



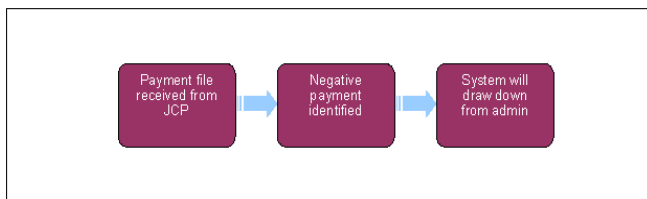
## Payments - JCP - Negative

This procedure is an explanation of the action the system will take when a negative payment is received from Jobcentre Plus (JCP). It will explain how the payment will be processed and recorded against the paying parent account.

A negative payment is when there is a change in circumstances on a paying parents benefit claim which causes an overpayment of their deductions.

JCP provides files containing deductions from the paying parent's benefits that will be received via an external interface into BaNCS. BaNCS will identify paying parent accounts from the details held within the file and post either a credit or debit to the correct account. When a debit is received, the system will log this against the account and perform an action to make up this shortfall to ensure the whole payment is released. This will then be recorded against the paying parent's account schedule and collected in later payments.

This is mostly a system process however the banking and accounting team will be required to perform some actions.



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.

### Payment file received

1. Payments from Jobcentre Plus (JCP) will be received via an external interface file into BaNCS.
2. On receipt BaNCS will automatically run the file as it has come from a trusted source.
3. The system will identify the paying parent from the details recorded on the file. They will contain the national insurance number (NINO) for each paying parent, the date and amount of the payment.
4. When the payment is a positive amount it will show as a receipt and once allocated be paid out to the receiving parent.

### Negative payment received

5. Any negative payments will be posted by BaNCS to the correct paying parent account and will show in the account as a reversal.

### System draw down from admin

6. If the negative payment causes a shortfall in the paying parent account, the system automatically:
  - Make a draw down from the admin account for the whole amount, payable to the paying parent's account - reason code JCP Recovery
  - Create a new liability for the whole amount for the paying parent, payable to the admin account - reason code Negative JCP Payment
7. Where a paying parent account cannot be identified the payment will be posted to the online suspense account for investigation. For more information refer to [Payment From - Investigate/Escalate](#).



If any funds have been allocated to residual Secretary of State arrears, the arrears will need to be adjusted on the paying parents case, for more information refer to [Arrears \(1993/2003 Scheme\) - Add/Correct Balance](#).

[Payment From - Investigate/Escalate](#)

[Reconcile BaNCS Mirror Accounts](#)

[Terminology Changes](#)

[What if Jobcentre Plus send a shortfall in the payment, is the shortfall made up?](#)

Yes, if there is a shortfall the amount will be made up from admin account and then collected later from the paying parent.

Will the caseworker need to intervene with payments from Jobcentre Plus (JCP)?

The system will perform the whole process, there will be no caseworker interaction required.