will need to be completed for each receiving parent in the paying parent's casegroup.

Once you have calculated the receiving parent's schedule, enter the collection dates and OGM amounts in the **Collection date** and **Amount you should receive** columns. The dates should match those in the P2P schedule. Ensure that you select the optional drop down paragraph which advises the receiving parent:

"Please allow at least six working days from the collection dates above for the payments to reach you. This is because of the time it takes for banks and building societies to pass money between accounts."

Where there is a change to the MOPF, or there is a case in the casegroup which is arrears only, you will need to complete a CMSL4080 to issue the P2P schedule to the paying parent, and a CMSL4081 to issue the payment plan to the receiving parent.



If the P2P schedule contains debt not owed to the receiving parent, letter CMSL4081 must be clerically issued.

Enter full details of the P2P schedule and arrears balance in the **Payment Management** section of the **Receipts and Payments Tool**. Before issuing a P2P schedule or payment plan, pass the notifications to the team leader for checking. Update the ECH Case Management Tracker with the actions you have taken. When payment is received from the paying parent, update the tracker tool with details of the payment(s) received.

Arrears Management

The tracker will highlight any payments not in the agreed tolerance amount (set at 91% of the expected amount). When a payment is received for less than the expected amount (10% or more), you will receive a prompt from the **ECH Receipt and Payments tool**. When you receive an arrears prompt or need to take any arrears action, follow the 2012 scheme arrears management process. The 2012 Arrears Routing Logic is replicated manually in ECH. For further information refer to [Arrears-overview](#).

To take a card payment from a client or, where there is a deduction from earnings order (DEO) in place, the paying parent's employer, refer to [Exceptional Case - Credit/Debit Card - One off payment](#).

If the need to write off debt occurs whilst the case is being maintained in ECH, the debt is written off using the **ECH Receipts and Payments Tool**.

Any payment negotiations with the paying parent must be recorded on the **ECH Case Management tracker** tool. If negotiation with the paying parent fails consider a referral to enforcement - for further information refer to [Arrears - Consider Action](#).

If the paying parent has missed a payment due to an outstanding change of circumstances, calculate the new liability. For further information refer to [Exceptional Case - Assessment](#). Record the details of the change of circumstances in the **ECH Information Gathering Tool**, and update the **ECH Case Management Tracker**.



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.

Edit this page to modify your web part content.

[CMSL4080 Your payment plan for effective date of payment schedule to last payment date of schedule](#)

Schedule of payments for a paying parent, in a non-change to liability scenario (change to method of payment or arrears only case)

Use the drop down fields to select the relevant scenario. In the 'Your Payments' section enter the total amount of OGM due, the collection dates, payment amounts and payment method for the full schedule.

[CMSL4081 Your expected payments plan](#)

Schedule of payments for a receiving parent, in a non-change to liability scenario (change to method of payment or arrears only case)

Enter the dates that the payment plan runs from and to, use the drop down to enter the QC details, add the weekly child maintenance amount. Use the drop downs to select the relevant scenarios.

FT0004 Payment Plan

Schedule of payments for a paying parent, as part C of a calculation liability letter
Use the FT0004 toolbar on the top left of the screen to choose the relevant paragraphs.

FT0005 Expected payments plan

Schedule of payments for a receiving parent, as part C of a calculation liability letter
Use the FT0005 toolbar on the top left of the screen to choose the relevant paragraphs.

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[Credit/Debit Card - One Off Payment](#)

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

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