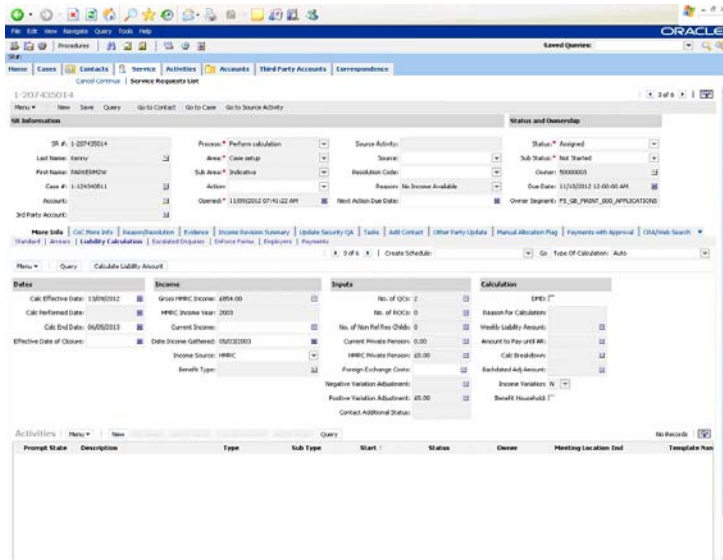


Letters (Outbound) - Financial Information

The purpose of this summary is to show you how to view and understand financial information relating to a case. This information is useful for general case enquiries and is also necessary when completing Calculation Letters as part of the [Letters \(Outbound\) - Contingency Summary](#) procedure.


To obtain this information from the system, firstly select the **Case Number** hyperlink for the relevant case. You will then need to select the non resident parent (NRP), and then select the most recent **Perform Calculation** service request (SR). This will generate the **Liability Calculation** tab, which will provide you with more detailed information on how the assessment was calculated (note that some of this information is accessed by selecting the icon next to the Calc Breakdown field):



Within this tab, the following information will be listed (note that some of this information is accessed by selecting the icon next to the Calc Breakdown field):

- **NRP Income Considered For Assessment** – this shows the paying parent’s income source e.g. Annual Income from Her Majesty’s Revenue & Customs (HMRC)
- **Reason For NRP Income Considered For Assessment** – the reason why the income was considered acceptable and chosen e.g. paying parent’s annual income from HMRC is available and not older than six years
- **NRP Final Weekly Liability** – this is the weekly amount the paying parent has been assessed to pay
- **NRP Final Daily Liability** – this is the weekly amount the paying parent has been assessed to pay, converted to a daily amount.
- **NRP Final Annual Liability** – this is the weekly amount the paying parent has been assessed to pay, converted to a yearly amount
- **NRP Annual Payment Amount** – this is the amount of regular maintenance that the paying parent will be expected to pay over the course of a year
- **Is Default Maintenance Decision Applicable?** – if a (DMD) is in place because the paying parent has not supplied any information, the Check box will be ticked
- **ROC Reduction Rate For NRP** – any reduction amount that would apply because the paying parent has a relevant other child (ROC).
- **NRP Overall Income Band** – this is the calculation category used to complete the maintenance calculation e.g. basic, basic rate plus, reduced rate.
- **NRP Negative Variation Amount** – the amount the paying parent’s gross income has been decreased as a result of a special expenses variation.
- **NRP Positive Variation Amount** – the amount the paying parent’s gross income has been increased as a result of an additional income variation
- **NRP Weekly Income After Variations** – the paying parent’s weekly income after standard deductions figure plus or minus any adjustments due to variations.
- **NRP Lower Income Limit for Assessable Income (-25%)** – if the paying parent’s income falls below this value following a change of circumstances, a recalculation will be triggered. This value is calculated as 75% of the income used in the calculation.
- **NRP Upper Income Limit for Assessable Income (+25%)** – if the paying parent’s income exceeds this value following a change of circumstances, a recalculation will be triggered. This value is calculated as 75% of the income used in the calculation.

- **Number Of Days Between Annual Reviews** – this field shows the number of days in the year remaining until the next annual review (AR). The AR date will always be the Anniversary of the Effective Date of the initial case.
- **Number of Days in the Year** – this will be 365 days or 366 if there is a leap year.
- **Number of Days for Calculation** – the number of days from the Effective Date of the calculation to the next AR date.
- **NRP Amount of Deduction for Local Authority Shared Care** – this is the shared care reduction amount applied to the paying parent's maintenance calculation if any of the Qualifying Child/ren (QC's) spend any nights in Local Authority (LA) care.
- **NRP Gross Annual Income Available For Assessment** – the paying parent's gross annual income available for assessment used for a specific calculation – this will either be the amount stated by HMRC, the paying parent or paying parent's employer.
- **NRP Gross Weekly Income Available For Assessment** – this is the weekly gross income figure the system has converted from the gross annual figure.

• **NRP Notional Benefit Assessment** – where the paying parent is not in receipt of a prescribed benefit, a notional benefit calculation will be performed by the system to determine whether a standard or non standard deduction would be appropriate if the paying parent claimed benefit. For more information refer to the Policy, Law and Decision Making Guidance. 

- **NRP On Special Category** – this will apply where the paying parent is assessed at a nil rate, if the paying parent is on a special category e.g. because they are a prisoner or a child, this field will show as **True**.
- **NRP Amount of Deduction For PWC Shared Care** – the amount of liability deducted from the paying parent's assessment for shared care.
- **Maintenance Rate Applied to NRP** – the type of assessment that will be applied to the paying parent based on their income amount e.g. reduced rate, basic rate, flat rate. If the paying parent is assessed at a basic rate with one QC, no shared care or ROC/s this will be displayed by the system as 12%.
- **Is NRP On Allowable Benefit Types?** – any benefit type that would produce a flat rate assessment e.g. income support.
- **NRP Liability Until AR** – the amount remaining for the paying parent to pay until the next AR is due.
- **NRP Income After Applying Reduction for ROC** – the paying parent's annual income figure after deductions for private pension contributions, foreign exchange costs and deductions for ROC's.
- **NRP Assessable Weekly Income** – the paying parent's annual income figure (current or historic), less any deductions, divided by 365 and multiplied by 7.
- **NRP Gross Annual Income After Standard Deductions** – the paying parent's annual income once any deductions for private pension contributions and foreign exchange costs have been taken into account.
- **NRP Weekly Income After Standard Deductions** – the paying parent's weekly income once any deductions as highlighted above have been taken into account.
- **Is NRP On Benefit Household Allowance?** – where the paying parent is part of a benefit household with another paying parent, the flat rate liability will be split between both paying parents.
- **NRP Has Earned Or Unearned Income** – an unearned income variation may be applicable where the paying parent has income from property, savings and investment or miscellaneous income. This will display as **False** where there is no unearned income.
- **Amount Of Deduction In NRP Assessable Weekly Income Based On ROC/s** – the paying parent's weekly income figure (current or historic) less any deductions, taking into account any reductions for ROC's.
- **NRP's Weekly Liability Before Shared Care Reduction** – paying parent's weekly liability before making adjustments for shared care.
- **The Liability Is Recalculated After Shared Care Adjustment To Force Flat Rates** – this will apply where shared care has reduced the maintenance calculation to a flat rate amount, and if applicable will be displayed as **True**.

System calculation errors

There are some instances where the system is not able to produce accurate calculation figures. In these circumstances, you will need to use the **offline calculation tool** to manually calculate the correct figures. The following parts of the calculation letters will require the figures to be calculated manually:

- **NRP amount of deduction for PWC shared care** - This is located in the part B tables of the calculation letter, as paragraph 'As a result of any shared care decisions above, your weekly amount of child maintenance at step 5 is reduced by £xx.xx'
- **NRP's upper and lower limit for assessable income** - You will to manually calculate the figures for the paragraphs in part A 'Because your gross weekly income is £(gross weekly income) per week, this means your income would need to rise above £xx.xx per week or fall below £xx.xx for your payments to be affected' and 'Because your gross income is £(gross weekly income) a week, this means you must tell us if your gross weekly income rises above £xx.xx a week'
- **NRP's gross annual income available for assessment** - In the part B table of the calculation letter you will need to enter the **HMRC** or Current Income Amount into this field as displayed in the **Perform Calculation SR**
- **NRP weekly liability before shared care reduction** - this figure should be correct, however this should be checked by performing the calculation manually
- **NRP's weekly liability before shared care reduction and QC's liability amount before shared care** - Where the paying parent is on benefit and has a partner who is also a paying parent, you will need to manually calculate these figures and add them to the relevant sections of the part B tables in the calculation letter

- When the paying parent is on benefit, a value of **unknown** may be returned for the following areas in the letter - **NRP's gross annual income available for assessment, NRP's gross weekly income available for assessment, NRP's weekly income after standard deductions, NRP's weekly income after variations, NRP's assessable weekly income, NRP's lower limit for assessable income (-25%), NRP's upper limit for assessable income (+25%)** - the figure will therefore need to be manually calculated in any of these scenarios where the unknown value applies.
- **QC's liability after shared care reduction** - where there is equal shared care the system is unable to perform the correct calculation, therefore the liabilities in parts A and B of the letter will need to be calculated manually.



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.

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[Letters \(Outbound\) - Contingency Summary](#)

[Letters \(Outbound\) - Off System](#)