

**DWP Shared Services
Customer Support**

**Third Party Payment Creditor
Handbook**

September 2009

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Aim of this Handbook

The aim of this handbook is to provide an overview of how the Third Party Deductions scheme works to organisations (referred to as Creditors) who receive Third Party Payments.

Please circulate to all relevant parties within your organisation.

The payment procedures are complex because of the requirement to cope with millions of different transactions each year. The following pages aim to help everyone fully understand the procedures and help us to ensure that payments are made on time and are for the correct amount in all cases.

We are always happy to receive any suggestions or comments that will help us to improve the service we provide.

Please have your AP Creditor Reference Number ready when contacting the call centre (this also acts as a security check and it can be found on your payment schedules).

We will not be able to deal with your query without this information.

Please note that the third party payments call centre telephone number is:

0845 600 2859

Please also note that all calls made to the third party payments call centre are recorded for training, quality and monitoring purposes.

Introduction

DWP customers in receipt of certain benefits or credits may have deductions taken from their benefit and paid to a creditor under what is known as the Third Party Deduction Scheme. Third Party Deductions will only be made when it is considered (and agreed) to be in the interest of the customer or the customer's family. The actual payment of monies owed to the Creditor and paid on behalf of the DWP customer is known as a **Third Party Payment (TPP)**.

(The Third Party Payments scheme is operated in accordance with the Social Security (Claims & Payment) Regulations 1987, Regulation 35(1) and Schedule 9.)

The areas in which arrears can be managed by use of the scheme include:

- Housing costs excluding mortgage interest (for customer's current address)
- Rent arrears and service charges (for customer's current address) which includes arrears of :
 - Miscellaneous accommodation costs
 - Hostel service charges
 - Gas, electricity and water
- Water and sewerage charges (for customer's current provider)
- Fuel costs (for customer's current provider)
- Council Tax (CT) arrears
- Unpaid fines or compensation orders
- Child Maintenance Enforcement Commission (certain elements)
- Housing Benefit and Council Tax Benefit recoveries on behalf of Debt Management Service

Third Party Deduction (TPD) teams are located in DWP Benefit Delivery Centres and Pension Centres. They are responsible for:

- Agreeing to Third Party Deductions with the creditor and customer
- Implementing deductions from the customers benefit
- Any amendments to amount of deduction from benefit and terminating deductions from benefit
- Amendments to Customer Reference Numbers
- Dealing with queries from customers receiving benefit
- Maintaining details on the Benefit Computer Systems for both Great Britain and Northern Ireland
- Deductions for Housing Benefit and Council Tax Benefit Recoveries are set up and maintained up by DWP Debt Centres

The Third Party Deduction Scheme should only be used when all other avenues of recovery have been exhausted. It can be used to:

- pay any outstanding debts and maintain the supply
- prevent any further debt accruing

How the Scheme operates

Payments

Once payments to be made are set up on the Third Party Payments System a Creditor will normally receive payment every 4 weeks and will be 4 weeks in arrears (you can usually expect to receive the first payment for a customer on your schedule within six weeks from the date deductions have commenced). An Automated Credit Transfer of the payment will be made into the bank account nominated by the Creditor.

A small number of customers are paid their benefit quarterly (13 weekly); this will affect the Third Party Payment as this will also be paid over quarterly. If this is inconvenient please discuss this issue with the TPD section at DWP Benefit Delivery Centre or Pension Centre, when requesting deductions to be set up.

Once deductions have been set up, Third Party Deductions (TPD) at the DWP Benefit Delivery Centre/ Pension Centre, will send a letter of notification to the Creditor providing details of the deductions –

Please check the details contained in this notification to ensure all details are correct. Please notify TPD at DWP Benefit Delivery Centre/ Pension Centre of any discrepancies or details that require changing.

The contact details for the Benefit Delivery Centre/ Pension Centre will be on the top right hand corner of the notification.

Responsibilities

Creditor

- To apply to Customer's DWP Benefit Delivery Centre or Pension Centre (TPD Section) to set up deductions from Benefit.
- To inform Benefit Delivery Centre / Pension Centre of any changes and to request any amendments to deductions from benefit. (i.e. to end, change amount or Customer Reference Number). **Failure to do so could result in unnecessary over deductions from customers benefit.**
- To allocate all payments to the correct Customer accounts promptly on receipt of your payment schedule and ensuring any unidentified payments are dealt with as soon as possible and certainly within the current financial year. **(We will not have the information available to deal with queries raised relating to the previous financial year).**
- To notify TPD at DWP Benefit Delivery Centre/ Pension Centre of any overpayment of deductions from benefit.
- Inform Masterfile at TPP Norcross promptly of any changes to your address or bank account details **(failure to do this may result in payments being made into an invalid account)**. Please see full Masterfile procedures and requirements at the back of this booklet

Third Party Deductions at DWP Benefit Delivery Centres and Pension Centres

- To obtain details from new creditors to set them up on Third Party Payments Scheme.
- To set up, amend, and terminate deductions from benefit on behalf of their Customer and the Creditor.
- To amend Customer Reference Numbers
- To calculate and pay any underpayment/ missing payments of deductions from benefit to the Creditor
- To calculate and recover any overpayment of deductions from benefit made to the Creditor
- Dealing with any queries from benefit Customers relating to Third Party Deductions

Third Party Payments at DWP Norcross Blackpool

- To allocate all new Creditors set up by TPD DWP Benefit Delivery Centres/ Pension Centres with a Creditor Reference Number
- To Maintain the Creditor Masterfile where Creditor address, contact and bank account details are held
- To pay deductions from benefit on behalf of TPD DWP Benefit Delivery Centre/ Pension Centre to the Creditor
- Deal with queries from Creditor relating to payment schedules
- Refer Creditors to relevant Benefit Delivery Centre/ Pension Centre to resolve queries regarding the set up of deductions
- To recover any overpayments of deductions from benefit made to Creditor on behalf of TPD DWP Benefit Delivery Centre/ Pension Centre

Payment Adjustments

An adjustment becomes necessary when the Third Party Deductions (DWP Benefit Delivery Centres/ Pension Centres) are not notified of a change in deductions until after the relevant payment has been made to you, the Creditor. Occasionally a cancellation will be made to the Customer's benefit payment and this will result in a cancellation to the deduction for the same period.

It is your responsibility to notify the Third Party Deductions Teams (TPD) at the DWP Benefit Delivery Centre or Pension Centre if the debt has been fully recovered or if there is any change that affects the amount of debt that they were originally asked to recover.

If either an overpayment is made or monies are paid to you in error (not one of your customers/clients), you are required to inform Third Party Deductions at DWP Benefit Delivery Centre or Pension Centre, who will then recover this money automatically.

Please do not:

- Repay this money back to us by cheque
- Repay money back to us via BACS
- Repay any money to your Customer/Client
- Transfer to another organization where you deem the money should have been paid.

It is a **condition of the scheme** that we recover any monies overpaid or paid in error by adjustment. This is to ensure that the Customer's account is credited with any monies we have deducted.

Debit Balance Schedule

In very rare circumstances an overpayment of deductions made in respect of a particular customer, may exceed the amount due on the next payment schedule. In this instance we may request you refund the amount of the overpaid deductions from benefit to Third Party Payments via a cheque, in order to avoid any disruption to further payments of deductions in respect of other customers.

Changing a Customer Reference Number

The schedule (remittance advice) you receive will show the customer's reference number. This is the account number you have allocated to the customer.

If it is incorrect or needs amending please notify Third Party Deductions Team at DWP Benefit Delivery Centre or Pension Centre

TPD Team will then amend the Benefit System with the correct information so that it is right for future schedules.

Merger of Creditors or Change of Bank Details

If any accounts or creditors merge, the initial point of contact should be with the TPD section at the DWP Benefit Delivery Centre/ Pension Centre, ensuring that deductions are ended under the old AP Creditor Reference Number and recreated under the merged Creditor details.

In order to prevent delays in payment it is also important that you notify the Third Party Payments Team at Norcross of any change that may affect the payment. If this does not happen it may result in monies being paid to an incorrect bank account or Creditor. If the name/address of your company changes or if there is a change to your bank details please inform the **Masterfile Team, Room 203, Norcross, Blackpool, FY5 3TA**, immediately in writing on your organisations headed notepaper with a signature. Please also make sure that you include your AP Creditor Reference Number. Please refer to full Masterfile procedures and requirements at the back of this booklet.

Payment Schedules

Since July 2005 the time from payments being issued and clearing in your accounts has reduced from 7 working days down to 3 working days. Payment schedules are produced and issued (1st class) the day after payment is issued. Schedules provide the total Automatic Credit Transfer that will be made and contains a full breakdown of each customer account due for payment. **If you currently receive your monthly schedule through the post, please allow 5 working days from receipt of payment into your bank account before reporting non-receipt of the schedule to Third Party Payments (TPP) Norcross (we are unable to obtain a re-print of the schedule until after this period of time).** If your schedule has not arrived after this period TPP will arrange for a duplicate copy to be issued by post – alternatively you may wish to obtain information regarding receiving the schedule electronically.

Inline with DWP security procedures, we are not able to fax or email duplicate payments schedules and we can only send duplicate schedules out to the address details currently held on our system.

Information found on the Payment Schedule includes:

- Owning Office Ref:** The DWP Benefit Delivery Centre/ Pension Centre Office Identification Number
- Our Ref:** National Insurance Number – **Please note** the suffix letter is omitted on the schedule
- Customer Ref:** This is the number allocated by the Creditor and can be a maximum of 18 characters in free format.

Please note our system will only accept alpha and numeric characters – it will not accept any symbols

- Period:** The actual period of payment/date deducted from benefit
- Amount (£):** The total payment due; i.e. number of weeks x the weekly payment (£)

At the end of the schedule the following paragraph may appear if adjustments have been made to the payment due.

“The following amounts have been incorrectly credited to your organisation. As a result they are being deducted from our latest payment to you”

Specific details similar to those provided for the original payment are given for each transaction being recovered. This will therefore show the amount of the payment due as well as the amount of the recovery being made on a particular schedule and the net total will equate to the payment credited to your bank account.

Your Creditor Reference Number will be quoted on the last page of your schedule

Electronic Schedules

The facility to send payment schedules securely electronically is now in place and has successfully been initiated by a select number of Creditors.

We would be happy to hear from anyone wishing to take advantage of this facility and will provide information to enable the receipt of electronic schedules. For further information please contact the TPP Call Centre. (Payment Schedules should be in excess of £2000 to be sent electronically)

Each individual creditor will be responsible for ensuring that they can receive and process the electronic notifications sent. As a result the creditor may be required to make enhancements to their computer systems.

The Creditor Information Pack (which will be sent out to any creditor expressing an interest) provides the basis for defining the electronic notification interface which informs the creditor of changes they may need to make to their systems to successfully receive and process electronic notifications

Payment schedules cannot be sent electronically until you have confirmed that you are in a position to receive them via EDI (Electronic Data Interface)

Customer Service

Our aim is to provide a service that is focused on your needs and our staff aim to ensure that they provide accurate information and advice at all times.

We welcome new ideas to support and improve our service.

When you contact us via post we will:

- Our aim is to resolve 75% of all our queries within 24 hours of receipt, 85% within 7 working days of receipt, 90% within 21 working days and 100% within 28 working days. If we are unable to resolve your query within these timescales we will give you a courtesy call explaining: -
- Why we cannot resolve your query
- What action we are taking
- If we require further information to help resolve the query
- When you can expect the query to be resolved

When you deal with us by telephone we will:

- Deal with your query in a professional, helpful and courteous manner and will endeavour to provide you with clear and accurate information.
- If we are unable to deal with your query over the telephone we will log it as a case and provide you with a log number. It will then be passed to our Investigations Team who will conduct a thorough investigation to provide you with an answer or resolve the query or we will if necessary, refer you to the relevant DWP Benefit Delivery Centre or Pension Centre to resolve the query.
- Cases referred to the Investigations team are dealt with in date order. Our aim is to resolve cases within 28 working days, however this may increase during busy periods.
- We endeavour to answer as many calls as possible during our opening times and since obtaining a new number have recruited more operators to deal with the calls

For speed and security reasons please have your AP Creditor Reference Number at hand – we will not be able to deal with your query without this information

Data Protection

Due to Data Protection we are unable to provide you with certain customer/ creditor information:

We are unable to provide any customer address details, National Insurance Numbers, dates of birth, or confirmation of receipt of benefit.

We are able to provide you with customer's full names and contact telephone numbers for their DWP Benefit Delivery Centre or Pension Centre.

Also please be aware that due to Data Protection and in accordance with DWP security procedures, we are unable to provide you with the bank account details we hold for your organisation.

It is your responsibility to ensure that you hold a full record of all the bank account details that you have provided us with.

This procedure is to protect and safeguard against any bank account details being given out to an inappropriate person or organisation.

Emergency Procedures

Where Shared Services is unable to operate under its normal procedures interim procedures will be communicated via telephone or by press announcements.

Contact Points

All initial enquiries about the service should be made to the Call Centre.

TPP Call Centre Norcross	Opening Hours	Tel Number
	Mon – Thurs 8.30am – 4.30pm Friday 8.30am – 4.00pm	0845 600 2859

E-mail enquiries - TPP-Call-Centre@dwp.gsi.gov.uk

All notifications regarding changes to a Creditors name, address or change of bank details, should be made to Masterfile Team who can also be contacted through the number above.

If you wish to contact us via post please address correspondence to:

Department for Work and Pensions
Shared Services – Customer Payments
Room 203
Norcross
Blackpool
FY5 3TA

Please see Contact Telephone Numbers for DWP Benefit Delivery Centres and Pension Centres at the back of this booklet. Please note the information provided is accurate at date of print of this document. For more up to date information or any queries relating to DWP Benefit delivery Centre or Pension Centre contact details, please contact your nearest DWP Benefit Delivery Centre or Pension Centre.

Your comments

We hope that the services we provide meet with your expectations. Your feedback is an essential part of our business development process and we would be grateful for your comments.

If you have any comments with regards to our service you are invited to contact our Accounts Payable Manager Kevin Johnson at the address shown overleaf.

Masterfile procedures

Dear Sir or Madam:

We have recently reviewed our procedures to ascertain potential vulnerabilities, and introduce some remedial measures to reduce any risks identified.

As a result, we feel that as Masterfile processes have been in place for some time we need to focus on explaining exactly what information is required before any amendments can be made to a creditor's Masterfile record.

This highlights the fact that we wish to protect our creditor's details, and to make sure that any change request we receive has the appropriate information included.

We require the following details to be provided on any change request:

- **All requests to be completed on Company headed letter paper**
- **AP reference number - which is unique to each creditor must be included (this number appears at the end of the payment schedule and is a 10 digit reference number beginning with five zeros)**
- **The creditors schedule address**
- **If there is a change to your bank details and / or address we require details of the previous account/address as well as the new details (this enables the team to have an additional check of previous details)**
- **Printed name and Signature**
- **Contact telephone number and email address**

If we receive a request without the information required - the request will be returned to the creditor. **There will be no exceptions.**

Please note we are no longer able to amend details by faxed request. Faxed requests will only be accepted in exceptional circumstances e.g. with prior agreement from the team supervisor, or in the event of Royal Mail dispute etc.

I trust you will appreciate that by providing this information, it will ensure that the details are entered correctly.

Your co-operation will be much appreciated and I would be grateful if you will please provide details on letter headed paper with an authorising signature on all future requests.

Thank you.

DWP Benefit Delivery Centre contact telephone numbers

There is the facility for the Benefit Delivery Centres to give direct dial telephone numbers to Third Party Creditors.

Aberdeen	0845 608 8749
Arbroath	0845 600 1506 / 0845 608 8749
Barnsley	0845 608 8560
Basildon	0845 608 8575
Bathgate	0845 608 8630
Belfast	0845 608 8770 / 0845 603 5759
Birkenhead	0845 608 8529
Bolton	0845 608 8531
Bradford	0845 608 8556
Bristol	0845 608 8597
Burnley	0845 608 8502
Bury St Edmunds	0845 608 8618
Caerphilly	0845 608 8562
Cannock	0845 608 8676
Canterbury	0845 608 8501
Carlisle	0845 608 8545
Chester	0845 608 8534
Chesterfield	0845 608 8521
Chippenham	0845 608 8621
Chorlton	0845 608 8504
Clyde and Fife	0845 608 8582
Clydebank	0845 600 1506
Coatbridge	0845 608 8645
Cosham	0845 608 8573
Derby	0845 608 8506
Doncaster	0845 608 8508
Dover	0845 608 8626
Exeter	0845 608 8564
Glasgow	0845 603 6347
Gloucester	0845 608 8624
Greenock	0845 608 8598
Hackney	0845 600 6334
Halifax	0845 608 8548
Handsworth	0845 608 8648
Hanley	0845 608 8673
Hastings	0845 608 8757
Hull	0845 608 8546

Huyton	0845 608 8535
Hyde	0845 608 8526
Ilford	0845 600 2612
Inverness	0845 600 1506
Kilmarnock	0845 608 8632
Leeds	0845 608 8590
Leicester	0845 608 8525
Lincoln	0845 608 8532
Llanelli	0845 608 8554
Luton	0845 608 8627
Makerfield	0845 377 6001
Mansfield	0845 608 8521
Merthyr Tydfil	0845 608 8552
Milton Keynes	0845 608 8573
Newcastle	0845 608 8642
Newport	0845 608 8569 / 0845 600 3018
Norwich	0845 608 8571
Nottingham	0845 608 8528
Oldham	0845 608 8523
Peterborough	0845 608 8603
Plymouth	0845 603 6095
Preston	0845 608 8524
Ramsgate	0845 608 8626
Ravenhurst	0845 608 8657
Sheffield	0845 600 1267
St Austell	0845 608 8578
St Helens	0845 608 8503
Stockton	0845 600 8643
Stratford	0845 600 0148
Sunderland	0845 608 8637
Totton	0845 608 8620
Walsall	0845 602 0206
Watford	0845 608 8583
Wellingborough	0845 609 4904
Wolverhampton	0845 600 3115
Worcester	0845 608 8665
Worthing	0845 608 8715
Wrexham	0845 600 3016
York	0845 608 8550

Pension Centre contact telephone numbers

Pension Centre	3rd Party VDN Number
Burnley	01282 688886
Cwmbran	01633 488465
Dundee	01382 513415
Leicester	0116 2481215
Motherwell	01698 244415
Seaham	0191 516 1015
Stockport	0161 209 4015
Swansea	01792 765674
London Pension Centre	0191 218 6008
Warrington	01925 401765

Please note the information above is accurate at date of print of this document. Please contact your nearest Benefit Delivery Centre or Pension Centre for further updates or any queries relating to Benefit Delivery Centre or Pension Centre contact numbers.