



Arrears (CSA) Manually Add/Correct Balance

Residual arrears are arrears which exist on the CSA systems. This procedure shows users how to manually add residual arrears onto a CMS scheme case and/or amend any residual arrears already held on a CMS scheme case.

Where residual arrears are to be manually transferred onto an existing case on the CMS scheme, these arrears are transferred via an offline report. Whether transferred manually or automatically, circumstances can occur in which the arrears may need to be amended (e.g. to correct any errors or following a change to the arrears balance). This change may be due to an offline change of circumstances (CofC) or appeal carried over from CSA.

Adding or correcting residual arrears balances are dealt with by CMS scheme maintenance CSA rules reassessment team caseworkers.

There are multiple reasons why the CMS scheme would need to correct a residual arrears balance, this list is not exhaustive:

- Client Contact /Query to CMS Scheme
- Residual arrears were transitioned as suspended residual arrears but client would now like them collected
- CMS Scheme caseworker identifies an error
- Line manager quality check
- Operational Finance Reconciliation CSA error identified

Where a paying parent has an arrears-only case and also an ongoing maintenance (OGM) case associated to the same master case, these cases should be left to run concurrently with no action taken to move the arrears balance onto the OGM case. If the cases are incorrectly associated to two different master cases then refer to **Procedural Exceptions**.

CSA CFAT send a daily residual arrears amendment form (RAAF) CMSF5568, to which all financial transition caseworkers have shared access. The form includes the following information to be input on the system:

Increase Residual Arrears

- Original Value
- New Value
- Total Adjustment

Decrease Residual Arrears

- Original Value
- New Value
- Total Adjustment

Once the system is updated with the correct figures, the form is completed by the 1993/2003 rules reassessment team and returned to CSA CFAT to confirm the action has been taken, and to ensure the accounts reconcile.

To carry out this procedure perform some or all of the following tasks:

- Change the status of all or part of a residual arrears balance
- Add a residual arrears balance as a liability against a paying parent
- Associate the added liability to a specified creditor account e.g. receiving parent, Secretary of State (SoS), Secretary of State Northern Ireland (SoS NI)
- Amend the added liability
- Amend a liability that has been partially or fully paid by the paying parent
- Create new liability and promise to pay schedules
- Refund the paying parent where an overpayment has occurred

For further information on arrears write off refer to the Policy, Law and Decision Making Guidance 

Where the system can create an arrears only case automatically, it will pull the relevant case data from the Data Warehouse in order for the case to be built correctly. Actions/checks will be performed automatically by the system and once complete the system will present the caseworker with the relevant SR to take the next action as required.

Once the arrears only cases have been created, the system will generate arrears due on the paying parents account that mirror those received from the CSA.

The system checks the receiving parent's arrears decision as recorded on the CSA, and where the receiving parent had indicated to the CSA they wanted their arrears to be written off but arrears are still showing owed to the receiving parent, a work item will be generated for the caseworker to investigate and contact them to confirm a further write off. For more information see [Resolve Financial Transition Exceptions](#).

If there has been an overpayment while the case was still open on CSA corrections will need to be made. For more information refer to [CSA Overpayment](#).

 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.

 The financial intervention control team (FICT) may reverse a payment on a paying parents case due to Deduction From Benefit Reversals, Direct Debit Indemnities, Credit/Debit Card Charge Backs. There may be times when the funds have been allocated to residual Secretary of State arrears, when this occurs the residual arrears must be adjusted on the paying parents case. For more information refer to **Correct Residual Arrears (SoS)** in **Procedural Exceptions**.

 Where an exception is received and the arrears balance cannot be added or corrected, follow the [Resolve Financial Transition Exceptions](#) process.

 Where a paying parent has an arrears-only case and also an ongoing maintenance (OGM) case associated to the same master case group these cases should be left to run concurrently, with no action taken to move the arrears balance onto the OGM case. If the cases are incorrectly associated to two different master cases then refer to **Procedural Exceptions**.

 If you are a BAU CMS scheme caseworker and have identified that the CSA balance is incorrect raise the SR detailed at **step 30** and **31**. Record in the SR notes the reason you believe the balance is incorrect and set the SR status to **Pending Assignment**. This will route the case to the CSA rules reassessment team who will carry out the required action.

 Where there has potentially been an overpayment while the case was open on CSA systems further investigation is necessary. For more information refer to [CSA Overpayment](#).

Check for existing residual arrears balance

1993/2003 Rules Reassessment Team Actions

1. Have the paying parent details available and access the **Contact Summary** screen. If adding a residual arrears balance, have the CSA report details available.
2. Select the **Contact Last Name** hyperlink and navigate to **Financial Accounts**.
3. Select the **Account Number** hyperlink and then the **Payment Schedule** view.

 The CMS will provide account reconciliation information to Client Fund Account Team (CFAT) based on steps 4 - 14. It is therefore very important that where there is no existing balance already held, these steps are followed exactly.

4. Check if the paying parents liability schedule has any related residual arrears transactions (i.e. a residual arrears balance has already been added). If there are existing residual arrears transactions go to **step 29**. If there are no existing transactions go to **step 5**.

Create Service Request/Add residual arrears balance

5. Create a new service request (SR) and from the drop down lists select:

- **Process = Transition**
- **Area = Set Up/Amend Residual Arrears**
- **Sub Area = Add Residual Arrears**

6. Link the SR to the transition case you are adding arrears to.
7. You have linked the SR to the case, select the appropriate reason according to the action you are taking.

 The reason selected here determines an entry on the report which Client Fund Account Team colleagues will use to reconcile accounts. It's very important that the appropriate drop down option is selected so that CFAT can reconcile accurately.

- When creating a legacy arrears balance due to Financial Transition, select **Financial Transition**
 - When creating a legacy arrears balance where one did not already exist, due to BAU activities e.g. a change of circumstances or receipt of a Residual Arrears Amendment Form (RAAF) select **Maintenance**.
8. Update the **SR status** to **In Progress**. The CMS System generates an activity plan.
 9. Select the **More Tabs** button and access **Residual Arrears Set Up**, using the arrears balances, creditor details and due types from the CSA report, add an entry in the **Residual Arrears Set Up**.
 10. Select **New** and then **Add NRP's BaNCS account**.
 11. In the **Setup** Applet complete the following fields:
 - Due Type
 - Payable to Type (PWC or SOS)
 - PWC Account
 - Due Date (The due date to be entered for all residual arrears due types that have transitioned from the CSA will be the Transition Date)
 - Reason



Ensure the PWC account selected is active. Selecting an inactive account will cause error.

12. Due Type: Select one of the following from the drop down list:
 - Residual Arrears (SoS GB)
 - Residual Arrears (SoS NI)
 - Suspended Residual Arrears (PWC)
 - Suspended Residual Arrears (SoS NI)
 - Suspended Residual Arrears (SoS GB)
 - Deferred Residual Arrears (PWC)
 - Deferred Residual Arrears (SoS GB)
 - Deferred Residual Arrears (SoS NI)
 - Residual Arrears (PWC)
13. Record each creditor e.g. receiving parent, Secretary of State (SoS), Secretary of State Northern Ireland (SoS NI). Also add the paying parent details in this screen.

Each entry must contain whichever due types above are applicable. For further information on arrears write off refer to the Policy, Law and Decision Making Guidance 
14. Select **Send To BaNCS** to send the arrears balances to BaNCS. The paying parent liability schedule is updated on the system.

Arrears write off

15. Where a residual arrears balance owed to the receiving parent is over £5.00, check the receiving parents decision regarding arrears as supplied from CSA. For all other types of arrears (e.g. SoS arrears), go to **step 20**.
16.  When the receiving parent arrears balance is under £5.00, adjust the arrears balance down to zero. Issue CMSL6300 to the receiving parent to confirm the write off, suspend the balance and record the **Reason** as **Write Off** on the off system tracker. For more information refer to [Arrears - Suspend, Write Off Tracker](#).
17.  When the Receiving parent has requested write off, and the arrears balance is greater than £5.00 but less than £500 has been transitioned from CSA take the following action:
 - Issue CMSL6300 to the receiving parent to confirm write off of the additional arrears identified
 - Pause the **Add/Correct Residual Arrears Balance** SR for 14 days to await a response
 - For more information refer to [Arrears - Write Off](#)
18.  When the receiving parent requested the debt to be written off and the arrears balance is £500 or greater and has transitioned from CSA take the following action:

- Pause the **Add/Correct Residual Arrears Balance** SR for five days to allow CSA time to complete the debt anomalies investigation.
 - After the five day pause has lapsed, issue CMSL6300 to the receiving parent to confirm the write off of the additional arrears identified.
 - Pause the **Add/Correct Residual Arrears Balance** SR for a further 14 days to await a response.
19. When the receiving parent confirms they want the arrears to be written off, adjust the residual arrears balance owed to the receiving parent down to zero and record the reason in the notes tab as **Write Off the receiving parent arrears at the receiving parent request**.
 20. If the receiving parent does not respond to the communication assume they wish to have the arrears pursued. Continue the financial transition process to schedule the remaining arrears.
 21. Update the arrears SR **Notes** field to advise that the arrears balance has been added and the case has been transferred for arrears negotiation as a result of Case Closure.
 22. Return to the original transition SR, update the **Resolution Code** to **Liabilities Updates Successful**.
 23. Change the SR **Status** to **Closed** and the **Sub Status** to **Complete**.
 24. To generate the arrears negotiation process for the new arrears balance, create a new SR at paying parent contact level, using the following options:
 - **Process = Arrears**
 - **Area = Arrears Management**
 - **Sub Area = Action Missed Payment**
 25. Link the SR and update the status of the SR to **In Progress**.

 When the case is not arrears only and is a pre indicative calculation, you will not be required to generate this SR as the transitioned debt will be picked up through the business as usual processes. You should close any existing Action Missed Payment SRs in these instances.
 26. If the case is arrears only set the Arrears Only Casegroup Flag:
 - Access the **My Service Request** view.
 - If not visible add the **Arrears Only Casegroup** column to the available columns.
 - Mark the **Arrears Only Casegroup** flag to 'Y'
 27. Select the required Reason code and link the SR to the Case Closure case you are adding arrears to.
 28. Change the SR Status to **Pending Assignment**. Work allocation will be triggered to assign the SR to the case owner.

Identify Enforcement and/or Liability Order Actions

29. If outstanding enforcement and/or liability order (LO) actions are present on a transitioned case, you need to check the case details on the CSA systems and establish the actions that will need to be taken. Check for the **Legacy Ongoing Enforcement Indicator** by accessing the **More Info** tab within the **Case Detail** view. If the indicator is present follow [Enforcement-liability order actions check CSA scheme](#)

Correct residual arrears balance

-  If you are a BAU CMS scheme caseworker and have identified that the CSA balance is incorrect, complete **steps 30** and **31**. Ensure liabilities are not/have not been suspended prior to arrears amendment action request to CSA teams. The CSA cannot amend residual arrears if the liabilities have been suspended by BAU for write-off action. Record in the SR notes the reason you believe the balance is incorrect and set the SR status to Pending Assignment. This will route the case to the 1993/2003 rules reassessment team who will carry out the required action.
-  Check if the arrears are suspended. The system will not allow suspended debt to be corrected and will result in the SR going Error Critical.
30. Check that the paying parents liability schedule has any related residual arrears transactions (i.e. a residual arrears balance has already been added).

 CMS will provide account reconciliation to CFAT based on **steps 31 - 46**. It is therefore very important that these steps are followed only to amend a balance which already exists on CMS. If there is no existing balance currently held on CMS, refer to **steps 4 - 14**



If the residual arrears posting dates of residual arrears for Legal Enforcement needs amending please follow **steps 31 to 44**

31. Where you have completed an offline calculation which has resulted in a change to the residual arrears balance, as part of the perform offline calculation process, or you have identified an error in the arrears balance as part of the reconcile transitioned arrears process which has altered the arrears amount, create a new SR and from the drop down lists select:

- **Process = Transition**
- **Area = Set Up/Amend Residual Arrears**
- **Sub Area = Correct Residual Arrears**

32. After you have linked the SR to the case, select the appropriate reason according to the action you are taking.



The Reason selected here determines an entry on the report which Client Fund Account Team colleagues will use to reconcile accounts. It's very important that the appropriate drop down option is selected so that CFAT can reconcile accurately.

- When creating a legacy arrears balance due to an error when adding at Transition, for example, mis-typing, select **Error Correction**
- When amending a legacy arrears balance due to a change to a Legacy arrears balance already held on CMS, for example, a change of circumstances or receipt of a Residual Arrears Amendment Form (RAAF) select **Maintenance**.

33. Select **Residual Arrears Set Up** on the drop down list to view the BaNCS screen, and then select **New**.
34. Select the paying parents **BaNCS Account Number**. The paying parent will be issued with a BaNCS number automatically when a new case is opened on the system.
35. Select **Get Liability Schedule** to retrieve all of the paying parents residual arrears liabilities. Choose the liability amount that needs to be corrected.



Only correct one arrears item at a time. Correcting more than one may lead to issues on the case.

36. Select a reason from the drop down list and then select **Reverse Arrears**. This sends the information to BaNCS and the selection transition is marked as inactive.
37. Enter the reason for the arrears amendment in notes as **Financial**.
38. Update the status of the SR to **In Progress** and complete all the activities. If the corrected residual arrears balance needs to be entered please follow steps 39 to 43

39. In the **Setup** Applet complete the following fields:

- Due Type
- Payable to type (PWC or SoS)
- PWC Account
- Due Date (The due date to be entered for all residual arrears due types that have transitioned from the 1993/2003 Scheme will be the Transition Date, which can be found in the **NRP Contact More Info** Tab)
- Reason

40. Due Type: Select one of the following from the drop down list:

- Residual Arrears (SoS GB)
- Residual Arrears (SoS NI)
- Suspended Residual Arrears (PWC)
- Suspended Residual Arrears (SoS NI)
- Suspended Residual Arrears (SoS GB)
- Deferred Residual Arrears (PWC)
- Deferred Residual Arrears (SoS GB)
- Deferred Residual Arrears (SoS NI)
- Residual Arrears (PWC)

41. Record each creditor e.g. receiving parent, Secretary of State (SoS), Secretary of State Northern Ireland (SoS NI). Each entry must contain whichever due types above are applicable. For further information on arrears write off refer to the Policy, Law and Decision Making Guidance 

42. Enter the correct amount of outstanding residual arrears for the selected Due type.
43. Select **Send To BaNCS** to send the arrears balances to BaNCS. The Paying parent liability schedule is updated on the system.
44. Update the status of the SR to **Closed** and the sub status to **Complete**.
45. Check that the paying parent's account balances up. If the paying parent has made an overpayment, you should consider refunding/reimbursing the paying parent. For further information refer to the **Payment - Non Standard**.
46. If a refund is not required and the paying parent still has arrears, refer to **steps 32-33** to generate the paying parent's payment schedule. Ensure that the amended arrears balance has been correctly applied to the schedule. If any further transactions need to be corrected, repeat **steps 34-35**. If there are no further transactions to be corrected, go to **step 41**.
47. Generate the arrears negotiation process by creating a new SR and selecting the following from the drop down lists:
 - **Process = Arrears Management**
 - **Area = Arrears Management**
 - **Sub Area = Action Missed Payment**
48. Update the arrears SR Notes field to advise that the arrears balance has been added and the case has been transferred for arrears negotiation as a result of Case Closure.
49. Change the Sub Status to Pending Assignment. Work allocation is triggered to assign the SR to the maintenance service arrears collection team, who will negotiate the residual arrears balance with the paying parent.
50. Update the **Resolution Code** to **CofC Accepted**.
51. Change the SR **Status** to **Closed** and the **Sub Status** to **Complete**.

 All changes to residual arrears (such as moving from one case to another or making them active when previously suspended) including moving an 'Arrears Only' cases to newly opened maintenance cases. Require a **CMSF5568** (Residual Arrears Amendment Form.) Fill in section 6 to returning an send the form to CSA CFAT (Operational Finance). To access the **CMSF5568** select the following link: <http://intra.link2.gpn.gov.uk/1/csa/btools/forms/2012-scheme/forms/index.asp>

Arrears-only and OGM cases incorrectly associated to different master cases

Where a paying parent has an arrears-only case and an ongoing maintenance (OGM) case associated to the same master case, these cases should be left to run concurrently with no action taken to move the arrears balance onto the OGM case.

If the cases are incorrectly associated to two different master cases, firstly follow the guidance in **Details** to correct the residual balance.

Once the residual arrears have been removed from the case, close the master case associated with the arrears-only case. For more information refer to **Close Case (Collect and Pay)**.

Following the closure of the arrears-only case, add the residual arrears to the OGM case. Follow the guidance in **Details** to add the residual arrears.

Correct Residual Arrears (SoS)

Correct residual arrears balance

1. Create a new SR and select the following:
 - **Process = Transition**
 - **Area = Set Up/Amend Residual Arrears**
 - **Sub Area = Correct Residual Arrears**
2. Select **Residual Arrears Set Up** on the drop down list to view the BaNCS screen, and then select **New**.
3. Select the paying parents BaNCS Account Number.
4. Select **Get Liability Schedule** to retrieve all of the paying parents residual arrears liabilities. Choose the liability amount that needs to be corrected.
5. Select **Reverse Arrears Balance**, then **Send to BaNCS** to submit the reversal of the arrears entry. The selected arrears transaction will be marked as inactive.
6. Enter the reason for the arrears amendment in the notes tab.
7. Update the **Status** of the SR to **In Progress** and complete all the activities.
8. Update the **Status** of the SR to **Closed**, and the **Sub Status** to **Complete**.

Add residual arrears balance

9. You will now need to add the residual arrears back onto the paying parents case.
10. Create a new SR on the paying parents case and select the following:
 - **Process = Transition**
 - **Area = Set Up/Amend Residual Arrears**
 - **Sub Area = Add Residual Arrears**
11. Update the SR **Status** to **In Progress**.
12. Select the **More Tabs** button and access **Residual Arrears Set Up**. Using the arrears balances add an entry in the **Residual Arrears Set Up**.
13. Select **New** and then **Add NRP's BaNCS Account**.
14. In the **Setup** applet complete the following fields:
 - Due Type
 - Payable to type (SoS)
 - PWC Account
 - Due Date
 - Reason
15. Due type: Select one of the following from the drop down list:
 - Residual Arrears (SoS GB)
 - Residual Arrears (SoS NI)
16. Record each creditor, **Secretary of State (SoS)**, **Secretary of State Northern Ireland (SoS NI)**. Also add the paying parent details in this screen.
17. Each entry will need to contain whichever due types above are applicable. For more information refer to the Law and Policy Handbook
18. Select **Send to BaNCS** to send the arrears balances. The paying parent liability schedule will be updated on the system.
19. Update the arrears SR **Notes** field to advise that the arrears balance has been added then update the **Resolution Code** to **Liabilities Updates Successful**.
20. Change the SR **Status** to **Closed** and the **Sub Status** to **Complete**.

If the full amount of the payment failure was allocated to the SoS, all actions will be complete. However if any of the failed payment was paid out to the receiving parent you will need to complete an Admin Drawdown and Create Cost on the paying parents case. For More information refer to **Admin Account – Request Funds** and **Create Cost**.

[CMSF5568 - Residual Arrears Amendment Form](#)

Edit this page to modify your web part content.

[CMSL6300 Please confirm that you would like us to write-off your arrears](#)

Letter to ask PWC what to do with additional arrears following write off.

[Arrears Negotiation and Missed Payments](#)

[Arrears Only Case \(CSA\) - Manual Set Up](#)

[Manual Arrears Report \(CSA\) - Process](#)

[Arrears - Write Off](#)

[CSA Overpayment](#)

[Enforcement Actions \(CSA\) - Input](#)

[General Ledger Journals](#)

[CSA Case Closure \(Arrears\) - Summary](#)

Close Case (Collect and Pay)

Offline Calculation - Perform

Payment - Non Standard

Automated Financial Transition Arrears

Resolve Financial Transition Exceptions

Terminology Changes

Case Closure Arrears - Reconcile