



Employer - Provide Refund

This procedure will take you through the steps to provide an employer with a refund when they have overpaid their deduction from earnings order (DEO).

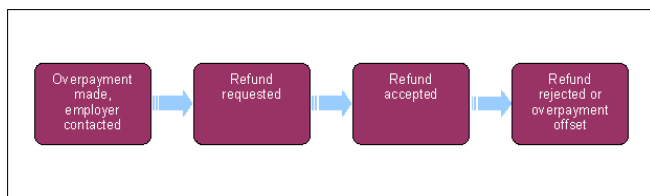
This action will be dealt with by the employer account manager within the employer payments team.

When a DEO payment received from an employer does not match the schedule, the system will automatically generate a DEO Exception service request (SR) and allocate this to the employer account manager. If the employer is not assigned with an account manager the SR is allocated to an employer team leader, they will then delegate this to an employer payments team caseworker as appropriate.

When a DEO Exception SR has been received and the employer account manager has completed the reconciliation, if they find that an overpayment has been made they will need to contact the employer to discuss the two options available:


- An immediate refund
- To offset the overpayment against the following DEO period.

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](#).

Overpayment made, employer contacted

1. Once the deduction from earnings order (DEO) schedule has been reconciled, compare the employer account balance against the reconciled DEO schedule amount. Select **Retrieve Schedule Total and Account Balance**. For more information refer to [DEO - Reconcile](#).
2. Any difference will be recorded in the **Overdraft/Refund Amount** data field within **DEO Exception/Reconciliation Details**. An underpayment will be displayed in brackets (). Where there is an amount recorded in this field without brackets, an overpayment has been made.
3.  Once an overpayment has been identified, contact the employer or the agent authorised to administer the employers DEO schedule. Select the **Account:(employer name)** hyperlink to navigate to the **Employer Account Summary** screen. You can use this screen to form the basis of your two or more employer security questions.
4. Explain that there has been an overpayment and ask how the employer would like us to deal with the additional funds:
 - An immediate refund go to **step 5**
 - To offset the overpayment against the following DEO period, go to **step 12**.



In the event you are unable to contact the employer the DEO will be processed and the additional funds held on the employers account until contact can be made, go to **step 11**.

Refund Requested

5. When the employer requests a refund you will need to access the **DEO Schedule Exception SR**, which was originally received to perform the reconciliation, then select **Notes**, and update the SR with details of the overpayment.
6. Select the **More Info** drop down menu and from the list select **Amend DEO Schedule(s)** and this will generate the **DEO Schedule Updates**. Complete the fields:
 - **Status = Revise Confirmed**
 - **Reason of Revision = Incorrect Payment Sent**
 Select **Commit Updates**.
7. Update the SR:
 - **Status = Pending Approval**
 - **Sub Status = Pending Approval – TL**

Once this is complete the system will generate a 2012 system inbox item and assign it to your team leader (TL). Select **Tasks** to view the generated item on the system.

Refund Accepted

Team Leader Action

- Access the inbox item by going to **Inbox** and selecting **Inbox Items List**, then select **Employer DEO Schedule Reconciliation: Refund Approval** and review the details of the refund. Once the details have been reviewed either **Accept** or **Reject** the refund.
- To accept the refund, select the **More tabs** drop down and choose **Amend DEO Schedule(s)** from the drop down list. Select **Approved** from the **Action** drop down list. Press Control and S to save. The system will then update the SR:

- **Status = In Progress**
- **Sub Status = Approved**
- **Team Leader Approved = Y**

Caseworker Action

- On receiving the SR back from your TL, change the **Status** to **In Progress**. Once approved, go to the **More Tabs** drop down and select **Amend DEO Schedule(s)**. Change the SR **Status** to **In Progress** and select the **Process Refund** button. The system will generate a **Non Standard Payment** child SR. For more information refer to [Payment - Non Standard](#).



A child SR is an SR that has been created within another (parent) SR.

Refund rejected or overpayment offset



A refund will only be rejected when a request has been raised in error.

Team Leader Action

- To reject the refund, update the **Status** of the inbox item to **Rejected** and update the **Comments** box with the reasons for rejecting the referral. The system will then update the SR:
 - **Status = In Progress**
 - **Sub Status = Rejected**
 - **Team Leader Approved = N**
- If the employer has requested the overpayment be offset or contact has been unsuccessful, the additional funds will be held against the employers account. This will allow the employer to make a reduced payment in the following DEO period.

Update the System

- Following **steps 10** and **11**, update the SR **Sub Status** to **In Progress** and then update the **Activities** in the Activity Plan.
- When the overpayment has been resolved, access the **Employer Schedule Updates** view and update the **Schedule Status** to **Revise Confirmed**. Once updated select **Commit Updates**, this will commit the schedule to BaNCS.

[DEO - Reconcile](#)

[DEO - Self Selected - Set Up](#)

[Payment - Non Standard](#)

[Terminology Changes](#)

Is there a separate process for DER's, when actioning a refund to the MOD?

No the process is the same as processing DEO's.

When an employer can't be contacted do we delay DEO process?

No the DEO would be processed and the additional funds will be held in the employers account until contact could be made.