

Variation - Cancel

The purpose of this activity is for a caseworker to cancel a special expense variation when the paying parent reports that it ended, or cancel an additional income variation when the receiving parent reports that it ended. This activity will be carried out by caseworkers in the segment that owns the case.

For this type of change, no further verification is needed, as the client is reporting a change that won't go in their favour. This means that for a receiving parent, the liability will decrease, or for the paying parent, the liability will increase.

Special expenses relate to specific expenses incurred by the paying parent. When a special expenses variation is accepted, this will reduce the maintenance liability. Only the paying parent can apply for special expenses. For more information refer to [Variation - Special Expense](#) in related items.

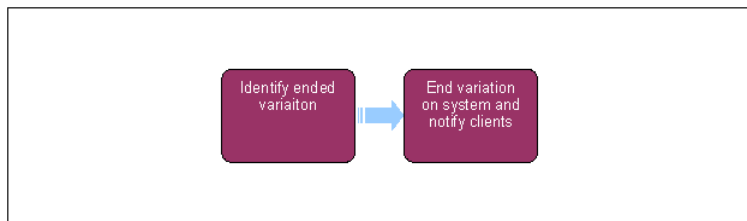
Additional income refers to certain types of income that a paying parent may have that aren't included in the standard maintenance calculation. When an additional income variation is accepted this will increase the maintenance liability. A paying parent, receiving parent or child in Scotland can apply for additional income. For more information refer to [Variation – Additional Income](#) in related items.


The paying parent may have a change of circumstances which requires a change to the variation, or for the variation to be cancelled altogether. For more information refer to [Variation – Review Existing](#) in related items.


When a client applies for a variation, caseworkers will verify the evidence with the other party before considering the application. This also applies to change of circumstances affecting a variation.

When a paying parent reports the end of a special expense or when a receiving parent reports the end of additional income, caseworkers will end the variation without requesting further evidence from the other party.

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](#) in related items.

 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.

Identify ended variation

1. The paying parent, receiving parent or child in Scotland (CIS) can report a change to an existing variation.

 If the receiving parent has reported the end of a special expense variation or if the paying parent has reported the end of additional income variation See FAQ for information on verification.

2. Open the following service request (SR) or create a new SR if one doesn't already exist:

- **Process = Perform Calculation**
- **Area = Variation**
- **Sub Area = Cancel Variation**
- **Link The SR To The Case**




This SR should be raised against the Paying Parent, regardless of who reported the change.


3. Set the SR **Status** to **In Progress** and complete the Activity Plan.

4. Record the following details in the **Variation** SR:

- Contact last name

- Variation effective date – the date that the variation is to be ended based upon the type of variation or the date of the original calculation for revisions 
- Variation Type and amount (where this has not automatically populated)
- Source – the applicant who has reported an end to the variation – NRP, PWC/PeWC, child in Scotland
- Case number
- Ensure that Notes are updated recording all decisions made

End variation on system and notify clients

1. End the variation on the system by changing the SR **Resolution Code** to **Approved**.
2. The system will automatically complete the following SR to calculate the new liability and notifications will be sent to the clients:
 - **Process = Perform Calculation**
 - **Area = Case Maintenance**
 - **Sub Area = Change To Client Data (Variation)**
3. If the **Perform Calculation SR** has used Historic or Current Income go to the **Procedural Exceptions** tab in **Calculation – Post Initial** to complete the **Perform Calculation Checks**.
If the **Perform Calculation SR** has used Benefit Income, Estimation of Earnings or a Default Maintenance Decision (DMD) go to the **Procedural Exceptions** tab in **Calculation – Non-HMRC** to complete the **Perform Calculation Checks**
4.  Once you've implemented the new liability, call all clients and explain that the variation has been ended. Explain the new liability and that a letter is on its way with further details – the letter will be sent as part of the revised calculation process. Send letter CMSL4092 to the receiving parent and CMSL4098 to the paying parent, to advise them of the new maintenance liability calculation.
5. Complete this process by closing the **Cancel Variation SR**. Update the SR **Resolution Code**. Change the SR **Status** to **Closed** and the **Sub Status** to **Complete**.
6. Repeat this process to end variation amounts applied to each QC where appropriate.

CMSL4092 Your child maintenance payments have changed

Notice of recalculation to the receiving parent following a change of circumstances.

Under the sub heading 'What this means for you':

If multiple changes of circumstances are reported by the client and more changes are to follow, use paragraph **TM_25891_E** 'Although we were told about more than one change to (paying parent's) circumstances at the same time, this letter shows how the change listed above affects your child maintenance payments.'

If multiple changes of circumstances are reported by the client and no more changes are to follow, use paragraph **TM_25892_E** 'We were told about more than one change to (paying parent's) circumstances at the same time. We have already written to you to tell you how other changes affect your child maintenance payments.'

CMSL4098 Your child maintenance payments have changed

Under the heading 'what this means for you' select the relevant optional paragraph:

If there are multiple changes of circumstances reported by the client and more changes are to follow, use paragraph **TM_28534_E** 'Although we were told about more than one change of circumstances, this letter only shows how the change listed above affects your child maintenance payments.'

If there are multiple changes of circumstances reported by the client and no more changes are to follow, use paragraph **TM_28535_E** 'We were told about more than one change of circumstances at the same time. We have already written to you to tell you how other changes affect your child maintenance payments.'

[Calculation - Post Initial](#)

[Terminology Changes](#)

[Variation – Additional Income](#)

[Variation – Review Existing](#)

[Variation – Special Expense](#)

Will the client need to provide verification to cancel a variation?

Only when a paying parent reports the end of a special expense or when a receiving parent reports the end of additional income, can caseworkers end the variation without requesting further evidence from the other party. This is because there is no financial gain from reporting the change. However both parties would need to agree the effective date of the change.

If the receiving parent reports the end of a special expense or if the paying parent reports the end of additional income, verification is required. See Policy, Law and Decision Making Guidance for further information 