



## Third Party Debt Order

A third party debt order (TPDO) is made in the county court. A liability order (LO) must be registered in the county court before an application can be made. A TPDO allows funds owed to, or held on behalf of, a paying parent to be taken from a bank account or other third party. A TPDO can be applied for if the Child Maintenance Group (CMG) has evidence that a third party may hold funds due to the paying parent. If it is identified that the paying parent has a bank or building society account, the case manager may consider a lump sum deduction order (LSDO) to be more appropriate as there is no charge to the CMG as it is a purely administrative process.

The court considers the initial application and may grant an interim order. At this point funds are frozen and the paying parent is given time to pay or make representations to the court. Up to eight weeks later, the court holds a final hearing which will be attended by the CMG's court presenting officer (CPO). At this point, if the application succeeds, the third party will be ordered to release such funds as are available to satisfy the debt.

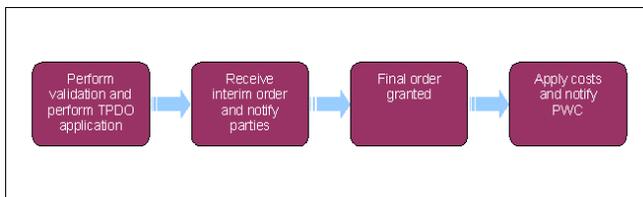
After the interim order is granted, the paying parent may apply to the court for a hardship payment order based on difficulty meeting living costs. This will be notified to the CMG and decided by a county court judge either at the final TPDO hearing or beforehand. The CPO will attend the hearing and present the CMG's objections. For more information refer to [Court Presentation - Magistrates Court](#) and [Court Presentation - County Court](#).

The purpose of this procedure is to guide the enforcement case manager through the creation of a TPDO application and to follow the process through to recording the final outcome. This includes stages where a CPO becomes involved. The enforcement case manager retains ownership of the case throughout and is responsible for all aspects of the case outside court presenting.



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: [Third Party Debt Order](#)

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](#).



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.



Please ensure that an order for recovery is in place before making an application for a third party debt order. For more information refer to [Liability Order - Register in County Court](#).

### Perform validations



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](#).

- Using the PP contact tab, then PP addresses check that the paying parent lives within English/Welsh jurisdiction. Ensure you check the PP Residential address.
- Select the third party debt order (TPDO) service request (SR) via the following tabs:
  - **Process = Enforcement**
  - **Area = Take Enforcement Action**
  - **Sub area = TPDO**
- In the TPDO SR, a list of standard validation tasks is presented at the bottom of the screen comprising:
  - Verify Arrears Outstanding
  - Update Child Welfare Details
  - Letter Outbound
  - Decide Next Step – TPDO

4. Before performing the validations necessary to enable a TPDO application, check whether there is an order of variation in place or pending, by querying **Variation Order** SR.
  - If a variation order has been granted, you must not proceed with the TPDO. For more information refer to [Variation Order](#). Select **Agreed** in the activity plan and go to **Step 57** to close the TPDO SR.
  - If there is no evidence of a Variation application/no **Variation Order** SR update the activity plan to **Not agreed** and proceed to **Step 5**
  - If a variation application is in progress set a **Wait** period of a month to allow an outcome to be received
5. The validation tasks must all be completed before you can proceed with the TPDO application. They may be performed in any order.
6. Select the **Enforcement Orders** tab and check the outstanding balance on liability order/s to be used in the TPDO application.
7. Open the **Update Child Welfare** task from the list. Consider the welfare of any children associated with the case.



A TPDO may freeze a paying parent's bank current account or money owed for any reason; examples include payment for labour or services, funds held by a solicitor as part of a conveyance, compensation or prize money. It is vital that full consideration is given to the welfare of all children involved as the paying parent may apply to the court for a hardship order citing children in their household.

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



The decision to apply for a TPDO is a discretionary decision, this includes making a Welfare of the Child Decision and must be recorded as a freetext entry in **Update Child Welfare Details – Reason**. For more information on discretionary decisions including a verbatim statement to record refer to Policy, Law and Decision Making Guidance .

8. If you decide to proceed with the application, send CMEL7039 to the receiving parent. Call the receiving parent to explain the action we are taking and be clear and realistic about how long legal action could take. Mark the **Letter Outbound** task **Complete**.
9. Select **Add/Validate LO** to display a list of liability orders for the chosen paying parent, then select **Add** to associate the liability order/s to be used for the TPDO.
10. Select **Add / Validate Asset** to display a list of asset types in the **Contact Assets** applet, including:
  - Trusts
  - Money in court
  - Bank accounts



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.

11. Select the **Relevant Asset Type** to display a list of the paying parent's assets of that type. Select the most appropriate asset (most likely to contain sufficient or substantial funds).

## Prepare TPDO application

12. If the order is required for a specific date when we believe that funds will be available, ensure that you allow sufficient time for the interim order to be granted and papers served. Contact the court and arrange for the interim order to be returned to the Child Maintenance Group (CMG) for service on the paying parent and third parties once the funds are in place.
13. The **Details** applet of the **Contact Assets** screen holds much of the information required to complete the TPDO application forms, including:
  - Bank account details (where known)
  - Details of solicitors or others holding funds
  - Registered addresses of trustees
14. Select the **Update Form/document** tab to access the **Enforce form**. Update the **County court reference** field with the county court reference number relating to the order for recovery.
  - The **County Court Reference** field of the **Enforce form** will be blank. This is because the field will not currently accept the format of the reference number. It will have been recorded in the **SR Notes** of the relevant **Register LO in CC** SR. Make a further note of this reference in the **SR Notes** of the **TPDO** SR.
15. Select the most appropriate asset (most likely to contain sufficient or substantial funds).
16. Change the **Status** to **In Progress** to display the next activity plan. The county court reference number field will contain the county court reference number relating to the order for recovery.
17. Complete the **Amount Applied** field with the amount expected to be available in the account.
18. Complete the **Source of Information** field with where the information regarding the account came from.
19. Identify the county court serving the paying parent's post code (for London) or parish (if the paying parent lives outside London) using the court finder facility on Her Majesty's Court and Tribunal Service (HMCTS) website. Complete the **Court Name** field.
20. Complete HMCTS form N349 application for TPDO. HMCTS forms are found on the HMCTS website (see related items below). All HMCTS forms are in PDF format so cannot be saved. Print a copy and scan for retention.



Notes on completing this and all other HMCTS forms are available on the HMCTS website.



21. Send the completed N349/covering letter CMEL7032 to the county court with a copy of the N322 order for recovery and evidence of the target asset.

22. Send an email to the Specialist Services support Team (SSST) at CM 2012 SCHEME South West Specialist Services Support Team to make them aware of the application. Include the client's name, SCIN, the court and the amount of payment that will be due. The SSST will make payment for the action by government procurement card (GPC). Set a wait state of five days to allow the SSST to confirm payment.



The court will contact SSST who will make payment for the action by GPC card.

23. Once SSST contact you, record the payment. refer to the procedure for [Admin account - Add to](#).

24. Select the **Update Form/document** tab to access the **Enforce form**, and complete the following fields:

- **File Sent to Court Date**
- **Arrears balance against LO**
- **Total pay. received**
- **Interim pack to court date**
- **Pay outstanding**

Set **Wait** status for six to eight weeks for the outcome of the interim application.

25. If no contact has been received from the court by the end of the wait period, contact the court to check the status of the application.

26. If the interim TPDO is not granted, record this on the drop-down menu in the SR and ask the court for a written copy of the reasons to refuse.



27. Issue letter CMEL9257 to the receiving parent if the interim order is not granted.

### Receive interim order and notify parties

28. Where the interim order has not been granted because the application was incorrect, resubmit a corrected application.

29. When the interim order is granted, the court will issue a HMCTS form N205 interim third party debt order to you. You will receive an original duplicate of the order addressed to the CMG, to be forwarded to the court presenting officer (CPO). This must be done at least three weeks before the final hearing.



The interim order will be scanned and sent to storage on receipt. You must request the original document from our scanning provider as soon as you are aware it has been received.

30. The court will usually send a copy of the order direct to the paying parent and the third party. If this is the case, proceed to **Step 34**. An exception to this will be if you have requested the papers for service on a specific date. If this is the case and all documentation has been sent to CMG, follow **Steps 31-33**.



31. Send a copy of the interim order together with a copy of the N322 order for recovery and a copy of the liability order and covering letter CMEL9180 to the paying parent, allowing 21 days notice (see below) of the final hearing date. Complete HMCTS form N215 certificate of service.



As the 21 days does not include the date of service, the following day or the date of the hearing, you must have at least 24 days between the date of service of the interim order and the date of the hearing.



32. Send the interim TPDO N86 to the paying parent, accompanied by a letter CMEL9180 informing the paying parent of interim order and the final hearing date.



33. Send the original of the interim third party debt order to inform the paying parent, of the final hearing date.



The third party will freeze the funds after they have been made aware of the interim order. Check with the third party that the order has been received and whether there are funds available to cover the debt.

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



34. Issue letter CMEL9258 to the receiving parent if the interim order is granted.

35. Select the **Update Form/document** tab to access the **Enforce form** and complete the following fields:

- **Interim Outcome Type**
- **Interim Outcome Date**
- **Summons served**
- **Interim TPDO issued**
- **Not's issued to parties date**

36. In the **Hearing record**, complete the **Final Hearing Date** field from the information supplied on the N205 which will state the date of the final hearing and how long the paying parent has to make representations to the court.
37. Initiate the **Court Presentation** SR to refer to the CPO who will appear in court at the final hearing.
38. Once you have received a response from the third party confirming the amount they have been able to freeze select the **Update Form/document** tab to access the **Enforce form** and complete the following fields:
  - **Funds Frozen**: This amount may be less than the amount on the interim order.
  - **Sum of debt frozen**
39. Set the manual allocation flag once you have had confirmation of the amount frozen. Refer to the procedure [Manual allocation flag - set up](#) for further guidance.
40.  Withdraw the TPDO application if the third party does not hold any money owed to the paying parent or the amount is so low that it would only cover the third party's costs and leave nothing for child maintenance. Update CMS system with **Resolution Code - Unsuccessful** and send CMEL7036 to inform the paying parent of withdrawal, with covering letter CMEL7037, CMEL7035 to inform the court of the withdrawal and a CMEL7029 to inform the receiving parent.  Call the receiving parent to explain that we are withdrawing the application and reassure the receiving parent that we will look again to see if there is any 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.
41. The paying parent might apply for an order of variation after they have been served with the interim order. For further information refer to [Variation Order](#).
42. If the paying parent makes an application to the court for a hardship payment order claiming that they will be unable to meet regular living expenses, the court will write to you with a hearing date. Often this will be the same date as the final TPDO hearing. The court is obliged to give two days' notice of the hardship payment order hearing. You must inform the CPO immediately of the date of the hearing so that they can attend. It is important to provide any information to support the CMG's objection to the paying parent's application for a hardship payment order.  
For more information refer to the Policy, Law and Decision Making Guidance 
-  The CPO will assure the court that all interested parties have been served with the interim order, and will arrange and attend the final TPDO hearing if it is on a different date.
43. Mark the **NRP Applied Hardship** field **Yes**.
44. If the court grants the hardship order, mark the field **Hardship Appl. Accepted by Court** with the value **Yes**.

### Final order granted/not granted

45. The court will notify interested parties of the final outcome or send duplicates of the final order to the CPO for distribution. The CPO will pass all documentation back to you.
46. In the **Update Forms** tab, record the **Final TPDO Outcome** as **Granted** or **Not Granted** depending on the outcome.
47. The final order will stipulate a time limit (usually 21 days or less) for the third party to pay. If they do not comply with this the court will usually send bailiffs to obtain the payment.
48. If the final order is not granted, or once payment is received and has been manually allocated, remove the manual allocation flag. Refer to the procedure [Manual allocation flag - remove](#) for further guidance. If you are considering an appeal against the decision please refer to the procedure for [CMG Appeals](#) for further guidance.

### Apply costs and notify receiving parent

49. Costs should be applied only if the final TPDO is granted and will be advised by the CPO. In the **TPDO** SR, select the appropriate cost type.
50. In the **Update Forms** tab enter the hearing date and the amount awarded.
51. Attribute the LO reference number to the costs.
52. Mark the task as **complete** to 'stamp' costs to the paying parent's schedule – BaNCS interface will add the costs under the reference number of the liability order/s associated in **step 9**.
53. Record on the process activity list that costs have been applied.
54.  Send letter and call the receiving parent to inform them of the outcome:
  - CMEL7030 informs the receiving parent that the order was granted. Call the receiving parent to explain the successful outcome of TPDO action
  - CMEL7031 informs the receiving parent that the order was not granted. Call the receiving parent to explain the unsuccessful outcome of TPDO 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.
55. Complete the **Outcome Not To PWC Debt** Field.
56. Within the **Appointment** line of the activity plan, set a **Wait** period for receipt of payment from the third party.
57. Once payment is received, record the amount in the **Total Pay Received** field and close the SR.
58. Close the SR by updating the SR **Status** to **Closed** and the **Sub status** to **Complete**.

#### CMEL7029 Your child maintenance update – third party debt order withdrawn

Tell the receiving parent that we're withdrawing application for Third Party Debt Order

Under the sub heading 'Your child maintenance update' select one of the following:

- **TM\_25406\_E** If we are stopping because we have received a full payment, use paragraph 'If we are stopping because we have received a full payment'
- **TM\_25407\_E** If we are stopping because of a successful appeal, use paragraph 'If we are stopping because of a successful appeal' and enter the details in the free text field
- **TM\_25408\_E** If we are stopping because the action is no longer suitable/feasible, use paragraph 'If we are stopping because the action is no longer suitable/feasible'
- **TM\_25409\_E** If we are stopping because the third party is not holding any money, use paragraph 'If we are stopping because the third party is not holding any money'
- **TM\_25410\_E** If we are stopping because of a variation order (VO), use paragraph 'If we are stopping because of a VO'

Under the sub heading 'What this means for you' select one of the following:

- **TM\_25411\_E** If we are stopping because we have received a full payment, use paragraph 'If we are stopping because we have received a full payment'
- **TM\_25412\_E** If we are stopping because of a successful appeal, use paragraph 'If we are stopping because of a successful appeal'
- **TM\_25413\_E** If we are stopping because the action is no longer suitable/feasible' use paragraph 'If we are stopping because the action is no longer suitable/feasible'
- **TM\_25414\_E** If we are stopping because there is no money in the account, use paragraph 'If we are stopping because there is no money in the account'
- **TM\_25415\_E** If we are stopping because the third party is not holding any money, use paragraph 'If we are stopping because the third party is not holding any money'
- **TM\_25416\_E** If we are stopping because of a VO, use paragraph 'If we are stopping because of a VO'

Under the sub heading 'What happens next' select one of the following:

- **TM\_25417\_E** If all arrears are cleared and there is no ongoing maintenance, use paragraph 'If all arrears cleared and no ongoing maintenance' and enter what will happen in the free text field
- **TM\_25418\_E** If all arrears are cleared but ongoing maintenance remains, use paragraph 'If all arrears cleared but ongoing maintenance remains'
- **TM\_25419\_E** If these arrears cleared but other arrears remain, use paragraph 'If these arrears cleared but other arrears remain'
- **TM\_25420\_E** If there are still payments due under this liability order, use paragraph "If (client name) doesn't keep up these payments we will take further action against them"
- **TM\_25421\_E** If these arrears cleared but other arrears and ongoing maintenance remain, use paragraph 'If these arrears cleared but other arrears and ongoing maintenance remain'
- **TM\_25422\_E** If we are taking other action, use paragraph 'If we are taking other action'

#### CMEL7030 Your child maintenance update – third party debt order granted

Inform receiving parent that the TPDO has been granted

All fields in this letter are system generated, no manual intervention is required.

#### CMEL7031 Your child maintenance update – third party debt order not granted

Inform receiving parent that the TPDO has not been granted

All fields in this letter are system generated, no manual intervention is required.

#### CMEL7032 Accompany County Court files – third party debt order

Accompany County Court files

Under the heading "Third party debt order" enter the reference number in the free text field.

#### CMEL7035 We are withdrawing a third party debt order application

Inform Court that we've withdrawn TPDO action

All fields in this letter are system generated, no manual intervention is required.

[CMEL7036 We are withdrawing our application for a third party debt order](#)

Tell the paying parent that we're withdrawing application for third party debt

Under the heading 'We are withdrawing our application for a third party debt order' select the following when appropriate:

- If we are explaining that we are looking to actions, use paragraph **TM\_15426\_E** 'If appropriate'

[CMEL7037 We are taking action against you – third party debt order](#)

Paying parent covering letter for summons to final TPDO hearing

All fields in this letter are system generated, no manual intervention is required.

[CMEL7039 Enforcement update – we are applying for a third party debt order](#)

Inform receiving parent that we're applying for a third party debt order

All fields in this letter are system generated, no manual intervention is required.

[CMEL9180 Important legal documents enclosed](#)

Court document covering letter to NRP

Under the sub heading 'Important legal documents enclosed' enter either an interim order or a summons in the interim order or a summons free text field and the name of the court in the name of court free text field.

[CMEL9257 Your child maintenance update – interim third party...not granted](#)

Inform receiving parent that the interim TPDO has not been granted

All fields in this letter are system generated, no manual intervention is required.

[CMEL9258 Your child maintenance update – interim third party debt order granted](#)

Inform receiving parent that the interim TPDO has been granted

All fields in this letter are system generated, no manual intervention is required.

[Admin Account - Add To](#)[CMG Appeals](#)

To download forms select link: [HMCTS Forms](#)

To use court finder select link: [Court Finder](#)

[Court Presentation - Magistrates Court](#)[Court Presentation - County Court](#)[Liability Order - Register in County Court](#)[Manual allocation flag - remove](#)[Manual allocation flag - set up](#)[Terminology Changes](#)[Variation Order](#)[What is a third party debt order \(TPDO\)](#)

It is where the Child Maintenance Group (CMG), via the court system, can serve an order on a third party who is holding funds for a paying parent - for example a bank or contractor.