



## Set Aside Disposition Order

Where a paying parent disposes of an asset in order to avoid paying child maintenance, e.g. transferring assets into the name of their partner, the court can set aside this disposal. Set aside disposition orders (SADO) can be granted across a range of the paying parent's assets. They cannot however be granted on assets that are being disposed of in the course of the paying parent's business, or where the party taking possession paid at least market value and acted in good faith and without knowledge of the reason for disposal (avoiding paying child maintenance).

There is a three year time limit on SADO.

The purpose of a SADO is to reverse the sale of a paying parent's asset where the paying parent has sold the asset to avoid paying child maintenance. The strategic intent behind the Child Maintenance Group(CMG) possessing this power is to act as a deterrent; to make the legal profession aware that the CMG has these powers and enable them to advise their clients.

The enforcement case manager must obtain an approximate value of the asset/s, using the services of specialist investigative officers if necessary.



The collective value of the asset/s has to exceed £3,000 before a SADO can be applied for.

The enforcement case manager must establish the jurisdiction of the asset/s to ensure that action can be taken.



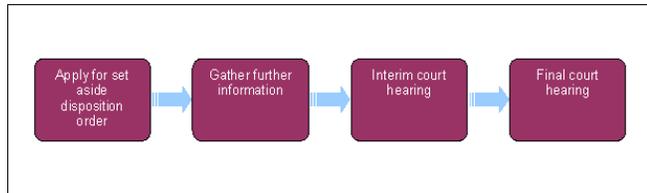
Where the paying parent resides in England or Wales but has an asset in Northern Ireland (for example, a holiday home), the CMG cannot take enforcement action against that asset. The reverse of this is also true - where a paying parent resides in Northern Ireland, the CMG cannot take enforcement action against an asset in England or Wales.

If the SADO is successful, then the asset/s is returned to the paying parent's possession and further debt recovery enforcement action can progress.



Enforcement Service Requests (SR) and Activity Plans (AP) are supported by an underlying data form, in which the enforcement case manager can record specific details as the action progresses. The complete data form for this process may be found here: [SADO](#)

For more information to the Policy, Law and Decision Making Guidance 



When speaking to clients always use the new terminology - For more information refer to [Terminology Changes](#)



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.

### Apply for set aside disposition order



Some actions may require an up front payment to the service provider (eg Courts). This payment will be made using the government procurement card (GPC), for more information refer to [Admin Account - Add To](#).

#### Case manager

1. Review the case history. Look at the details of all actions completed previously, the arrears amount and also the caseworker notes on why the relevant action was taken. Select the **Go To Contact** button to view the **Contact Summary**, to locate all the previous actions for the paying parent. Specifically check to see that the paying parent's **Asset** screen has been completed with details of the asset for which you want Set Aside Disposition Order (SADO) action to go ahead. After considering all the information, make your decision on whether the SADO action is appropriate.

For more information on SADO refer to the Policy, Law and Decision Making Guidance. 

2. Check the paying parent's address in the **Contact Summary**. Ensure that the paying parent lives within England, Wales or Northern Ireland.
3. Create a service request (SR) with:

- **Process = Enforcement**
- **Area = Take Enforcement Action**
- **Sub Area = Set Aside Disposition Order**

4. Update the **Status** to **In Progress**. An activity plan will generate.

5. Perform the validations listed in the activity plan:

- Check the exact amount of arrears outstanding on BaNCS
- Consider the welfare of any child/ren in the case and record your decision to continue in **Update Child Welfare Details – Reason**. The decision to apply for a SADO is a discretionary decision, this includes making a Welfare of the Child Decision, for more information on discretionary decisions including a verbatim statement to record in **Notes** refer to Policy, Law and Decision Making Guidance .
- Associate the relevant asset/s to the SADO SR. In the **Contact Asset** view, highlight the relevant asset and select **Promote To SR**.
  -  Use the **Asset** view to record assets on the system. Use the **Contact Asset** view to associate an asset to your enforcement SR. When recording assets, only use the data fields under the applet name. Don't use the menu next to **Asset Type**.
  -  Send letter CMEL9107 to inform the receiving parent of the SADO action. Call the receiving parent to explain the action we are taking and be clear and realistic about how long legal action could take

6. Ask your team leader to carry out a preliminary check of the evidence and authorise SADO action. This is a manual step as this particular authorisation isn't built into the system.

#### Team leader

7. Complete a preliminary check of the evidence and decide whether SADO action is appropriate. Once you've done this, record your decision in the SR **Notes**, and explain this to the case manager. This is a manual step as this particular authorisation isn't built into the system.

#### Case manager

8. Continue this process once your team leader has completed their preliminary check.

- To continue with the SADO, select the activity plan outcome **Continue** and update the Activity Plan with the reason for your decision. Go to **step 9**
- If it is not appropriate to continue with the SADO, select the Activity Plan outcome **Exit** and update the activity plan with the reason for your decision. Close the SR.

9. Review the evidence available for the action. This may be correspondence from the receiving parent or relevant third party, Land Registry documents, etc. Guidance on accessing the Her Majesty's Land Registry site can be found [here](#).

10. Decide whether you need any further information:

- To gather further information go to **step 24**. Then return to **step 11**.
- If further information is not required, go to **step 11**.

11. Decide whether there is any evidence that disposal of the paying parent's asset is imminent. For example, a "For Sale" sign outside a house:

- If there is not enough evidence for the disposal being imminent, select the activity plan outcome **No Evidence**, update the activity plan with your comments and close the SR.
- If there is enough evidence for the disposal being imminent, select the activity plan outcome **Evidence** and go to **step 12**.

12. Select **Update Form/Document** above the activity plan to access **Enforce Forms**. Update **Evidence Supplied** with the source of your evidence. Then consider whether the asset value exceeds £3,000 and the debt value exceeds £3,000. This is the minimum value of assets and debt considered to be appropriate for SADO action. Investigative officers are used at **step 10** to gather any further evidence if it is not clear what is the advertised price on the asset for sale:

- If either the asset value or the debt value does not exceed £3,000, select the activity plan outcome **Does Not Exceed**, update the activity plan with your comments and close the SR.
- If both the asset value and the debt value separately exceed £3,000, select the activity plan outcome **Exceeds**, update the activity plan with your comments and go to **step 13**.

13. If you are going to proceed with the SADO and do not yet have a liability order (LO), then apply for a LO in parallel. For more information refer to [Liability Order - Magistrates Court](#).
14. Record the arrears balance for the debt period by updating the following fields in **Enforce Forms**:
  - **Balance Due** - the arrears balance for the LO debt period.
  - **Debt Period Start** - record **01/01/3000** to enable progression through the system
  - **Debt Period End** - record **01/01/3000**



Balance due today is defined as 'The amount of debt at application date for a defined debt period'. This will be the sum of debt (arrears) for which you are making a LO application for. Use the debt period and amount that has been defined for the LO. In the instance where one LO is already in place and our intention is to apply for a second LO, the debt period for the SADO would be: the start date of the debt period for LO1 and the end date of the debt period for which we are about to apply.

15. Generate letter CMEL9104 to be sent out to the judicial review and litigation team (JR team). Complete the CMEL9104 with details of the SADO application and select **Link To SR** to link it to the current task item.
16. Link any relevant documents to the CMEL9104 to be sent out to the JR team. Check the Documents and Evidence screens to highlight any relevant items and select **Link To SR**.



Ensure you link copies of notifications to the paying parent of the debt outstanding, as we need to demonstrate that the paying parent is aware of the debt.



Some examples of relevant documents to include are:

- Valuation of the asset
- Advertisement of the asset for sale
- Estate agent details concerning the asset for sale

17. Send the CMEL9104 SADO application pack including the relevant documents to the JR team for approval.
  - Send the pack by email - the SR and the case ownership remains with you, it is not transferred to the JR team.

18. Send an authorisation request to your team leader by changing the SR status to **Pending Approval** and the sub status to **Pending Approval Team Leader**. This will prompt your team leader to arrange a conference call with the JR team to discuss the case.
19. Prepare a case file to keep hard copies of all the relevant letters and documents.

### Team leader action

20. When you receive an **Approval** SR, allow three days for the JR team to review the application pack sent by the case manager. Arrange a conference call between yourself, your enforcement area manager and the JR team to discuss the case.
21. Discuss the SADO application with the JR team and the enforcement area manager. The JR team will decide whether to grant approval to continue with the SADO. Once you've discussed the application, update the case manager on the outcome.

### Case manager action

22. Take the following action depending on the JR team's decision:
  - If the JR team reject the SADO application, select the Activity Plan outcome **Rejected**. Update the activity plan with the reason/s why the SADO application has been rejected, update **Rejection Reason** in **Enforce Forms** and close the SR.
  - If the JR team request further information, select the activity plan outcome **More Info Needed**. Update the activity plan with the comments on what info is needed to gather information, then go to **step 23**.
  - If the JR team approve the SADO application go to **step 32**.

## Gather further information

23. Complete **steps 24-31** if you need an investigative officer (IO) to gather information. If you don't need to gather further information refer to **step 32**.
24. Select the activity plan outcome **Initiate** against the **Initiate Investigative Action** SR activity. The system will create a new SR with:
  - **Process = Enforcement**
  - **Area = Use Specialist Services**
  - **Sub Area = Investigative Action**
25. Assign the investigative action to an investigative officer. For more information refer to **Investigative Action** in related items.



The investigative officer will work through the task list and you can view the updates. Once the findings are obtained, the **Investigative Action** SR will be closed.

26. Review the activities performed by the investigative officer as well as the findings submitted to ensure the information available is sufficient to proceed.
27. Update the CMEL9104 SADO application pack with the information gathered by the investigative officer. Link any new relevant documents to the application pack.
28.  Send the CMEL9104 updated SADO application pack, including the relevant documents to the JR team for approval.
29. Update the case file with hard copies of the CMEL9104 updated application pack and relevant documents. Ask your team leader to approve the updated application as detailed in **step 18**.

### Team leader action

30.  Discuss the SADO application and the further information gathered, with the JR team and the enforcement area manager. The JR team will decide whether to grant approval to continue with the SADO.

### Case manager action

31. Take the relevant action depending on the JR team's decision. Refer to **step 22** for more information.

## Interim court hearing

32. Once the JR team has approved the SADO application, change the SR **Status** to **In Progress**. Select the activity plan outcome **Approval Granted**.
33.  Send the CMEL9104 updated SADO application pack including the relevant documents to the DWP litigation team using the internal courier. Set a **Wait** period of seven days to allow time for the hearing date to be arranged.
-  The DWP litigation team will be responsible for arranging the court hearings.
34. When the DWP litigation team contacts you, record the hearing details on the system. Select the relevant court using **3rd Party Account** within **SR Information**. Once completed, this will enable you to update **Select Court Name** in **Enforce Forms**. When you're ready, update **Select Court Name**. Then record the hearing in **Hearing Records**.
35. Send letter CMEL9100 to the paying parent and CMEL9103 to the third party, advising them of the hearing date.



If the owner of the asset is a friend or family member, they will not be set up as a **Third party** on the case but as **Other party**. To issue CMEL9103 to the other party you will need to complete the following:

- In the **Contacts** column of the activities, select the MVG button and remove the current third party contact
  - Search for and add the other party contact
  - Select **Ok**, this will pull through the address and contact details of the other party onto the letter
36. Contact the specialist services support team to arrange a court presenting officer (CPO) to attend the interim court hearing to support the litigation team.
  37. Set a **Wait** period to the day of the court hearing. Set the SR **Status** as **Wait**. You will be on standby on the date of the court hearing to answer any questions the judge may have, and the CPO will advise you of the outcome.
  38.  If the due date passes and you haven't received an update on the outcome, contact the CPO to find out the status of the SADO application.
  39. You will receive contact from the CPO regarding the outcome of the interim court hearing for the SADO application. Record the updates received onto the SADO form.
  40. Update the activity plan with the outcome from the court hearing:
    - If the court did not grant the SADO, select the activity plan outcome **SADO Not Granted**. Update the **Reason** field with your comments and go to **step 41**.
    - If the court granted the SADO, select the activity plan outcome **SADO Granted**. Update the **Reason** field with your comments and go to **step 43**.
  41.  Discuss the reason/s why the SADO was not granted and any grounds for appeal with the litigation team and the enforcement area manager:
    - To appeal against the court decision, go to **step 42**
    - To accept the court decision, go to **step 61**
  42. Initiate the **CMG Appeal** process. Once the **CMG Appeal** process is complete you will return to the SADO SR to:
    - Continue with the SADO at **step 43**

- Apply costs at **step 62**
- Close the SR

43.  Send letter CMEL9107 to inform the receiving parent of the SADO action. Call the receiving parent to explain the action we are taking and be clear and realistic about how long legal action could take.
44.  Send letter CMEL9101 to the paying parent to inform them that an interim SADO has been granted.
45.  Send letter CMEL9102 to the third party who the asset is associated with to inform them that an interim SADO has been granted.

## Final court hearing

46.  Call the paying parent to inform them of the order:
-  If the telephone call is successful, record the telephone conversation and post the notice to the paying parent.
  - If the telephone call is not successful, arrange a bailiff to serve the notice in person.

To serve notice correctly you must include:

- Covering letter CMEL9101
- Copy of SADO from the court
- Originating summons – equivalent of CSF1141
- Affidavit of service – equivalent of FL415
- Acknowledgement of service – equivalent of CSF1142



In England and Wales, the order can be served in person by a bailiff or by post. In Northern Ireland the order is served by post

47. The notice must be served successfully to the paying parent in order to progress to the final court hearing. Record whether the final hearing can progress:
- If notice has been served successfully, select the activity plan outcome **Yes** - to arrange CPO court attendance go to **step 49**
  - If notice cannot be served and SADO action must cease, select the activity plan outcome **No** to apply costs go to **step 62**
  - If SADO action must cease and another enforcement power would be more appropriate, select the activity plan Outcome **Initiate Case Routing** and go to **step 48**
48. Initiate the **Case Routing - Enforcement** process. Once you have worked through the **Case Routing - Enforcement** process you will return to the SADO SR to:
- continue with the SADO at **step 49**
  - apply costs at **step 62**
  - Close the SR
49. Contact the specialist services support team to arrange a CPO to attend the court hearing to support the litigation team.
50. Set a **Wait** period to the day of the court hearing. Set the SR **Status** as **Wait**. You will be on standby on the date of the court hearing to answer any questions the judge may have, and the CPO will advise you of the outcome.
51.  If the due date passes and you haven't received an update of the outcome, contact the CPO to find out the status of the SADO application.
52. The CPO will give you the outcome of the final hearing for the SADO application. Update **Hearing Records** and the following fields in **Enforce Forms**, where relevant:
- **Court Decision Date** - the date of the court's decision
  - **Application Outcome**
  - **Date SADO Served**
  - **SADO Application Number** - the identification number allocated to the SADO by the court
  - **End Date for Order** - when **Application Outcome** is **Granted** - the end date when an order is awarded for a specific time period
  - **Cost Awarded** - record whether the court has awarded costs
53. Update the activity plan with the outcome from the final court hearing:

- If the court adjourned the SADO, select the activity plan Outcome **SADO Adjourned** and update the **Reason** field with your comments. Go to **step 23** and gather further information to satisfy the court then return to **step 54** to arrange the final hearing
- If the court did not grant the SADO, select the activity plan outcome **SADO Not Granted** and update the **Reason** field with your comments. Go to **step 62** to apply costs
- If the court granted the SADO, select the activity plan outcome **SADO Granted** and update the **Reason** field with your comments. Continue to **step 54** to proceed with the SADO

54. Consider whether the court decision is a consequential direction:

- If no consequential direction was given, go to **step 55**
- If consequential direction was given, initiate the relevant enforcement procedure



A consequential direction example would be where the judge directs that a liability order should be obtained within a certain time frame. The SADO is granted for a certain period of time to allow the case manager to undertake any appropriate actions against the asset (usually property). So, a liability order and order for sale would be the most likely directions that the judge would recommend.

55. Set a **Wait** period to monitor compliance with the order. Set the SR **Status** to **Wait**.

56. If the paying parent breaches the order, check to see if the paying parent has applied for a variation:

- If the paying parent has not applied for a variation, go to **step 62** to apply costs
- If the paying parent has applied for a variation, go to **step 57** to process the variation



A variation example would be where the paying parent requests that the SADO is made against a different asset. The variation application would be made to the court, and the court would notify us that the paying parent had applied for a variation.

57. Update the CMEL9104 SADO application pack with the details of the variation. Link any new documents to the application pack.



58. Send the CMEL9104 updated SADO application pack including the relevant documents to the litigation team to handle the variation.

59. Update the case file with hard copies of the CMEL9104 updated application pack and relevant documents.

60. Set a **Wait** period to hear back from the litigation team. Set the SR **Status** as **Wait**.

61. You will receive inbound contact advising you of the court outcome. Update SADO form with the court outcome.

62. Apply any costs to the paying parent's debt. For more information refer to **Apply Costs** in related items.



The CPO will request costs to cover the application at the final hearing. This step is optional, depending on whether costs have been granted against the paying parent in this procedure.

63.   Send letter and call the receiving parent to inform them of the final outcome of SADO action:

- CMEL9106 informs receiving parent that a SADO has been granted and what this means. Call the receiving parent to explain the successful outcome of the SADO action and explain what action we will proceed with, e.g. liability order and order for sale. Be clear and realistic about how long legal action could take
- CMEL9105 informs the receiving parent that a SADO has not been granted and what this means. Call the receiving parent to explain the unsuccessful outcome of the SADO action and explain that we will look again to see what further action we could take and we will keep them updated. Bear in mind that the receiving parent may be struggling financially and they may be very disappointed with this outcome.

64. Review the activity plan to confirm that all of the activities required for this process are complete. Do not close the SR, as closing it will not allow the SR to be progressed. Ensure that you make a note of the SR you have kept open, as the SR can be closed once a fix has been implemented as part of release 22. The enforcement case manager will now proceed with **Case Routing - Enforcement**.

NICMS replaces CMG in Northern Ireland

Replace Her Majesty's Land Registry with Land Registry NI

Replace DWP litigation team with Crown Solicitors Office

**CMEL9100 Action update - setting aside of disposition order**

Notify paying parent of setting aside of disposition order hearing

Under the sub heading 'Setting aside of disposition order' enter the court name in the court name free text field.

Enter the asset details in the asset free text field.

Enter the address of the court in the court address free text field.

[CMEL9101 Action update – setting aside of disposition order granted](#)

Tell paying parent setting aside of disposition order is granted and send a copy.  
Under the sub heading 'Order Granted' enter the court name in the court name free text field.  
Enter the asset details in the asset free text field.  
Enter the court judgement details in the court judgement free text field.

[CMEL9102 Setting aside of disposition order](#)

Notify third party of Setting Aside of Disposition Order hearing.  
Under the sub heading 'Setting aside of disposition order' enter the date of the hearing and the address of the court in the free text field.  
Enter the asset details in the asset free text field.  
Enter the time of the hearing in the time of hearing free text field and the address of the court in the court address free text field.

[CMEL9103 Setting aside of disposition order](#)

Notify interested party of setting aside of disposition action.  
Under the sub heading 'Setting aside of disposition order' enter the asset details in the asset free text field.

[CMEL9105 Your child maintenance update...order not granted](#)

Tell the receiving parent that the setting aside of disposition order has not been granted.  
All fields in this letter are system generated, no manual intervention is required.

[CMEL9106 Your child maintenance update...disposition order granted](#)

Tell the receiving parent that setting aside of disposition order hearing resulted in it being granted.  
All fields in this letter are system generated, no manual intervention is required.

[CMEL9107 Your child maintenance update...setting aside of disposition order](#)

Tell receiving parent that we are applying for a setting aside of disposition order.  
All fields in this letter are system generated, no manual intervention is required.

[Admin Account - Add To](#)[Apply Costs](#)[Case Routing Enforcement](#)[Charge For Payment](#)[CMG Appeals](#)[Enforcement Action - Consider \(E and W\)](#)[Enforcement Action - Consider \(NI\)](#)[Enforcement Action Consider \(Scotland\)](#)[Freezing Order](#)[Investigative Action](#)[Letters \(Outbound\) Send To Client](#)[Liability Order - Magistrates Court](#)[Order For Sale \(England and Wales\)](#)[Order For Sale \(Northern Ireland\)](#)[Terminology Changes](#)[Third Party - Set Up](#)[Does the three year limit include the time it takes to have the SADO granted?](#)

No, the three year limit starts from the date of disposal of the asset, from when the enforcement case manager applies for the order. The date of disposal must be within the last three years & doesn't include the subsequent time that it takes to get the application granted.