



## Method Of Payment To - Set Up Initial

This procedure takes you through setting the initial method of payment to (MOPT) for a receiving parent. The MOPT is the method where the Child Maintenance Group (CMG) process payments received and pay money out to the receiving party, which is usually the receiving parent.



This process will need to be followed when making a non standard payment, for example a refund to a paying parent or a third party where they have not previously required a MOPT. This process will be completed by the caseworker that owns the case at the time the refund becomes due.

The process is usually completed by caseworkers in the application service and is launched during the application for child maintenance. This may be in the form of a telephone application or when we receive a paper application. Where a non standard payment is being considered, the caseworker in the owning segment will complete all steps.



When setting up a method of payment to, for the first time on an arrears only case, the owning segment will complete all steps. If the RP cannot be contacted, then account details held on CSCS or CS2 can be considered.

This process includes gathering the MOPT details and entering these on the system. The MOPT will either be Direct Payment or Post Office Card Account (POCA). Direct Payment is where child maintenance is paid into the receiving parent's bank or building society account. POCA is where child maintenance is paid into the receiving parent's POCA. Clients' must be actively encouraged to open a bank, building society or credit union account. Clients' applications cannot be progressed if they are unable to obtain a bank account or building society.



POCA is not a preferred method of payment to (MOPT) and should only be used when a client is unable to open or manage a bank, building society or credit union account.

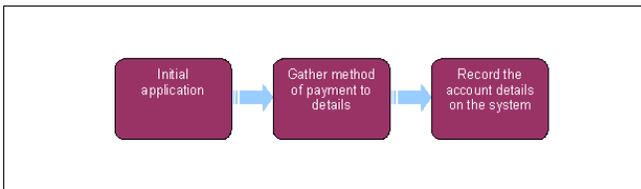
As part of on-going case management, when POCA is set up as a MOPT, contact should be made to the Receiving Parent (RP) to determine if their circumstances have changed and an alternative MOPT can be used. For more information refer to [POCA - Set Up](#).

Before setting up MOPT details, you should make the receiving parent aware that they can avoid any collection fees by making their own family based arrangement, or by choosing to pay by direct pay. For more information refer to [Collection Fees - Summary](#) and [Direct Pay Summary](#).

You will also need to consider whether the paying parent is likely to pay maintenance before giving advice about direct pay. For further information refer to the Law, Policy and Decision making guidance 

For more information on the details required for different types of accounts, e.g. current account, building society account, select the direct input guide for bank wizard in the following link <http://bankval/>.

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



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.



Before setting up a method of payment, verify the existing MOP to ensure that the system or another caseworker has not created/replaced the exact same MOP. To do this select the client's **Contact** then select the **Financial Accounts** view. Check for a status of **Active** within the **Payment Profile** tab to confirm if a current MOP is held. Check the details of the active MOP to determine whether action is still needed.



This procedure is based upon setting up the method of payment to (MOPT) at application stage. The below step actions may need to be carried out by caseworkers in other segments e.g. steps 6-9 may need to be carried out by maintenance caseworkers.



POCA is not a preferred method of payment to (MOPT) and should only be used when a client is unable to open or manage a bank, building society or credit union account.

As part of on-going case management, when POCA is set up as a MOPT, contact should be made to the Receiving Parent (RP) to determine if their circumstances have changed and an alternative MOPT can be used. For more information refer to [POCA - Set Up](#).

 Remember to set DEO desire flag in default standing order cases, except in cases where the paying parent is self employed.

## Arrears only case groups

 When setting up a MOPT for the first time on an arrears only case, the owning segment will complete all steps. If the RP cannot be contacted to gather their preferred account details it is acceptable to use account details held on CSA systems, where the bank account details held have been used to make a successful payment out to the RP in the last 12 months (6 months if CSA hold a POCA account).

## Initial application

Before setting up MOPT details, you should make the receiving parent aware that they can avoid any collection fees by making their own family based arrangement, or by choosing to pay by direct pay. For more refer to [Collection Fees - Summary](#) and [Direct Pay Summary](#).

Consider whether the paying parent is likely to pay maintenance before giving advice about direct pay. For further information refer to the Law, Policy and Decision making guidance 

1. To start this process, navigate to the **Contacts** tab and select the receiving parent's surname. Select the **Service Requests (SR)** tab to create an SR, to add the MOPT information. For more information on MOPTs refer to the Policy, Law and Decision Making Guidance 
2. From the drop down lists select:
  - **Process = Payments**
  - **Area = Method Of Payment To**
  - **Sub Area = Direct Payment (paid into bank account) Or Post Office Card Account (POCA)**
3. Select the SR Number hyperlink and assign the case number to the SR by selecting the case number **Multi Value Group (MVG)** button in the **Case Number** field. If the receiving parent has more than one case you will need to select the relevant one. From the pop up, highlight the required case number and select **Add**.
 

 If you don't assign the case number the SR won't follow the application to the maintenance service.
4. Select **Create MOP** from the **Action** field and set the SR to **In Progress**, the **Sub Status** will change automatically; the system will generate an activity plan for you to follow.
5.  Confirm the receiving parent's MOPT type and details during the initial application.

## Application caseworker action

6. Select the **Current Payment Method** MVG to check for an existing MOP. If a MOP exists, close and cancel this the MOPT SR. If a MOP does not exist, continue to **step 7**.
7. Record the **account holder name, account type, account number** and **sort code** in to the relevant field.
 

 For more information on the details required for different types of accounts, e.g. current account, building society account, select the direct input guide for bank wizard in the following link <http://bankval/>.
8. Select the **Bank Validation** button, this will check that the sort code and account number are correct. Bank wizard may return an error code, for more information refer to **Bank Wizard Error Codes** in the **Procedural Exceptions** tab.
9.   If the details fail verification and the receiving parent is still on the phone, request the correct details. If the receiving parent cannot provide any other bank details but has a POCA, cancel this SR and open a new SR for setting the MOPT as POCA. Where the receiving parent is not contactable by phone, issue letter CMSL3002 and form FT2004. Close the SR as a new SR will be generated when the receiving parent contacts CMG.
 

 Where it has not been possible to contact the receiving Parent to obtain bank details issue CMSL3102 and form CMSF2004. It is the receiving parent's responsibility to provide CMG with MOPT details, if they fail to do this CMG will hold on to any collections made for maintenance until valid MOPT details are supplied.
10. In the activity plan, mark numbers two to seven as **Done** or **Not Required** and return to completing the application.

## Maintenance caseworker action

11. Open the SR, ensure the SR is **In Progress** and select the **Internal Account Number** field and select the newly created BaNCS number.
12. Update the **Resolution Code** to **MOP Accepted e.g. Direct Payment Accepted** and save the record.
13.  Select the **Send MOP** button, then issue either CMSL3004 for direct payment set up or CMSL3006 for POCA set up. Note that when issuing the CMSL3004, where the receiving parent has a building society account, you will need to enter their roll number into the **Account Number** field. Mark the remaining activities as **Done**. For more information refer to [Letters \(Outbound\) - Send To Client](#).
 

 Ensure that the MOP set up date is today's date (i.e. the date that you are currently completing the SR on). If you do not enter this date the 2012 system will generate an error message '**the set up date cannot be before today's date**'. If you see this message, select **OK** and alter the date accordingly.

14. Set a wait state on the SR for 24 hours to allow any letters to be issued in the batch run overnight. Once 24 hours has passed close the SR by changing the **Status** to **Closed** and the **Sub status** to **Complete**.



Where you have completed the MOPT set up, and it is discovered afterwards that the receiving parent's name is spelled incorrectly, amend the details by following the relevant 'cancel' procedure e.g. [Direct Payment - Cancel](#), [POCA - Cancel](#). These procedures will then allow you to set up the MOPT again with the correct details.

#### NI Exceptions

The Charging Warm-Up lines to take for NICMS can be accessed by selecting the following link: [NICMS Charging Warm-Up Lines to Take](#).

#### Bank Wizard Error Codes

When using bank validation, warning messages may be displayed. Most of these warning messages are only relevant to the banking industry and can be ignored, however there are some messages that do require you to take action.

#### Method of Payment To (MOPT)

The following codes may generate when checking a MOPT:

- 007 - W - Account does not support Direct Credit transactions
- 008 - W - Sort code does not support Direct Credit transactions
- 100 - W - This bank branch does not accept FPS payments
- 101 - W - This account does not accept FPS payments
- 065 - W - Collection account requires a reference or roll account number. This warning will still display as a reminder even if a roll/reference number has been entered.

If you receive any one of these, confirm the details entered with the client or obtain alternative details or a different MOPT.

#### Modulus check failure

If a modulus check failure is received, ask the client if the bank account is new. If the account is new it may not be verifiable by Bank Wizard yet, obtain alternative details or a different MOPT.

If the account is an older account check the bank details supplied in [Bank Wizard](#) manually. Bank Wizard will confirm if the account number matches the sort code and if the account supports the proposed MOPT. If a manual Bank Wizard check suggests that the details are correct, the account is not new and the proposed MOPT is supported raise an incident, alternatively obtain alternative details or a different MOPT.

#### CMSL3002 We need some information from you

To ask the receiving parent for bank/ building society 'account' details – we could not verify the details supplied.

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

#### CMSL3004 Confirmation of your bank or building society account details

Letter to the receiving parent to confirm bank/building society details have been set up to make payments to. Includes that CMG can only pass on payments received from the paying parent.

#### CMSL3006 We've set up your payments

Inform receiving parent that POCA has now been set up

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

#### FT2004 Your bank or building society details

Form the client uses to complete their bank details

#### Collection Fees - Summary

#### Direct Pay Summary

#### Direct Payment - Set Up

#### Direct Payment - Cancel

#### Letters (Outbound) - Send To Client

#### POCA - Set Up

#### POCA - Cancel

#### Terminology Changes

#### Automated Financial Transition Arrears

Will bank wizard allow for other types of accounts to be used?

Yes bank wizard has the flexibility to do this.