Adding a Deduction order

Payments and Deductions · https://paiyroll.com/kb/adding-a-deduction-order/

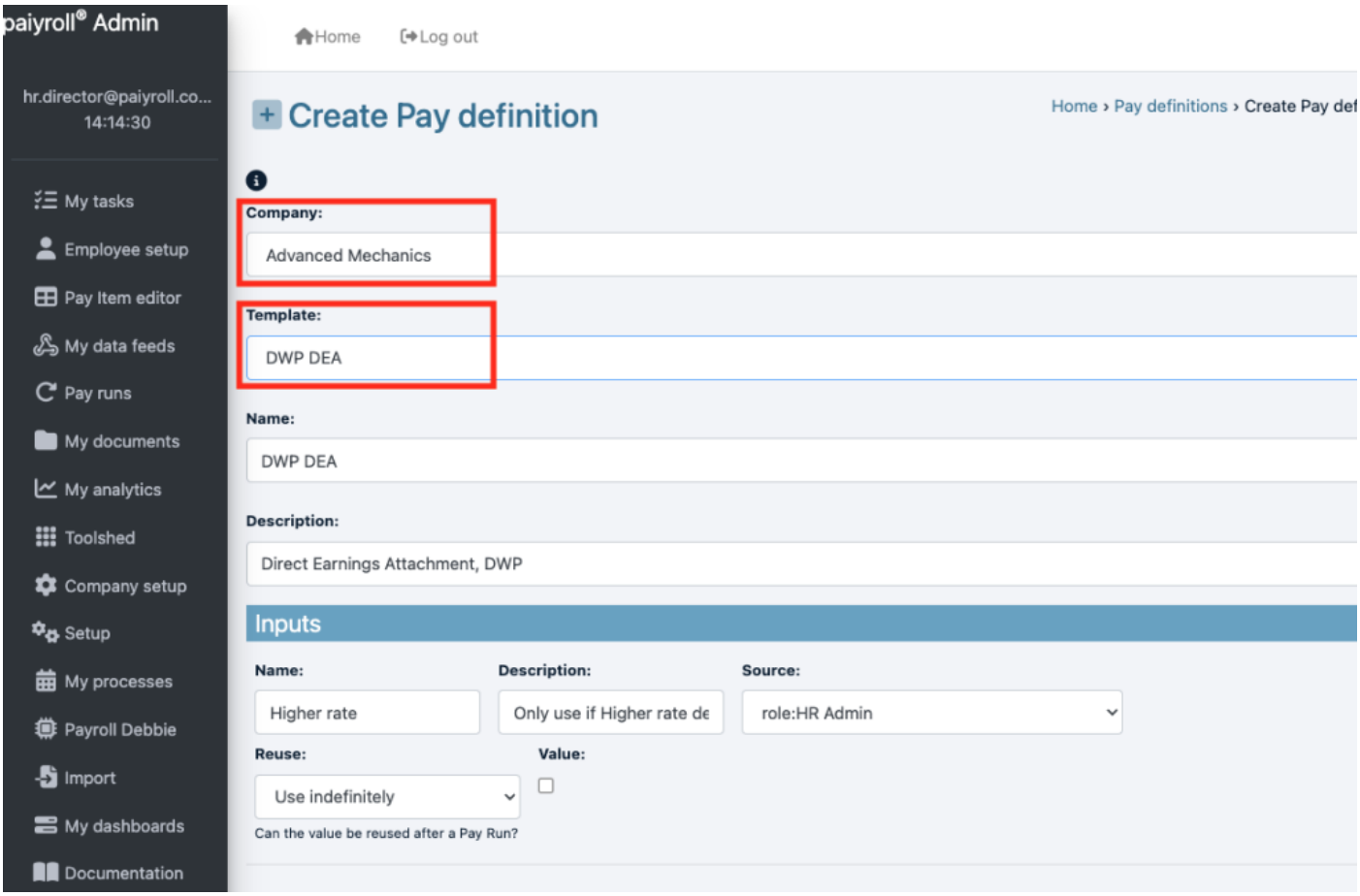
AEO, DEA, DWP, Arrestment, CSA DEO, CTAEO, Magistrates

paiyroll® automates deduction orders, including Council Tax (CTAEO), Child Support Agency (CSA), Department of Work and Pensions (DWP DEA), Arrestment, Magistrates fines and AEOs.

Pay Definition

Before you can add a deduction **pay item t**o an employee, you need to create the company **Pay definition**. Go to **Setup** > **Pay Definitions** and click **Add..**.

Select the **Company** and choose the **template** that matches your deduction order:

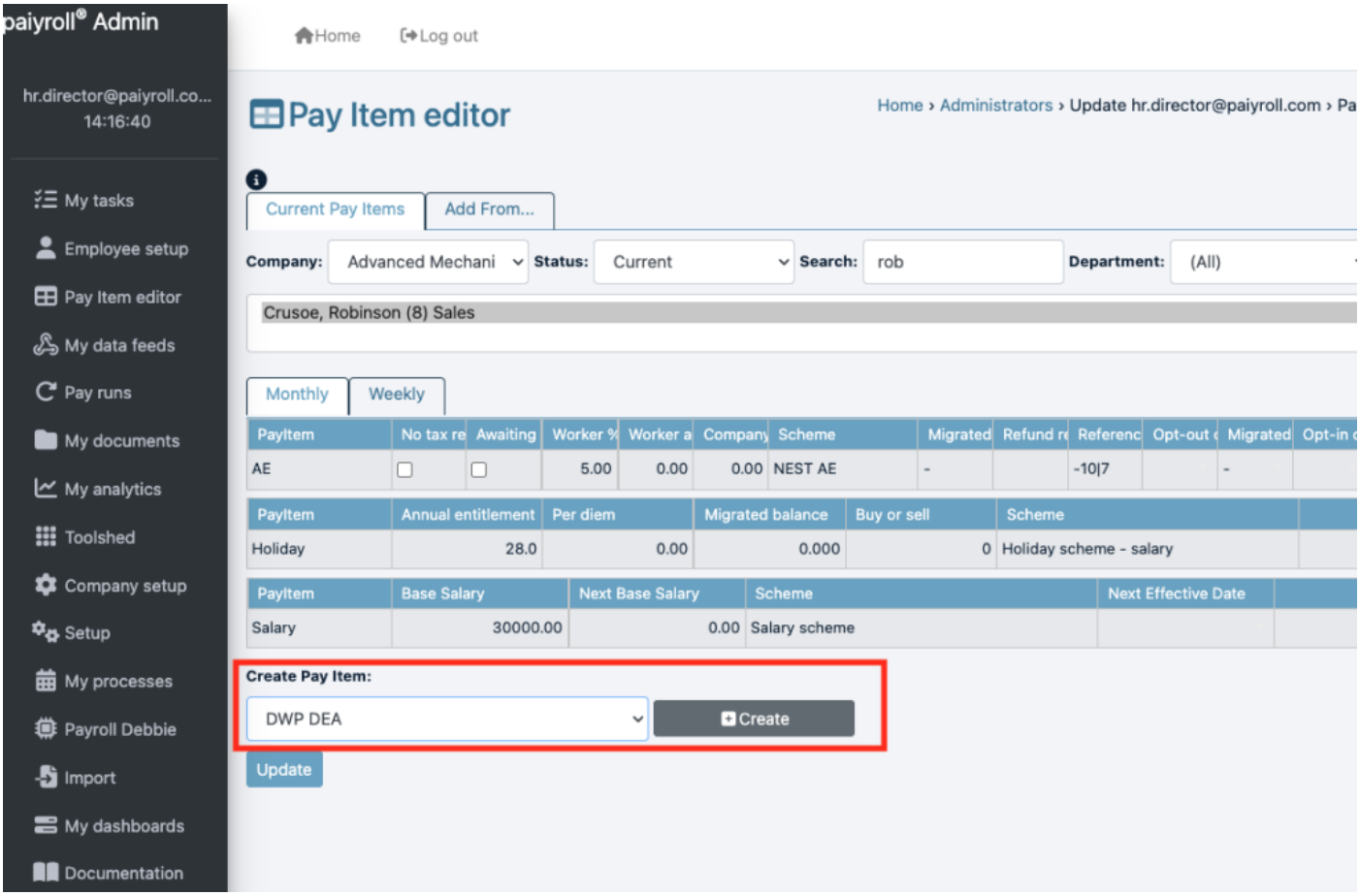


Make no other changes and click **Add**

Pay Item Editor

Next, go to the **Pay Item editor**, and **search** or select the **employee**.

Then select the required Pay Definition in the **Create Pay Item** selector and then click **+Create** to create the **Pay Item** on the employee:



Enter Notified Values

When the pay item has been added to the employee, you will need to enter the notified values that will determine how the deduction order will operate - each Deduction order works differently.

Carefully move your cursor over the name on each input and a **pop-up tooltip** will display telling you exactly what to enter in each input field:

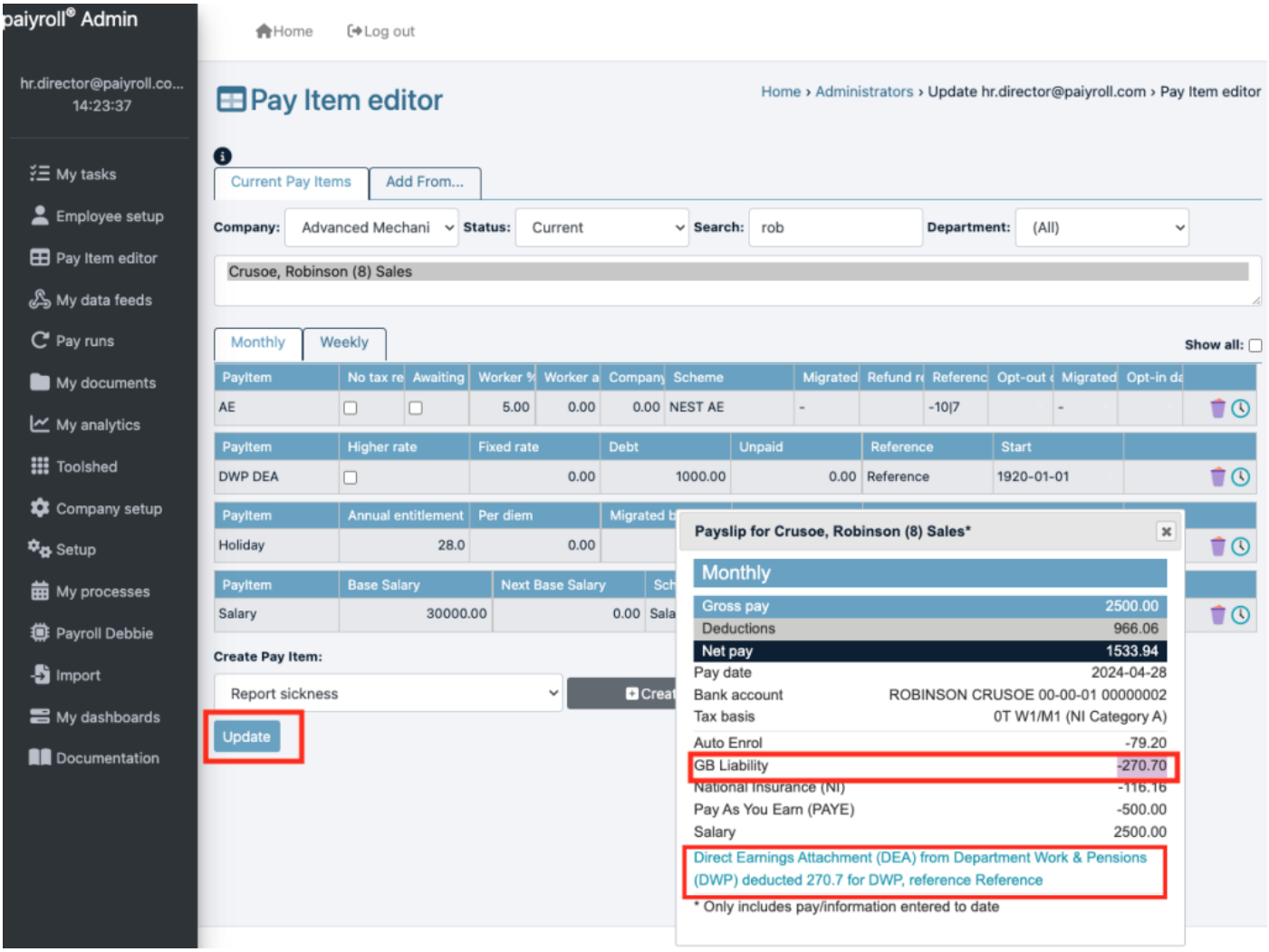


Repeat and enter the required information in each field.

> Important: **Unpaid** is only used for previously unpaid payments (not the Debt) and is nearly always set to zero. Only enter a value here if you have been specifically instructed to collect a previously unpaid amount in addition to the debt.

Check Operation

When you have entered the values, click **Update** to check the mini payslip and verify that the deduction order is operating correctly:



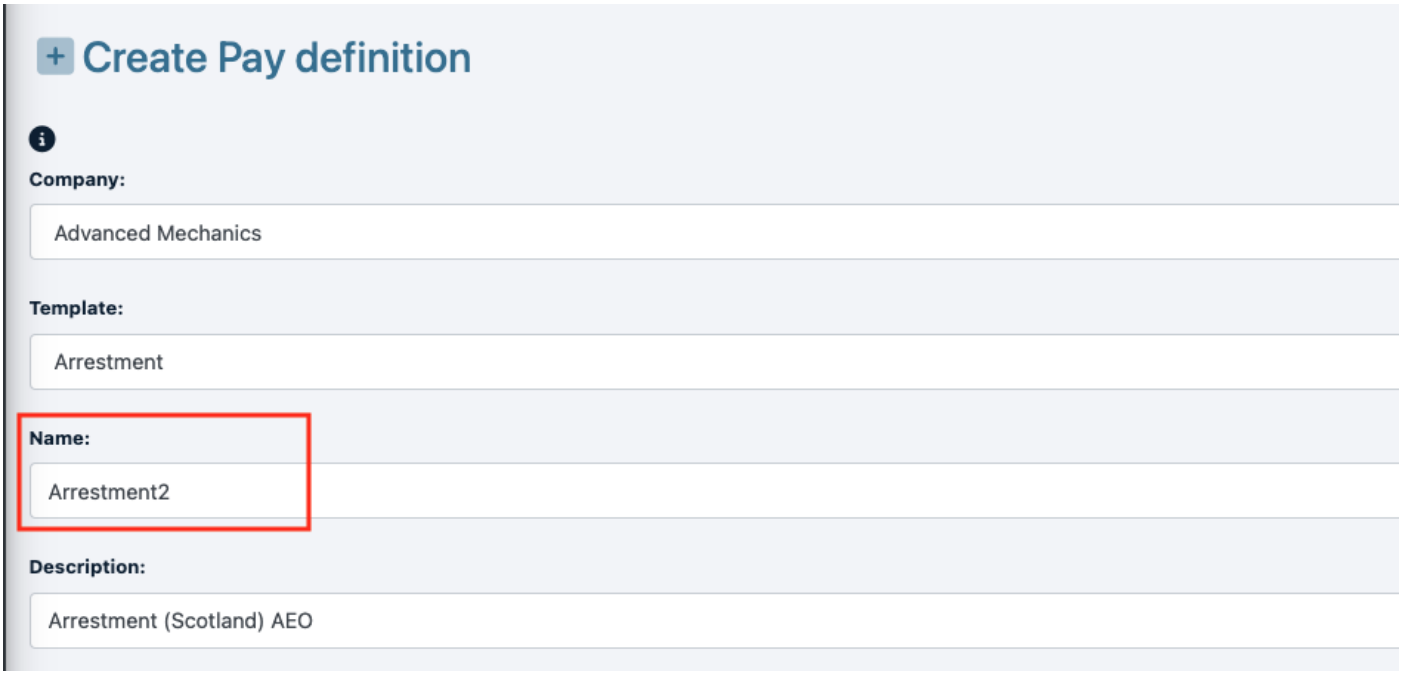
Repeat for any other errors.

Multiple attachments

> IMPORTANT: please note that multiple attachmentsof the same type perform independent calculations and will therefore make the same value deduction. If this cannot be used for your

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deduction type, because the second deduction must be reduced, then you cannot use a second pay
definition as described below. Instead, you must use a simple deduction for the 2nd atatchment.
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If you need to add more than one deduction order of the same type (because an individual has two arrestments for example), then repeat the above steps to add the 2ndPay Definition, but change the **Name** so it is different e.g. **Arrestment2**:



Pay run operation

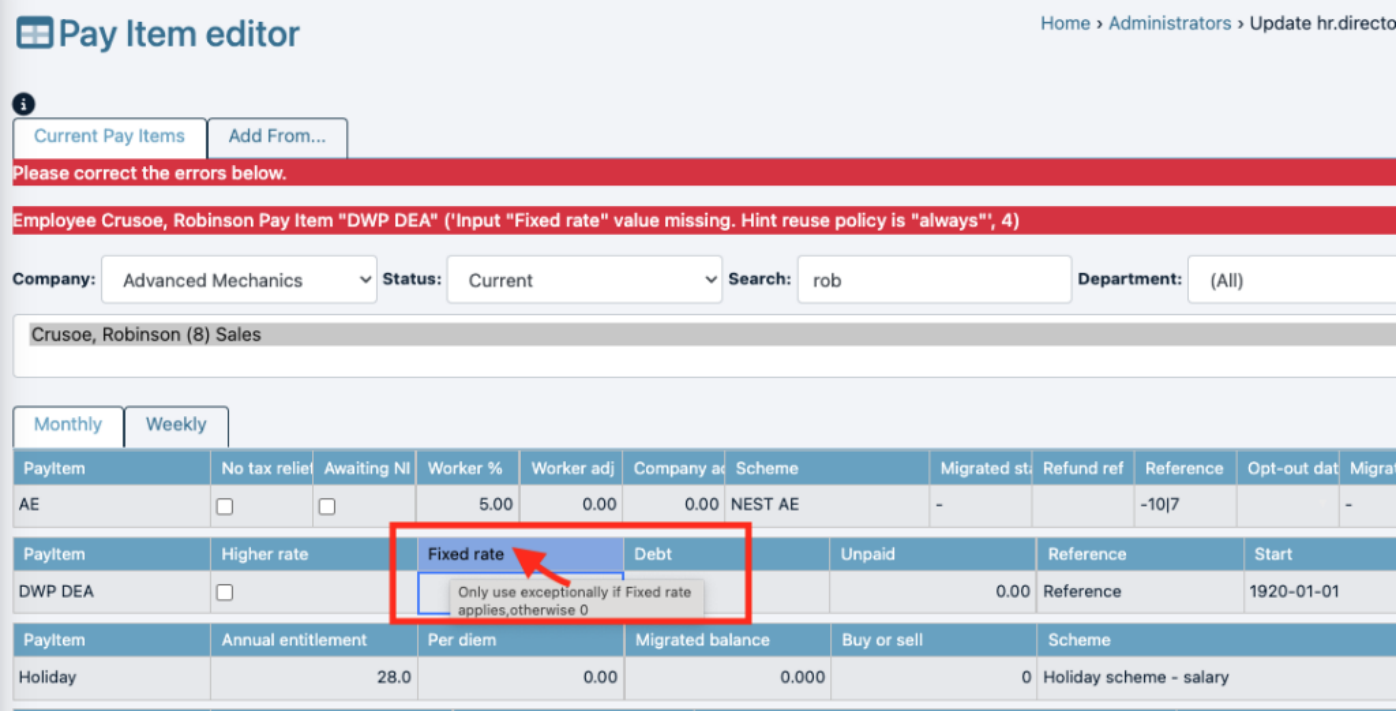
The deduction order will continue to operate automatically every pay run until either the debt is cleared, or with some deduction orders you will receive a stop instruction.

Troubleshooting

Input Error

If you have made any errors, review the error message to see what input is incorrect and make the necessary corrections.

In the example below the error message in red tells you that the 'Input "Fixed rate" value is missing. Carefully move your mouse over the input Fixed rate and a tooltip pop will appear: **'Only use exceptionally if Fixed rate applies, otherwise 0'.** In this case you need to enter '0 and click **Update** to correct the error



No Deduction

Below are the reasons why there may be no deduction.

1. This may be due to selecting a **Start** date which is after the pay period. This is because the **Start** date set on the Deduction order is compared against the **pay period last date and not today's date. If you need the Deduction order** to start during the pay run, you should set the start date earlier.
2. There may be **insufficient earnings** - most orders only operate only above a certain limit. Temporarily try increasing the pay value to see if this makes a difference before reverting the value back.
3. The Debt or Loan may have been paid off

A quick way to verify these is to temporarily move the date back to before the pay period or temporarily increase the pay. You can then verify it is working with Update/View payslip, and then revert the changes.

1.