



Payment - Manually Allocate

Payments from a paying parent are automatically allocated by the system to child maintenance, arrears or fees in line with system rules. These rules can differ if the case is in maintenance service or enforcement. Manual allocation is a tool mainly for use by enforcement caseworkers but can also be used, in exceptional circumstances, by any caseworkers who deal with payments, if the system allocates money incorrectly.

When the Child Maintenance Group (CMG) receives a payment, the system automatically follows the set of pre determined rules to allocate, apportion and assign the payment. For more information refer to [Payment Hierarchy Summary](#).

Where the case is set to Manual Allocation and full payment is received, view the promise to pay (P2P) schedule for a breakdown of the amount to be attributed to on-going maintenance and the amount attributed to collection fees.

Where the case is set to Manual Allocation and a partial payment is received a manual calculation must be carried out to determine how to apportion the monies on liabilities that have collection fees.

Where the amount of allocation exceeds £2000 additional processing conditions will be required, refer to [Payment-exceeds-threshold](#).

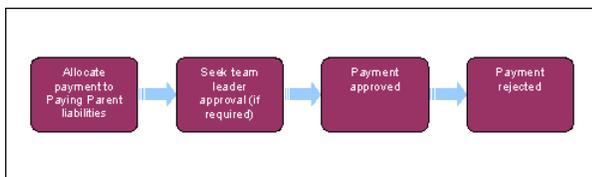
Accounts can be flagged to ensure manual allocation for every payment. For more information refer to [Manual Allocation Flag - Set Up](#).

These cases are periodically reviewed to determine whether the flag should be removed. The system sends a workflow item to the caseworker within the case owning area to review the case. For more information refer to [Manual Allocation Flag - Remove](#).

A manual notes field is completed by the caseworker to indicate why a manual allocation is required. Caseworkers who complete a manual allocation require team leader (TL) authorisation, as authorisation is required for all payments.

Where a debt period is secured by one or more liability orders, the paying parent can provide an additional reference number to identify which liability they wish to pay. If a payment is received without an identifying reference number, the payment may be allocated using predetermined allocation rules. Any payment received as a result of an enforcement action has to be allocated to the liability order that it relates to.

The purpose of this process is to show how to manually allocate funds once they have been received onto the system.



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.

Allocate payment to the paying parent's liabilities



BaNCS allocation runs for an hour from 1:00pm to 2:00pm and again from 6:00pm to 7:00pm. Completing the service request (SR) during this time can cause the SR to go into error.

- As a result of the manual allocation flag being set and a payment amount being received, the system generates an SR with the values:

- **Process = Payments**
- **Area = Manually Allocate Funds**
- **Sub Area = Allocate to Account**



If a decision is made to allow system allocation and the manual allocation flag has been removed, or the funds have been reassigned or refunded to a client, there will be no requirement to use the allocate to account SR. Enter notes into the SR then set the **Status** to **Closed** and the **Sub Status** to **Cancelled**.



Incorrect accounting entries are created for collection fees due to manual allocation of these fees. When you receive the **Allocate to Account** SR, if you are allocating any funds to charges e-mail **CM 2012 Scheme CFAT Banking & Accounting**, including the client's name, scheme client identification number (SCIN), the amount and the manual allocation SR number.

- Update the SR **Status** to **In Progress**. The system then creates an activity plan displaying the list of tasks you will need to complete.
- Within the **Payments** tab in the SR, select the **Payment Allocation** tab and then select **Get Payment Allocation Details** to search for the paying parent's scheduled liability amounts.
- Select the liabilities for the allocation of funds by highlighting each row required and placing a tick in the **Select** field, then select **Update Siebel**. Allocate the amount received to the paying parent liabilities in the **Amt Allocated** field e.g. on-going maintenance and arrears. If the line reference has already been partially satisfied remove this figure from the amount due to find out the amount available to allocate against.

5. The debt must be allocated to as per the payment hierarchy. Excess or partial payments should be allocated as follows:

- If full payment is received view the promise to pay (P2P) schedule for a break down of the amount attributed to on-going maintenance and the amount attributed to collection fees. The system automatically follows a set of pre determined rules to allocate, apportion and assign the payment. For details of these rules refer to [Payment Hierarchy Summary](#).
- If a partial payment is received a manual calculation must be carried out to determine how to apportion the monies on liabilities that have collection fees. For more information on payment allocation refer for the Policy, Law and Decision Making Guidance 
- Any excess payment received after all outstanding debts have been satisfied (i.e. the paying parent has paid off all arrears) will remain within the paying parent's account and be used for future on-going maintenance payments, unless the paying parent requests that the money is refunded. Where the paying parent has requested a refund a non standard payment should be issued. For more information refer to [Payment - Non Standard](#). For more information on overpayments refer to the Policy, Law and Decision Making Guidance 



The agreed payment priorities within a liability order (LO) are as follows:

- Priority 1 - liability owed to receiving parent's
- Priority 2 - liability owed to the Secretary of State (SoS)
- Priority 3 - costs/expenses due to Child Maintenance Group (CMG) 2012 scheme
- Priority 4 - costs/expenses due to CMG residual arrears

Team leader (TL) approval

Caseworker action



Check the tasks tab to see if a previous approval task has already been sent. If it has raise an incident with AAC.

6. Update the **Resolution Code** to **Allocate to Account Accepted** and Save. The **Resolution Code** field will turn blank and the activity will be sent to the team leader's (TL) approval inbox. Check the **Task** tab to ensure that the SR has been sent to the team leader.



To prevent the casegroup moving segments whilst you are awaiting TL authorisation, set the **Lock Assignment Flag**. For more information on how to do this refer to [BOM - Segments Summary](#).

Team leader action

7. The TL will either approve or reject the allocation. If the manual allocation is rejected, go to **step 14**, if it is approved, continue to **step 8**.

Payment approved

8. When the SR is returned by team leader and the manual allocation has been approved, access the response through the **Service** tab, the SR will show as **Approved**.

9. Update the **Resolution Code** to **Allocate to Account Accepted** and update the activity plan.



Prior to selecting **Submit Payment Allocation Details** to submit the payment allocation details for further processing, check that the selected liabilities haven't been satisfied since the SR was raised.

10. From the **Payments** tab, select **Submit Payment Allocation Details** to submit the payment allocation details for further processing.

11. Once the payment has been processed the BaNCS success message is displayed.

12. To check the allocation amount against the liability go to the liability schedule. For more information refer to [2012 System Finance Overview](#).

13. Complete the activity plan and change the SR **Status** to **Closed** and the **Sub Status** to **Complete**. The payment is processed overnight by BaNCS.

Payment rejected

14. If the manual allocation payment request is rejected, the TL has set the **Reason Code** to **Revision/Correction**.

15. Amend the manual allocation work item based on the rework suggested, which has been entered by the TL in the **Notes** field. Reasons for rejection include entering the incorrect amount or payee. Once you have completed the amendments the amount can then be reallocated to the paying parent's liabilities if necessary and resubmitted to the TL for approval. Go to **step 6**.

[2012 System Finance Overview](#)

[BaNCS Enquiry](#)

[BOM - Segments Summary](#)

[Manual Allocation Flag - Remove](#)

[Manual Allocation Flag - Set Up](#)

[Payment Hierarchy Summary](#)

Payment - Non Standard

Payment-exceeds-threshold

What are residual arrears?

Residual arrears are arrears which exist on the 1993/2003 systems i.e. CSCS, CS2 and the clerical case database (CCD).

If the paying parent makes an overpayment, how long can the amount be held by the Child Maintenance Service?

Any excess payment will be held on the system until the paying parent requests a refund or until the next payment is due, when the appropriate amount will be released by drip feed.