

Written evidence submitted by Families Need Fathers - 'because both parents matter'

Background

Families Need Fathers – ‘because both parents matter’ is a registered national shared parenting charity focused on providing support to ‘non-resident’ parents in relation to arrangements for their children. We receive approximately 25,000 calls to our Helpline each year and over half a million visits to our website. We are a stakeholder of the Department of Work and Pensions and regularly liaise with them on matters related to Child Maintenance. We also provided evidence to the National Audit Office in their recent investigation into the value for money of the Child Maintenance Service (CMS). At the time of writing we have only had the opportunity to respond to top-line conclusions of NAO.

1. Summary of FNF’s Position following on from the NAO report of March 2022¹

FNF urge the Government to formulate a coherent strategy for separated families and urgently make parliamentary time to amend legislation. That legislation must ensure:

1. Assessments are affordable
2. Assessments fairly reflect shared parenting
3. Assessments are formulated to promote involvement of both parents in both caring and financial responsibilities for their children.
4. An end to the ‘winner takes it all’ approach to minimise conflict and weaponisation of Child Maintenance.
5. An end to the 20% surcharge (4% to receiving parents) for those who are on low incomes/benefits.

Until these fundamentals are addressed, CMS will continue to fail and Child Maintenance arrears will continue to grow. No matter how much enforcement measures are strengthened, it is not possible to get blood out of a stone. NAO observes that CM arrears are increasing by £1 million a week and will reach £1 billion by 2031. FNF consider that this estimate is conservative as it does not take into account the effect of inflation between now and then on affordability. Without further action arrears the effect of inflation during the decade could increase arrears to £1.5 - £2 billion.

There is no tangible evidence of these issues being addressed by DWP. By integrating the formula for Child Maintenance into primary legislation, Parliament have made it impossible to even make sensible annual adjustments based on inflation, without changing the law – even when that law makes no sense. New legislation must be properly formulated – the present law is not.

2. FNF Experience and Survey - Overview

At the end of July 2021 FNF carried out a survey of our service users on matters related to the performance of CMS. Questions were broadly based on the issues being investigated by the National Audit Office. 302 responses were received. Responses painted a deeply disturbing picture. Even if these are not common cases, there is little excuse for their experiences. Many respondents provided lengthy answers. It is as though they feel nobody is listening to them and nobody is concerned with their plight. They want someone to recognise the hours they spend on the phone, the frustration of incomprehensible calculations that make no sense to them, the inflexibility of a system that does not care. Deeply concerning too is how many speak of suicide, of ruined relationships and destroyed health and lives.

There is also a great deal of upset that the lion’s share of public debate is focused on the deprivation caused to children as a result of ‘deadbeat’ fathers not paying child maintenance and very little to the reasons for

¹ [Child Maintenance - National Audit Office \(NAO\) Report](#)

their inability to pay. FNF do not doubt that there are fathers who avoid taking financial responsibility for their children, however, our evidence is that this is a minority of those who find themselves in arrears.

Responses relating to difficulties with CMS are a mixture of operational and policy matters. For those who experience real difficulties the distinction can be academic.

3. Conclusions and Recommendations

1. CMS is a source of deep misery and puts many people into a wretched situation (paying and receiving parents).
2. There is a lack of a Strategy for Separated Parents as the Social Security Advisory Committee (SSAC) identified in 2019. FNF have begun to draw up what some of the components and considerations of such a Government-wide strategy might comprise². There is a need to be much clearer what the policy objectives of Child Maintenance and other related child benefits are e.g.

- a. Minimising conflict between parents.
- b. Minimising court proceedings for child arrangements (38% in the UK rely on family courts – just 2% in Sweden).
- c. Promoting shared care.
- d. Ensure that both parents can afford housing so their children can continue to benefit from the love and care of both parents.

(The state currently considers any parent with more than 50% of care time or being in receipt of child benefit as a 'single parent' and the one with less than 50% a 'non-resident' parent who only qualifies for support as a 'single adult', even when care is shared 4 nights to 3 per week. Housing support for both parents was the one specific policy recommendation of the SSAC in 2019.)

- e. Avoiding poverty of children – including in new relationships after separation
- f. Promoting joint responsibility for childcare and family finances amongst parents
- g. Encouraging both parents to work
- h. Ensuring that children have a minimum standard of living
- i. Promoting responsibility amongst non-resident (or resident) parents.

Etc.

It is our experience that CMS fails to achieve any of these objectives satisfactorily in a large proportion of cases and often inadvertently increases post-separation family difficulties. Indeed, the lack of a coherent strategy means that some departments sometimes have contrary objectives e.g. The Ministry of Justice seeks to keep parents out of family court whenever possible, but CMS require a court order if there is a dispute as to the number of nights a week that children spend with each parent.

3. For many the calculations are simply unaffordable. The negative interaction between Child Maintenance and Universal Credit, that means that for many work does not pay, has been established by SSAC and the Centre for Social Justice. The National Audit Office in March 2022 acknowledges this. The issue remains un-addressed.
4. The SSAC and NAO also draw attention to the fact that the thresholds at which the standard percentage formula is applied to paying parents' income has not been reviewed for inflation since 1998! These thresholds were intended to enable paying parents to take care of their own cost of living. Receiving parents have a measure of protection in that child-related benefits are adjusted by regular changes in regulations, however, the fact that the Child Maintenance formula is embedded in primary legislation means that such routine adjustments cannot be made in relation to paying parents.

² [Families Need Fathers - Families Need Fathers - FNF Strategy for Separated Families](#) – April 2021

5. Many respondents report incorrect assessments and calculations of arrears that are often eye-watering. The stress caused by large errors is unacceptable. The harm done to the paying parent when this happens and the escalation of conflict between parents are also inadequately taken into account by CMS.
6. Calculations are opaque. This must change.
7. No account is taken of the specific circumstances of either parent – an issue recently highlighted by Lord Farmer³. His survey, with 1,524 respondents, found that 93% of paying parents and 18% of receiving parents considered that both parents' income should be taken into account.
8. Many parents rely on their parents and families for support.
9. There is a strong suggestion that in a significant number of cases CMS is deliberately used as a tool of control and coercion of vulnerable ex-partners (no doubt paying and receiving parents, though most or our service users are paying parents).
10. CMS is driving conflict amongst many parents to the detriment of their children.
11. Whilst many of the problems being reported are operational, we find it impossible to ignore the fact that it policy failure is as much behind the operational difficulties experienced as the CMS service itself.
12. Almost two years ago the Social Security Advisory Committee (SSAC) recommended that there was a need for a Strategy for Separated Parents⁴, without which most specific policy recommendations could not be made. There appears to be no material progress on the strategy. One might ask, if the SSAC cannot make specific recommendations for this reason, who can in a way that is likely to meet any sensible objectives? The evidence is that this expensive service is leaving a large proportion of receiving and paying parents deeply unhappy.
13. Both the SSAC and Centre for Social Justice, credited with devising Universal Credit, have reported this problem a specific problem of the interaction of Universal Credit with Child Maintenance, meaning that for poor parents extra income does not result in more take-home pay and discourages parents from earning more and hence providing less for their children. CSJ estimated that over 800,000 parents could be caught by this once Universal Credit is fully rolled-out⁵. It is notable that the total proportion of parents having deductions from their state benefits went up from 21% to 40% (75,000 parents) during the pandemic.
14. However, bad policy heavily exacerbates poor operations and cannot continue to be ignored.
15. CMS do not publish good enough data, particularly in relation to income levels of paying (or receiving) parents. Without good data, policy makers do not understand the nature of the problems that they are supposed to legislate. SSAC also commented on this in their report.
16. CMS operations are left to implement what is often un-implementable, leaving strewn the wreckage of thousands of human lives.
17. The systems for dealing with customers also appear to be inadequate. Many parents report conflicting communications, lost communications, inexplicable and changing demands.
18. Complaints are taking far too long.
19. Customer service appears to be very poor, pre-pandemic and now.
20. Over-payments are rarely addressed and compensation for errors appears to be barely a token that goes nothing like far-enough to address the resources spent on getting it, let alone the additional family conflict caused. It becomes too tempting to some parents to not tell their pre-teen children 'your dad/mum is fighting to reduce the money they owe us'.
21. Many paying parents do not trust the accuracy of assessments, which remain too opaque. It should not be more difficult to see how assessments were arrived at than how income tax is assessed.
22. Almost half of parents do not believe they will ever be able to repay assessed arrears.

³ [Hansard – Lord Farmer's Debate on Child Maintenance Service](#) – 24th June 2021.

⁴ [SSAC Occasional Paper 22: Separated parents and the social security system](#) – 22 October 2019

⁵ CSJ - [The Hidden Parent Poverty Trap: Child Maintenance and Universal Credit](#) – March 2019

23. We feel sure that there are separated parents for whom CMS works. No doubt parents with reasonable means and an ability to collaborate manage to come to agreements without relying on CMS.
24. We accept that for a proportion of collaborative parents the charges associated with the collect scheme incentivise private agreements in a positive way. It may not always be considered fair, due to the limitations of the assessment formula for shared parenting, but if parents can reasonably afford it, most will place the need to maintain a good enough relationship with their ex partners as of greater importance for the sake of their children. We note that in their evidence to the Work and Pensions Committee in 2016, Gingerbread agreed with FNF that there is an unaddressed issue in relation to shared parenting arrangements⁶.
25. When the 2012 scheme was originally conceived the charge for the collect scheme was to be 10% to each parent. It was later changed to 20% for the paying parent and 4% for the receiving parent. We assume this was done to meet the demands of receiving parents' organisations. However, it was too blunt an adjustment. Better would be for parents to be incentivised to collaborate with a similar charge – we are dealing with relationship management here and the more parents can collaborate in understanding each other's predicaments the better. Promotion of mediation would also be a more positive step. A blunt formula, such as exists, cannot achieve this. We cannot see, however, how the 20% charge can possibly be of assistance to those parents who are on the breadline or on state benefits. Such charges are no more morally justifiable than pay-day loan companies that put indebted citizens into more debt and depths of misery.
26. The exemption of the £20 fee for those who allege domestic abuse is unreasonable. Better to make it free or to accept the charge. It is a modest sum for even less well-off parents and pales into insignificance compared to the additional conflict and distress when such an allegation is made. Often, once an allegation is made of this nature to CMS it then gets repeated in family proceedings and vice-versa. These self-reported allegations of abuse are unhelpful and do not distinguish between abuse and coercive and controlling behaviour, on the one hand, and situational conflict that can include shouting during a difficult separation involving infidelity and other feelings of hurt on the one hand and over child arrangements and contact denial on the other. Once an allegation is made, it tends to further sour any possibility of private arrangements or mediation. FNF have identified a similar pattern of difficulties when untested allegations of domestic abuse were made into a pre-condition of obtaining Legal Aid in private law family disputes, that resulted in a many-fold increase in allegations to the point that almost all parents who qualify for civil legal aid on the basis of income now also qualify on the basis of alleged domestic abuse.
27. There is no shortage of operational and policy changes that have been recommended to DWP by FNF, but remain on a back-burner due to a lack of operational focus or political will. The SSAC report already referred to identifies many of the problems. FNF submitted a list of specific problems and suggested solutions⁷ to SSAC.

It is hard for us not to conclude that CMS is an expensive system that is in deep crisis and contributing to substantial harm to parents and children. It does not represent value for money in its current form.

If a full analysis of the contributory harm of the system was carried out and assessment made of the balance of genuinely taking children out of poverty, versus the damage to separated parents relationships, earning capacity, second families, etc – we believe that the scales would be tipped even further.

We note that in his book, *The Political Animal*, journalist Jeremy Paxman said of CSA that “Once the Agency had been established, MPs suddenly found their surgeries flooded with angry or distraught fathers, upset at the heavy-handed way unelected administrators were asking for money. The problem was not with the principle of child support, upon which parliament largely agreed. It was that the legislation it passed was so badly written, so full of holes, that mistakes, inefficiencies and injustices were inevitable. If MPs had spent more time scrutinizing the bill they’d have had to spend a

⁶ Oral evidence to Work and Pensions Select Committee 2016 Inquiry into Child Maintenance - [Oral evidence - Child maintenance services - 16 Nov 2016 \(parliament.uk\)](#)

⁷ [FNF Submission to SSAC Child Maintenance and Benefits Issues](#) – May 2019

lot less time trying to clear up the mess afterwards.” Jeremy Paxman, in 2002, was writing about the discredited Child Support Agency (CSA). Whilst there are aspects of CMS that are much improved on CSA, the fundamental legislation that makes up the assessment formula is as flawed today as it was then.

4. The FNF Survey – July 2021

4.1. About Respondents

4.1.1. Respondents identified as separated parents with:

- 9% identified as parents with the majority care of their children.
- 51% were ‘non-resident’ parents with minority care (less than 3.5 days a week)
- 42% had no visitation with their children at all

4.1.2. Respondents identified having arrangements for child support:

- 69% through CMS ‘direct pay’
- 22% through CMS ‘collect & pay’
- 20% having informal private arrangements
- 10% through private arrangements using CMS requested calculations
- 9% through private arrangements using the CMS online calculator
- 6% through court orders

4.1.3. Employment status was reported to be:

- 71% were in full-time work or on Covid-19 furlough receiving full pay
- 7% work part time
- 2% said they were on furlough, but not on full pay
- 13% were self-employed
- 7% were unemployed

4.1.4. Annual incomes pre/post Covid:

- Respondents had a wide range of incomes from under £5,000 (14; 5%) to over £100,000 (14; 5%).
- 28% (81) had income under £20,000
- 32% (92) had income under £20,000 post-Covid, in the previous year i.e. there has been some deterioration of income that has affected poorer parents.

4.1.5. Arrears

- 10% (31) of all respondents were in the Collect & Pay scheme and having deductions made for arrears i.e. 48% of all those in Collect & Pay were also having deductions made for arrears.
- 44% of those in CMS had arrears. The majority, 32% accrued arrears under CMS; 8% under CSA and 4% under both,

- Almost half, 59 (46%) of respondents where there were CM arrears, believe that they will never be cleared. Of these, 26 (44%) were not under CMS, implying that these were private arrangements with assumed arrears.
 - 12% stated that it would take over five years to clear and a further 18% in 2-5 years.

5. Closing CSA cases

5.1. The Child Maintenance Service has been trying to reduce outstanding arrears from the CSA era. We asked whether the repayments requested reasonable for both paying and receiving parents.

5.1.1. We **suggest** that CMS officials should be asked to provide details of:

- (a) Currently assessed CM levels
- (b) Current arrears and
- (c) Net income of paying parents and hence work out the % of take-home pay that is assessed as due for payment each month.

We are told by DWP that it is not possible to determine the level of income for a paying parent that would constitute 'poverty' and render them unable to pay the assessed amounts or arrears.

We consider this response unsatisfactory and complacent for two reasons:

- It is not a humane or caring response. DWP do not care whether their assessments are causing hardship to paying parents who need to be able to take care of themselves if that are to be able to look after their children too.
- CMS are quick to identify how many children they help take out of poverty i.e. the difficulty in defining poverty of paying parents appears not to apply to children.

5.1.2. Even if we accept that there is a political dimension to defining poverty, unless policy makers have easily accessible data on incomes of paying parents and their CM arrears then they are unable to understand the nature or scale of the problem.

The proportion of parents having the maximum permitted of 40% of their income deducted by CMS when collecting arrears, needs to be evaluated and the impact on them assessed. Someone taking home, say, £1,000 a month who then has £400 deducted cannot possibly survive on £600. In most parts of the South East a box room in shared accommodation will cost £400 a month and £200 will not cover anyone's costs of travel to work, food, clothes, etc. Many of those having deductions made are on less than £1,000 of net income a month, as our survey shows and NAO identified that 62% of paying parents have income below the £12,500 tax threshold.

Whilst by no means a scientific study, our survey respondents reflect this.

FNF do not dispute that there are parents who deliberately find ways of manipulating their incomes to avoid payment. However, we have not seen evidence to suggest that this is modest minority of paying parents. Indeed, historic attempts at using private debt collection agencies to secure CM arrears failed to get more than a few pence in the pound. If they could not find such hidden funds it seems unlikely that anyone else will, particularly where the money simply does not exist. CMS already costs £0.36 to recover each pound (NAO March 2022). Given that CMS are likely to already be most effective at addressing easier cases of arrears, contrary to DWP's previous predictions of efficiency decreases, on the basis of the recent increase and known facts, the cost of small increases in recovery of CM is likely to continue to go up and be prohibitive and ultimately futile as long as the policies themselves produce unaffordable and unfair assessments.

5.1.3. Undoubtedly, receiving parents will be disappointed at anything other than a rapid and full payment of arrears. As the assessed amounts are enshrined in law, understandably they see it as an entitlement and a failure by their former partners to pay them their dues towards their children. They will also, understandably, consider CMS to have failed where they cannot

recover such assessments. However, if paying parents are asked to do what is impossible for them, they simply will not do it. The effect, as again confirmed in our survey responses, is to drive conflict. Too often we hear of paying parents being threatened - 'if you don't pay, you won't see the kids'. Many of these poor parents then feel unable to afford mediation, other out-of-court resolution routes or to go to court – a process that in any case is painfully slow and stressful.

5.1.4. It is well established that CSA assessments were often wrong. They are historic. Most children involved are now adults. CSA and later CMS have continued to develop ever more draconian enforcement powers, but with little effect on the total scale of arrears – you cannot get blood out of a stone. Historic CSA arrears that are unrealistic simply need to be written off as many already have been. The NAO 2022 report identifies arrears as growing at £1 million a week and predicted it will go up to £1 billion by 2031. Without a review of the legislation, this will continue to grow and recent increases in inflation will accelerate the growth of arrears (the effect of inflation on affordability under the current legislation was not taken into account in the NAO report projections).

5.1.5. Parents need to be helped to focus on creating as much peace and understanding of each other to improve their wellbeing, reduce ongoing anger and enable them to collaborate, even when the children are grown-up. It will improve goodwill, mental health, earning potential and is more likely to lead to voluntary support of children as minors or young adults. If paying parents who are in difficulties get themselves out of those, there may even be a chance of legacy payments from parents and grandparents on one side of the family that are unlikely if acrimony never ceases.

5.1.6. It is worth remembering that where parents share parenting time that one is considered a 'single parent' and the other, paying parent, a 'single adult'. The former has the benefit of some financial support and protection through child related benefits and CM. The paying parent does not qualify for any of these.

5.2. How much of the CSA era arrears could be collected?

5.2.1. It is hard to estimate how much might be collected from CSA era. DWP ought to be able to make an estimate based on their current collections. However, if pushed to answer this, we would be surprised if this could be more than 10% to 20%, even with the deployment of substantial resources that are unlikely to be cost-effective. CSA and CMS have already deployed vast resources and have had the benefit of ever-increasing enforcement measures that have not worked.

5.2.2. In our survey, 9 parents had write-offs of CSA arrears averaging £7,452 and ranging from £600 to £20,000. Only two of them currently have gross incomes over £20,000.

Of 20 respondents who were still repaying just CSA related arrears, seven said that they would 'never' be able to repay it and a further four did not answer the question.

Of the 11 respondents with both CSA and CMS arrears, four have said they will never repay the arrears.

5.2.3. Not surprisingly, those who have said they would 'never' repay their arrears were more likely to be associated with arrears of over £5,000 and often over £10,000. In one case arrears were £36,000 for someone on a gross income between £15,000 and £19,000.

Some relevant comments:

The arrears are fictitious due to the incorrect calculation. The stress trying to resolve this has been a factor in my moving jobs as it's not worth working, there is no support available for father's who have had their child ripped from their lives by a bitter ex. My daughter is now 20, working and still they hound me

Initially cms stole one year's payment from me in the first week, every time I tried to make payments their 'system' was down. so due to their error I was forced onto collect and pay for years, when reverting to direct pay I was forced to pay 2 months payments in one month, but there's apparently no record of this (even though they specified the amount) Every year they invent arrears and have

given me a payment schedule that exceeds the 40% threshold, when I questioned why, I was told “that’s what our system does and we have no intention of fixing the problem”

They are demanding even more than the 260 a month I pay, I’ll end up having to pack work in and go on the sick due to depression [Note: In a FNF survey in 2016 with over 800 responses, 17% said that they had at some point given up work/reduced their work because they could not afford repayments]

Since informing cms that I no longer work, my arrears have escalated and they now expect £1000 per month, when im not in employment. I’ve engaged at every level yet never had any prof sent to me on how and when these fictitious arrears occurred no calculations have been provided even though I’ve requested this information several times. I’m a army veteran, I worked as a prison officer where I was stabbed multiple times while working there, I’ve been off work ever since that attack. I’m hounded for money I don’t have and don’t believe I owe. My son since moving back to his mums, no longer wanted to see me! To say this organisation have destroyed my life, and pushed a veteran already diagnosed with PTSD near to suicide on a handful of occasions, no money, no job, no son and no prospect of improving my family quality of life! I’m broke mentally, financially and emotionally.

I had no idea how to use the portal so I missed some letters CMS put on their. The next thing I’m in arrears & was put straight on DEO (deduction of earnings) with 20% charges on top of maintenance.

Afford to pay is making it increasingly difficult to maintain own life and living arrangements

I had arrears however they where placed in error. Nearly lost my house which myself and the child on the case lived in (child stays 3 nights a week). Contemplated suicide.

Arrears accrued due to being informed officially by CMS that I no longer had to pay and then being informed some months later that it was a mistake and that I had to continue paying as well as paying the backdated charges that had accrued during the months that I was told that I didn’t have to pay

I ended up in arrears because it took CMS months to calculate my payments having been out of employment for a couple of months due to Covid. By the time CMS got around to working out my payment I was months behind and they threatened to take this all at once. After many calls they agreed to come up with a payment profile over 9 months.

Suicidal especially that i did not have arrears in 2017/2018 but they stole over £10,000 in 2020 but they never sent me any mail from may 2018 to 2020 when they took the monies from my pension account that was waiting to be transferred into a new pension combined

5.3. The impact of the collection of outstanding CSA debts on separated families

5.3.1. It is difficult to distinguish between the effect of CSA debts and more recent CMS debts. Both cause misery, little satisfaction on both sides and increased family conflict that undermines child-parent relationships. The formula undermines shared care by not allocating resources fairly between both caring households and by incentivising poor behaviour after separation – it is a ‘winner takes it all’ approach, even when one or both parents are poor.

5.3.2. The child and receiving parent will of course miss out on assessed CSA payments – but the loss of something that was never possible to pay (due to wrong or unaffordable calculations) is not really a loss other than in that CSA had created an expectation that cannot be met. Often it will have been a gain to a second family who otherwise would have struggled even more than they did. Our comment is essentially based on low-income families and we accept that better-off payment avoiders who succeed in hiding their income act illegally. However, there is no authoritative evidence of this being a significant proportion of cases whereas there is evidence of CSA (and CMS) arrears being associated with poverty. We all have anecdotal evidence to share and we do so in this report. However, perceptions can be wrong on one or both sides e.g. a parent may complain that their ex is driving a nice new car, only to learn that it belongs to their new partner, their company or has been funded by debt.

5.3.3. That said, as CSA debt is more historic, children are more likely to be in their teens or adults now. It seems unlikely that the adult children will benefit directly from payment. Our experience suggests that receiving parents are more likely to tell their children how their other parent was

a 'deadbeat' who did not meet their CSA commitments and to prolong any possibility of child-parent reconciliation. If the paying parent does later have improved income or acquires assets, it seems likely that in this situation the child is more likely to lose out on inheritance from both the parent and the grandparents, ongoing voluntary support or the support of half-siblings. The sooner a line can be drawn, the more likely that some sort of family reconciliation may be possible for the children.

Comments:

I haven't paid my rent since this I cannot afford bills it's making me ill

The systems - I once spoke to a person who said the screen files were telling her that I had NEVER paid maintenance. It's bonkers

CMS are taking £56 of of my £400 that I have for the month If I didn't have my partner for financial support I would starve..

5.4. Are CMS customers satisfied their cases have been dealt with appropriately?

5.4.1. Responses are sadly, broadly negative.

A note of caution here is that many respondents reported private arrangements working relatively well until something caused tensions to flare-up and the breakdown of the arrangement e.g. loss of a job (by either partner), change in income, interference from friends saying 'you can get more', etc. Most then report increasing conflict and greater difficulties once CMS became involved, often involving not only financial provision, but child contact out of assumed spite or to recoup more money by having more, or all, overnight stays with the majority carer.

Comments:

Cannot afford the payments, must live with family as cant pay my own rent or feed myself. Cms have stated they dont care.

I was made redundant from a well paying job. The CMS calculated that from then till when I started my own company up, I should of been still paying the same amount. Which was more than 100% of my earnings. They refuse to recalculate this. They also refuse to acknowledge my new child until months after his birth

Constant anxiety, wish to withdraw from employment market as no benefit to working.

I'm depressed and work full time to support both my wife and children and also my child whom I've never met since birth the mum never allowed any involvement in her pregnancy but was more than happy to get CSA/CMS involved once she was born. I've asked numerous times for CMS to re calculate my payments as my wages have dropped dramatically but because it's not 25% there not interested. I'm behind on my rent , utility bills, car payments that is being collected by the company next week as I can't afford the payments so I'm not sure how I'll get to work now. I feel a failure I've worked all my life always paid my way never been in debt but thanks to CMS I'm loosing my home, my family as this has put a strain on my marriage due to financial strain and CMS involvement and the ex constantly on the phone to them as she wants collect and pay. I have nothing anymore and I mean nothing in the 02/08 I will be homeless and weekly visits to the food bank to eat CMS have done this but I still carry on with the extortionate monthly payments for my child.

6. Operation of the 2012 scheme

6.1. We asked how well does the child maintenance system as a whole – so including family-based arrangements as well as the Child Maintenance Service – support separated families to set up and maintain a child maintenance arrangement?

6.1.1.39% of our survey respondents had private arrangements. Half of these (20% of the total who had child support of some sort) were informal, a quarter (10% of the total) using calculations requested of CMS and almost a quarter (9.3% of the total) by using the online CMS calculator.

Comments:

We had a working family based arrangement. I was paying my ex-partner the right amount of money based on CMS calculator online. Out of the blue, she decided she wanted to go the CMS though. Her application shouldn't have been accepted, as we had a working family based arrangement. There was no need to get the CMS involved. It causes me a huge amount of stress each year having to deal with the useless CMS. I have to write letters at each annual review re my pension contributions, send photocopies of each months bank statement showing pension contributions and online account from pension provider. CMS refuse to process pension payments. I have to make several phone calls each year to CMS to then get them to process it. Wording in the letters is demeaning to fathers. There are also arrears stated in letters which are not true at all. The new website for the CMS, I've uploaded letters and asked questions on the messages section, and they just don't respond or process anything, apart from sending the generic response 'we have received your letter and will get back to you in due course'.

Private arrangement was working well until someone told my ex that if she went to CMS she'd get more money hence now, I have a gun to my head by the CMS and I have never not paid.

After separation initially I paid for mortgage of family home (I no longer lived there - I left due to domestic abuse from my wife), bills for family home, and nursery fees. When trying to get a financial settlement I offered to pay what CMS online calculator indicated plus childcare costs on top. This offer was rejected - she instead demanded I give her and her lawyer all my financial documents and they would decide how much I pay her, saying if I disagreed I'd need to take her to court, so I contacted CMS to begin case. This was 3 years ago or so. My ex partner was financially controlling (I had to agree any expenditures with her, I only had a joint bank account with her, she changed savings accounts to be just in her name, and she asked me to audit my income and purchases for 3 years which I thought odd - I asked to go to relationship counselling. She declined and asked for a divorce which I immediately agreed to. She became increasingly abusive and threatening (she made impossible financial demands and said if I didn't give her what she wanted she'd stop me from seeing our kids) and I had to leave the family home due to this, living on friends' sofas for some time. My ex partner continues to try to stop me seeing our kids - I had to go to court to get contact, and 3 years on she is still trying to stop it. She constantly challenges CMS saying I earn more than I do, and also tried to get them to make me pay her a proportion of the net asset value of my business each year (which would destroy my business, and I paid her half the value of it in the financial separation anyway already). She has claimed I didn't pay for three months despite it being clearly marked as CMS (standing order) on bank statements - I had to prove I had paid to CMS, and I'm constantly having to prove my income (sometimes as often as every week or two!) because of her claims. She is now taking me to tribunal. CMS insist I should contact her directly to reach agreements despite them being aware she is abusive towards me, and I have provided emails from her to them where she says she will not agree to anything with me. It's all very stressful and distressing. I feel my ex partner is using CMS systems to continue her abusive controlling behaviour.

We now have a private arrangement but my ex is refusing to close the CMS account despite saying she would. This has continued for 3 years now.

We have a private agreement that worked well, until my ex lost in court and said she was going to use cms as she would get more and that would help court costs. She also accepted a lump sum payment and a monthly agreement while I was out of work then when resumed work she claimed cms and went back on our agreement causing me financial difficulties

I originally had a private arrangement until the other parent involved CMS out of spite.

Was paying privately. Accidentally missed a month. Didn't realise until the following month - offered to repay over 3 months. She refused and went straight to CMS. it took them 5 months to tell me how much to pay

I have a private arrangement but the ex wants that confirmed by the CMS for mortgage purposes that's the only reason.

Despite an agreed strategy for payments at time of divorce, this was rebuked by ex after 12 month window passed.

I initially had a private agreement with the RP, this was based off the CMS' online calculator. I paid well over the amount required. When she decided that this wasn't enough she then withheld contact and decided to approach the CMS.

Had a private arrangement but cms told the receiving parent that they could get more money from me...

Since CMS have become involved it's been a nightmare. Private agreements are more realistic and easier to manage

Had a FBA working well. Ex fell pregnant 4 weeks after leaving then when she discovered this she immediately stopped me seeing the children...

We had an agreement, based on csa calcs, but for no reason at all csa was asked to get involved. This shouldn't be necessary unless there are issues, what a waste of taxpayers money.

Yes very well [majority carer's informal private arrangement]

Private agreement using Csa to work out correct payment but partner recently contacted csa and now it seems I am paying too much so csa have recommended lower payments my ex partner is not happy but their greed has backfired

6.2. We asked, for separated families using the scheme, whether their experiences differ according to ethnicity or any other of the 'protected characteristics' (e.g. age, sex/gender, disability, ethnicity, religion/belief, sexual identity etc.) and other characteristics, e.g. social class, income, urban/rural, areas of the country?

6.2.1. Our service users are very diverse. Some local support meetings e.g. Central and North West London Branches are almost entirely attended by people from minority ethnic backgrounds. A significant proportion of service users do not speak English as a first language. In recent years an increasing proportion of those seeking support have been from Poland, Romania, Lithuania and other East European countries with poor or non-existent English. These are significant barriers for many, who are restrictions in their capacity to address issues that arise.

6.2.2. However, the single biggest issue is income and inability to pay. Also there is a strong perception of sex discrimination against fathers. Arguably this is driven by the fact that some 90% of 'Parents With Care' are women, putting them in a very much more powerful position when negotiating with ex-partners – a power that can be and often is abused. Emotions driven by feelings of hurt, upset, betrayal and jealousy (on either side) are potent motivators for bad behaviour. Combined with control over children, the temptation proves too great for many. Some complain that mothers/parents with majority care tend to be believed, whereas paying parents are expected to prove that they are telling the truth.

6.2.3. Generally, education of how to meet the best interests of children and to manage emotions when parents separate is lacking. Government programmes of such support, including through CMS, would go a long way to prevent abuse of power and promotion of child-focused family solutions. More supportive procedures would also assist in keeping family temperatures down. More equitable policies too would assist in promoting shared parenting. Evidence from other jurisdictions is that involved parents are paying parents.

6.2.4. 50,000 applications are made in England and Wales annually to family courts. Most are by fathers seeking child arrangements when relationships breakdown. Family court is very

stressful for litigants (see FNF commissioned research)⁸. Most applicants are not ‘deadbeats’ as some media and politicians suggest. Most go through the huge pain of litigation because they feel they have no choice – because they love their children and wish to remain in their lives – to continue to be parents beyond family separation.

- 6.2.5. Many struggle to afford the £215 cost of a court application, never mind a lawyer. Those who stretch themselves often spend in excess of £20,000 on court fees (not infrequently going up to six figures). These are the contexts in which CMS often become engaged, but whose policies take no account of accumulated debt, often accrued in the course of seeking what they see as their children’s best interests. The higher cost cases tend to be the ones where courts do make orders for contact, but where these are not complied with. There are 9,000 applications a year for enforcement⁹.
- 6.2.6. Parents often consider family courts and CMS as simply different parts of ‘the state’. From the perspective of many CMS service users both can appear as aligned against them – neither providing them with the support that they need at a time of personal/family crisis. This ethos must change and CMS needs to be increasingly positioned as supportive to both parents and not just the parent with majority care.
- 6.2.7. A further issue is where parents do not speak English or do not have the wherewithal, mental health or skills to address inaccuracies. Numerous service users tell us that inaccurate assessments were only resolved when their Member of Parliament got involved. There are many parents who simply do not have the capacity to complain and address difficulties that arise from incorrect assessments or even to understand the correspondence (often conflicting in nature) that is sent to them.
- 6.2.8. We draw attention to the fact that a significant proportion of parents in CMS will also be in litigation. We commissioned academic research into the stress levels of fathers in litigation¹⁰. The results show that the mental wellbeing of participant fathers in family court proceedings was indicated to be only just above clinical depression levels on average. Its strongest negative interactions were related to problems with child access and family court issues. The data shows that on 44% of occasions fathers’ wellbeing indicators suggested they were experiencing levels of stress that were not only chronic (long-term) but possibly clinical. No-doubt all parties to such litigation find it stressful and this should be kept in mind when CMS are dealing with paying and receiving parents.
- 6.2.9. We also note that a Freedom of Information access request found that 1,000 deaths a year occur of parents in the Collect and Pay Child Maintenance scheme¹¹. Whilst a direct causal link is difficult to demonstrate CM arrears and financial concerns will at least have been contributory factors to their state of mind. We sadly on occasion hear from family members who are clear that CM was a major or main factor in suicides of their loved ones.
- 6.2.10.Some respondents believe that being in the military is a specific factor that works against them – something we have heard before. The issue is often that military personnel frequently change location and inflexible shared parenting approaches by ex-partners make it more difficult for them to have the number of overnight stays to enable them to retain meaningful relationships with their children and that in-turn has an impact on their CM assessments.

Comments:

I'm a non resident parent. I get treated like dirt. Guilty until proven innocent type of thing. My ex partner sadly says jump they say how high....therefore I have to jump as high as directed.

Discriminated against constantly for being in the military, having to move around constantly

⁸ John A. Barry & Louise Liddon (2020). Child contact problems and family court issues are related to chronic mental health problems for men following family breakdown. Psychreg Journal of Psychology, 4, 3, 57-66.
<https://www.pjp.psychreg.org/wp-content/uploads/2020/12/barry-liddon-57-66.pdf>

⁹ Family Court Statistics Quarterly: July to September 2021 - <https://www.gov.uk/government/statistics/family-court-statistics-quarterly-july-to-september-2021>

¹¹ Sample [FOI request by Mr Brian Hudson](#) as on ‘whatdotheyknow.com’

I am dyslexic and this causes me immense anxiety

I am severely dyslexic and autistic, my wife has had to help. They do not take my disabilities in to account and they are aware of them. They discriminate a lot

I reported my X regarding child maintenance in Morocco as we got married in Morocco and she filed for divorce there and court ordered that I pay 140 pounds monthly. I translated the court order into English and sent it to CMS but they informed me that it's nothing to do with them. I reported it as fraud because my X intentionally and maliciously is after payment both in the UK and Morocco which is not right. I asked CMS to investigate it and force X to cancel the court order in Morocco but to no vain.

My mother pays my contributions. I would loose my job and home if this was not the case. The calculations do not include my full rent, council tax, expenditures etc

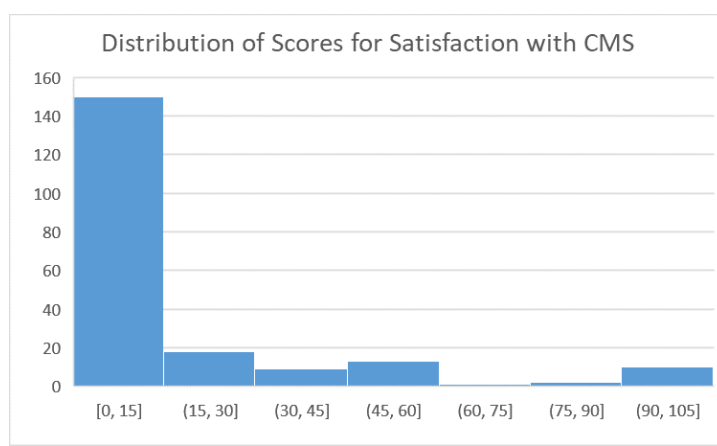
6.3. As far as you know, do parents using CMS believe their arrangements are working well? Why do you say so?

6.3.1.FNF service users are likely to be skewed towards those where there is a history of difficulties with ex-partners. Most of these are focused on child arrangements. These are normally expected to be dealt with as separate issues. However, they are inter-linked for two key reasons. Firstly the amount of Child Maintenance that is paid/received is directly related to the number of nights a year that children spend with each parent (quite apart from other benefits that only go to the parent with the majority of care time). Secondly, when child arrangements are contested, emotions take-over on both sides adding to family conflict. Considering these points, in our view it is clear that, particularly amongst poor families, family finance is often the driver of conflict in family courts. Judges generally frown upon money matters in Children Act applications for Child Arrangement Orders, so instead family courts are presented with surrogate attacks on parental competence or character. In striving to secure financial security parents can lose site of the children, the benefits of joint care and of support of two rather than one set of grandparents.

6.3.2.Furthermore, the many comments of dissatisfaction with operational issues. These include the length of time kept waiting on phone calls (many report an hour or so and then being cut off). Also assessments that they believe to be wrong. They also report having to constantly disprove what their ex majority carers says (and less so the other way around). Such experiences add up to something of a perfect storm in many respondent's eyes.

6.3.3.Given the above comments, we are not surprised that the average satisfaction score in response to our survey was 14 out of 100 where 0 was 'highly dissatisfied', 50 'nether satisfied or dissatisfied' and 100 'completely satisfied'.

Out of 200 responses to this question there were just six people who gave a score of 100 (two having majority care) and 101 who scored a perfect 0, with $\frac{3}{4}$ (150) scoring under 15/100.



Comments:

It takes 30 mins to get to a triage person, then another 30 mins to get to a call handler. They refuse to transfer you to a complaints person even though you have an active complaint.

...I have not had a reply despite chasing about 20 times since. I have therefore taken it to court, but the court is waiting on the info from the CMS which has not been provided by yourselves by the court deadline! It is ridiculous

They are very inefficient and incompetent, making many errors. They initiate investigations repeatedly if the receiving parent claims they have new suspicions income has changed. This allows abusive ex-partners like mine to use their systems to continue harassment and coercive control. Their support is poor - when I was ordered to pay over 50% of my salary in error I provided documents they asked for to correct it. They didn't look at my documents and rejected my request.

cms are ignoring my emails, have locked me out of my account. I got through once on the phone and was told no one available but would request someone contact via email on the Monday, that was 2 weeks ago.

My score is based on that it's a figure I don't actually see each year which makes the calculations cms make unfair and I'm unable to afford to live

You're treated like a criminal. I'm getting emails at 10.30pm stressful to say the least especially when looking for a job. You try self employment and are treated as though you're trying to cheat the system even when you provide banking and company accounts. You're trapped in the system and can't win

As stated in my previous answer that there's no consideration of outgoings or debts. It should be based on affordability. Why should one parent continue to offer a home and lifestyle the kids are accustomed to but other parent can't. The kids having to stay in substandard accommodation and limited lifestyle whilst with paying parent.

Miscalculated my account many times and my monthly amount has increased without any reasons over the years. Missed two payments paid off there calculations and it took them months to sort this out. They miscalculated my monthly pension contributions and took them months to sort this out and when they sort both their mistakes out my monthly payments increased and they could not give me a reason why. They put me on Collect and Pay service for no reasons and I am still waiting on a explanation from them.

Caused me financial hardship and homelessness. Caused me depression and I contemplated suicide. Caused my other children to go without being financially supported. CMS believed every lie my ex told them and refused to accept evidence proving she was lying

They have made multiple mistakes. I have provided multiple written evidence that I am correct. My ex provides no evidence and just speaks to them and CMS believe her and reject my evidence. CMS are shockingly slow at responding. They do not keep accurate case information. They do not respond accurately, e.g to only 3 of 5 points made.

No one responds to queries raised. Phone number just keeps you on music waiting for someone to pickup. Court orders granting me nearly equal time ignored.

I have given up with the CSM now. I honestly can not waste any more of my time on them. My daughters mother accused me of not paying and I would get letters from the CSM threatening to put me on collect and pay and would have to pay extra. This despite me paying direct debit. I would then have to spend hours contacting the CSM, telling them the situation and having to upload my bank statements. This happened 4/5 times and in the end I had to send a letter to both CSM and the mother saying if this happened again I would contact the police for harassment. The service has now gone on line so its even harder to speak to someone. Their system has numerous glitches with documents not uploading or downloading properly. You never get a proper answer from them and you speak to so many handlers that give you different answers. Their handling of my arrears was shocking. I provided proof I paid but they closed my case and transferred it to the CSM and I am paying arrears I know I should not be paying.

6.4. The statistics show that 44% of separated families have no arrangement for child maintenance – our thoughts on this are below.

- 6.4.1. We have concerns as to the validity or meaning of the 44% figure for those without a child maintenance arrangement. Many parents will not consider a private agreement as 'an arrangement' and so will not respond in that way. Approximately 38% of parents who separate go to family court for child arrangements (Cafcass estimate). The implication is that 62% either make private arrangements or do not bother to sort things out formally, perhaps because they don't need to. Parents who voluntarily share care of their children after separation are more likely to be those where both parents work. The family finances in these cases tend to be stronger. Children are also likely to be older (and hence more likely to decide for themselves to retain parental relationships with both parents). These parents are more likely to see no need to aggravate their collaborative relationships with formal support child arrangements. Current DWP proposals to try to increase the proportion of parents with an arrangement require careful thinking through and testing to avoid the risk of harmful conflict escalation.
- 6.4.2. Conflict and low income are the biggest contributors to stopping family-base arrangements. The government does very little to promote these – policies and guidance often has the opposite effect. The guidance on the CM website treats the CM calculator as an 'entitlement' and does not encourage parents to come to mutual agreements based on their specific circumstances. The guidance needs to be much more nuanced and help people to understand when CM is best and why in some cases using the calculator may not be right for every family. It needs to explain that private arrangements are more likely to work in a more collaborative way in the long-term or that more involved parents are more likely to support their children more generously financially too. In summary, there needs to be more guidance on conflict avoidance.
- 6.4.3. Furthermore, there needs to be a steer to separated parents to resolve their child maintenance and other child-related issues through mediation rather than CMS and family courts. The family justice system tries to steer people into mediation before litigation. This policy is correct, but there are specific reasons related to workings of family justice and CMS as to why this policy is not working currently. In relation to financial matters, parents do not know that mediation is an option and CMS can appear, wrongly in our view, to be the first and best place to go. Currently there is free mediation for private financial disputes with third parties e.g. contractual disputes with decorators, etc in relation to transactions up to £10,000. Such mediation is not means-tested. However, family dispute mediation is means-tested (other than a temporary Covid-related measure that offers a £500 voucher. That the Government appear to place greater emphasis on out-of-court resolution of contractual disagreements than those involving children seems to be an anomaly that needs to be corrected, including in relation to disputes over child maintenance.
- 6.4.4. We also draw NAO's attention to the fact that CMS have few procedures in place for how parents can evidence their disputed number of nights that children spend with each parent. We have heard many times of paying parents being advised to go to family court and get a court order as supporting evidence. The effect of this is to escalate family conflict and add cost to the

parties and taxpayer. It goes against policies of the Ministry of Justice to discourage court resolution of family difficulties.

6.4.5. A further opportunity exists to reduce the likelihood of parents using CMS is through early education of parents in matters to do with family separation. The Government, through Cafcass approval, offers a Separated Parent Information Programme (SPIP). Parents do not have innate knowledge on how best to handle family separation, all the less so when caught up in the stress and emotional turmoil of separation. Currently there is an expectation, not often enforced, of parties attempting mediation, prior to making of applications to court through Mediation Information & Assessment Meetings (MIAMs). SPIPs arranged by Cafcass can provide education for parents, but these are often suggested six or 12 months into a family dispute – by then it is too late. Parental education is need not only before attending a court hearing, but BEFORE attending mediation. Ideally, before CMS become involved too. Separating parents would benefit from guidance and understanding of how to avoid conflict and ensure that their separation does not harm their children. The suggestion is based on the article in Family Law in June 2020. It could be that even if a CMS application is made, it might trigger a request to attend a SPIP and any action to enforce arrangements to be postponed until the programme is completed and then stopped if appropriate.

6.4.6. An affordable option would be an online, interactive training course, similar to driver Speeding Awareness courses that would be mandatory for all separating parents. Even if this fails, the parents will then be better informed as to how to put their children first, rather than use CMS as part of the weaponry of difficult family separation.

6.4.7. In one case, that we shared with the Minister, Baroness Stedman-Scott, the majority carer won over a million pounds in the National Lottery. She still insisted on using CMS in relation to her cash-strapped ex. Worse still, she has not told the child of her win, but does tell the child that her father is not pulling his weight in supporting activities beyond CMS payments. Involving children like this is never good for them and another example of why early parental education is important. CMS could do far more to provide guidance in this respect.

6.5. CMS understanding of children in separated families not in the scheme, how well the scheme is working and the impact and outcomes for children.

6.5.1. Based on our experience of working with CMS, they know virtually nothing about families not using the scheme.

6.5.2. The evidence of the 300+ responses to our July 2021 survey and over 800 responses in a CMS survey carried out in 2016, is that for many parents CMS is part of the weaponry of family conflict that, in turn, promotes further family conflict, that is almost always harmful to children.

6.5.3. The Nuffield Family Justice Observatory published a report on use of family courts and identified that these are disproportionately relied upon by low-income parents. The evidence we have seen suggests that this pattern is significantly stronger for CMS users. A more recent Nuffield study found that people in the lowest quintile of income/deprivation were twice as likely to end up in family courts as those in the top quintile of income/prosperity¹².

6.5.4. The US Congress has stated that it found that 'Increased parental access and visitation not only improve parent-child relationships and outcomes for children, but also have been demonstrated to result in improved child support collections, which creates a double win for children - a more engaged parent and improved financial security'¹³. Similar research should be carried out in the UK.

6.5.5. Scandinavian countries have for the best part of 50 years been promoting joint parenting arrangements post-separation. In most cases child support arrangements are irrelevant to them given the arrangements in place. Their research shows that there are significant benefits

¹² Nuffield Family Justice Observatory - [Uncovering private family law: Adult characteristics and vulnerabilities \(Wales\) 2021](#) and [Uncovering private family law: Who's coming to court in Wales? 2021](#)

¹³ [US Congress Child Support and Parenting Time Orders 2014](#) - National Conference of State Legislatures – 09.05.2019

to children's wellbeing in joint care. One large-scale study in Sweden found that mental health issues were only 3% more likely in joint parental care than in a nuclear family, but 30% greater in single parent care and even 15% greater where the children were mostly with one parent.¹⁴

6.6. FNF experience of CMS assessment accuracy and ease of collection of over/under payments.

6.6.1. 245 respondents to our survey answered a question about the accuracy of CMS assessments.

18% (43) said 'yes' 82% (202) said 'no'. Our experience, prior to this survey, was that over-payments cannot be recovered. A case brought to our attention recently showed that a father had over-paid for eight years as he did not have access to information to tell him that he did not have to when he shared care completely equally. The issue only came to light when his new partner lost her job and they struggled financially – it was then resolved, but only after requests for review as at no point was his ex asked the simple question 'do you share care of your children equally?'

6.6.2. There is also a lack of good enough information as to what constitutes evidence for CMS purposes when dealing with cases such as the above. We have recently heard that the list of required evidence has been supplied to constituents only when requested by their MPs from the Minister's office. Given the disadvantages of those for whom English is not a first language and those who perhaps don't feel able to take on CMS using the resources of their MPs, this seems like something operational that could be rectified through better communication and online assistance (possibly in a number of languages).

6.6.3. 170 respondents left comments relating to their responses on accuracy. A selection of comments are included below. There were also quite a few comments relating to this question that raised policy issues i.e. that the calculations did not reflect their own costs of living and ability to afford payments expected.

I have been calculated incorrectly using old data for years with no way of resolving this which has lead to my being in 8k arrears

It has been impossible not just to resolve but also to get any sort of reply over a period of almost a year, so I have taken the matter to court

There have been many errors, but I don't mind if they ate small. For instance this year the initial annual review was £40 higher per month than it should have been, but I just paid as that was easier than trying to get it corrected. The biggest errors have been quite serious though. At one point my ex-partner asked for a mandatory reconsideration saying I earned £25,000 more than I do. CMS said she provided evidence but they never showed it to me (despite sending letters saying it was enclosed, they never included it). This evidence must have been fraud. They found in her favour and instructed me to pay more than 50% of my income to her. When I challenged this they asked me to provide proof of my income so I provided this yet still found in her favour (they said they hadn't even looked at the documents I sent). I had to involve my MP. He resolved this. However the huge arrears which were added weren't removed. This took further complaints. At the next annual review CMS reverted to the 50% (plus huge arrears) of my income value despite the process I went through to prove it was incorrect - they had all necessary documents and HMRC would confirm this (indeed some documents were HMRC documents I provided!). To get this resolved I had to go through my MP again. I've had further issues recently on different matters and these were only (partially) resolved when I got my MP involved. When I overpaid recently CMS told me to contact my ex-partner to agree this even though she is abusive. If she declined they said they would issue a new payment schedule. I tried to reach agreement, but instead my ex-partner claimed I hadn't paid in 3 months. She also said she would never agree to anything. So I provided bank statements to CMS proving I had paid and how much. They said they would issue a revised payment schedule in a week. They didn't. When I contacted them about this they wrote back to say they only revise payment schedules for missed payments or under-payments and I should agree it

¹⁴ Source: Malin Bergström - [Living in Two Homes – shared parenting in Sweden](#) - Karolinska Institutet 2016

with the receiving parent (after having provided an email showing she says she'll never agree to anything, and even though she is abusive). They said if she doesn't agree then she keeps the money. So she has kept the money. In some cases I have not been informed of investigations initially. Sometimes I find out with a reminder (which tends not to say what it's about, so I need to contact them to find out), or when the outcome is issued. So in some cases I've not been given the opportunity to provide documents even. CMS use a mix of online portal, letters, texts, and phonecalls to communicate. This is confusing and makes it hard to follow, especially when multiple investigations are ongoing. It is very difficult and sometimes impossible to resolve issues with CMS, and almost always requires MP involvement, in my experience.

I had to email my MP. He sorted out out.

I have kept them informed via website of any changes to my circumstances [due to Covid-19]. They took n I account of that and are accusing me of being in arrears - even though dashboard showed I was £900 in credit / over paid. Go figure

How can I be in arrears if I've always paid what I was asked to pay and never missed a payment and I can't resolve it as they have locked my account, won't answer emails and when tried calling told no one available and that someone would email me and neer heard a thing

It took a few years but I received an apology and refund.

Not at all they wont listen or recognise any proof it is totally 1 sided

CMS have a really strange customer service model in that whatever is agreed or discussed on the phone is disregarded when a decision comes through & then you cannot contact directly the person you spoke to.

They sent me 3 letters within a week all demanding different amounts and demanding I paid over 1,000 within days of the letters arriving, portal rarely works and phone line you are on hold over an hour to be then cut off.

They have made many errors in my case since I started new employment in July 2019. They calculated my monthly payments up incorrect and I was underpaying. I phoned and informed them I thought my monthly payments were too low but I was told they were correct. My monthly payments increased many times in 2020/2021 and I have had many payment schedules all with increased payments. There were no reasons why my payments should increase as I didn't receive a pay increase over 25%. They missed two payments I made off my calculations and calculated the wrong pension contributions I made each month. They have not provide me with a account audit showing the full calculations on my account. My payments went up when they took my two missed payments and correct pension contributions into account. They haven't resolved my 10 overpayments on my account that I made in 2019/2020. They made many errors on my account and have not resolved them as yet and ignore my questions and requests on my account. They are quick to get under payments from you even if it's their mistake.

They put me on collect and pay as soon as my ex claimed I missed one payment (I did not miss any) and kept me on collect and pay for 18 months.

Numerous problems over the years. Usually with them trying to take from 40% to more than 100% of my wages through DEO

Lots of errors have been made on my account. Some CMS have admitted it was them at fault but still not been resolved, it's been 14months.

Not easy at all. You have to jump through hoops to get anything sorted

I never understand how they arrive at their calculations as the annual letter I receive from them is as clear as mud.

6.7. FNF service users experience of CMS investigations into suspected fraud.

- 6.7.1. We had very little easily accessible information on this other than our survey responses from last July.
- 6.7.2. 12 respondents said that they had been involved in CMS fraud investigations. However, comments made appear to suggest that respondents considered their allegations of fraud to constitute 'fraud investigations' such as the example below. There is a perception that little or no action is taken when one parent makes false declarations, beyond re-calculating (often after much effort, time and stress).

They do nothing except give the lying mother a slap on the wrist and recalculate. This is fraud, a criminal offence and these lying spongers need criminal records to set an example to put other potential lying mothers off. Actions do not have any consequences

6.8. FNF service users experience of speed and straightforwardness of dealing with CMS.

- 6.8.1. Most report confusing and contradictory correspondence, confusing language, threatening language, lack of clarity on what constitutes acceptable evidence, information as to what will happen and when that then does not come to pass, assessments that are changed without explanation, no transparency of how figures are arrived at, etc.
- 6.8.2. The average satisfaction score in response to our survey was the same for this question as for the one on satisfaction with the operations of the 2012 scheme - 14 out of 100 where 0 was 'very difficult', 50 'neither difficult or straightforward' and 100 'very easy/straightforward'. The responses to the two questions being so similar suggests that operational issues are responsible for the criticism of the scheme itself. It is also difficult for those who cannot afford payments or who have policy related grievances to reconcile the difference between a policy issue and an operational one. If someone does not have the money they are asked to pay, the two rather merge into one as the distilled response from operatives is 'the computer says no'.
- 6.8.3. We also point out that CMS operatives appear not to be guided to tell paying parents that they can offer to make some payment of arrears to avoid more draconian action i.e. something is better than nothing. However, if paying parents themselves offer reduced payments, they are more likely to get a sympathetic hearing. However, once again, the distraught parent feeling the pressure of the state upon them and a parent with poor communication skills, is less likely to proactively make such a proposal.
- 6.8.4. Many comments suggest that calls take far too long to be answered (40 minutes or an hour often cited), that portal messages are not answered or that they are given contradictory advice by different operatives or in other correspondence.

A flavour of comments is below.

Nothing is quick and easy with the CMS I'm still waiting on my complaints from over a year ago

Cannot get through on the telephone unless willing to hold for at least 40 minutes, if you're lucky enough not get cut off then you'll be passed to various people, explaining your issue every time, then promises of assistance and return calls that simply never materialise.

1 hour to get through to on phone but helpful as can be when through. Online messages are ignored as a black hole.

Clunky online system.

Everything is difficult, they lost complaints, don't respond leaving it months. The whole system is not working for either parent

Awful, slow. Takes too long to get through on phone Don't reply to messages or emails

...people are helpful. Systems and multiple office locations completely dysfunctional

CMS communication is terrible - they seem to have no information to hand and different departments do not speak to one another. IF you contact them by phone it takes an hour for someone to pick up

Over 2 hours per telephone call and upto 6 months to update cases is simply unacceptable. Inconsistent information between different staff

Stressful, I swear I aged by 5 years overnight during one conversation with them

Cussed me to go on stress Medication

Nightmare to get through to. They contradict themselves.

Hard to reach by telephone, threatening letters arrive weeks after the date of the latter with deadlines set at 14 or 7 day periods from date on the letter.

A handful had more positive experiences:

Responses have always been quick, this has really kept any stress down to a minimum.

I always found them easy to deal with

Just went with the website recommendation

They take a while to get hold of, if I email it usually takes days for a response or if I call then I am usually on hold for at least 40 minutes. However Once I have got through to them they are good at explaining things even if they can't help with the actual situation.

6.9. We asked our service users whether they find it easy to find out what is going on in their case, or what is owed.

6.9.1. We adopted a similar sliding scale response to the question as the one above i.e. 0 was 'very difficult', 50 'neither difficult or straightforward' and 100 'very easy/straightforward'. The average response was just slightly better at 18% of the 163 individuals who responded to the question. Many of the responses point to the lack of transparency of how their assessment or arrears have been worked out and how difficult it has been to obtain clarification.

Comments include:

Impossible

It has taken me two years to get the data held by the CMS. Still this didn't contain a statement of arrears

I am never told what is going on. I have chased it maybe 30, 40 times or more and get nowhere. I have taken it to court to resolve.

I asked for the calculation and was informed it was based on previous tax year, that was wrong and showed correct data but was ignored

I have no idea where they get their figures from as they don't match my earnings as per HMRC and staff cannot explain in the required detail. Unfortunately, even when they are wrong the onus is on me to prove it despite them being the so called professionals.

Can never get an answer other than "it's a very complex system that we are unable to explain properly so just pay whatever arrears we tell you to"

4 different calculations in one day via letter. 3 different staff members to find out where a debt on file had come from.

Had 6 annual review amounts all different all wrong yet still taken to court and bailiffs

CMS website is very poor with random comments about amounts owed which are not accurate and ever changing. I don't owe a penny.

I haven't got a clue what is going on with my case.

It may as well be written in Swahili, the figures make no sense.

For balance, there were a handful of positive comments:

Always been kept informed over why things are what they are, if I've called for an explanation staff have been happy to help me understand the paperwork.

Easy to know what is owed.

I was told everything I needed as soon as it was available.

6.10.....

Our service users' experience with the CMS complaints system how appropriately or quickly they were dealt with.

6.10.1.....We note that the recently published NAO report identifies that CMS experiences a high level of complaints (six per 1,000 customers) with 1.15 of those six upheld. Whilst this is by far higher level of than any other Department, our experience is that this heavily understated because most complaints originate from a position of unaffordability. However, when these are raised with CMS or at tribunals, the findings are often sympathetic, however, amount to 'the law is the law' i.e. CMS may have been implementing the law, however, too often the law asks someone to do that which is impossible for them.

6.10.2.....

Of the 250 respondents who answered the question about use of the CMS complaints system, 135 (54%) said that they had used it. It is possible that our sample tends to have more difficult family separations, however, even if this was double the national rate, it is a huge proportion. Whilst the question directly referred to the 'CMS complaints system', it is possible that some people confuses a formal complaints system with what they perceived as a complaint. Either way, it points to a lot of misery and anxiety amongst parents at a time when they feel very vulnerable and with little control over important aspects of their lives such as matters involving their children and personal finances/security.

6.10.3.....

Some responses received are below. They paint a picture of complaints not being acknowledged, of poor communication in general with either too few or too many letters, taking too long, token compensations for errors that caused enormous stress (and likely prolonged conflict between parents). If this sample were anything to go by, one questions whether there is a learning and improvements culture at CMS.

The outcome of the complaints process used language to avoid responsibility. I had complained that CMS told me to contact my abusive ex-partner to make a direct agreement about overpayments. They told me they had told me to contact the receiving parent and not her by name and that they offered an alternative which was to provide bank statements and they would make a new payment schedule. They have since told me they won't make a new payment schedule as they only do that for missed payments or underpayments, not overpayments. They have again told me to make a direct agreement with the receiving parent - my abusive ex partner.

Long delays in dealing with complaints that are still ongoing

No they drag their heels and send standard shoddy letters

They were not dealt with at all - you raise a complaint and again it goes into the system never to be seen again.

*Contacting ***** personally cc MP, threatening to report her to the police fir harrasment and fraud is the only way they fixed the issue*

Very poor offered a m&s voucher! Whoop whoop

Waste of time. Completely unaccountable even with MP involved. Complaints stretching back 3 years unanswered

Complained three times including involving local MP. Offered £100 for three years of stress, mismanagement, anxiety and incompetence.

tried got told it was too late to complain and there decision will stand

*Useless. Portal not fit for purpose. A generic message saying the details have been passed on to the relevant department means nothing to me. I continually chased ***** and all i got was i have made a complaint in an incorrect manner. When i used the portal to complain I got nothing useful back in response*

*It was after I managed to get *****'s personal email*

Managed too bring payments down from 350 too 310 pm

I have complained several times and was told a refund was not due. It was only when I got my MP involved that they finally admitted I was owed a refund but never received an apology

They never ever respond to complaints. (several like this)

i complained that the mother was using the CSA to harass me, unsurprisingly the CSA found no evidence, despite me receiving more than 100 letters from them in a 6 month period

Poor took a year and the actions still weren't in.place for another year

Very slow to acknowledge complaints and when they reply it seems to be a standard reply

Slow. Defensive.

6.11.....

Service user responses to the impact of the coronavirus pandemic on customer service?

6.11.1.....

Quite a few responded that it made little difference to them. However, there were also many who felt that the pandemic made it slower and more difficult to get responses and that their ex-partners sought to exploit the situation by claiming they had the children more than they did. Also, the lack of adjustment of the 20% furlough reduction appears to have resulted in arrears that might not otherwise be there (as CMS do not adjust within the year for changes in income under 25%).

One person reported on the difficulties with telephone operating hours that stopped at 15:00 as he could not get a break from work in the day long enough for the call to be answered.

Comments:

Yes you just got messed about for hours then they would complain there working from home so they dont have all your details at hand then the phone would go dead and it could take a couple of hours trying to get through

Yes. At the annual review I was erroneously told to pay over 50% of my income. There was no way to contact them about this, with Covid-19 being the excuse. I had to go through my MP.

I looked after my children the whole of lockdown full time...but still had to pay maintenance to my ex and she blackmailed me by saying if I didn't pay she would record it as a missed payment. So I paid for and cared for my children full time AND still had to pay my ex maintenance money. I had to borrow money on a credit card to survive.

Ex tried to claim son was living with her full time to get more money.

Yes - my ex prevented access which made my payments go up by £200 per month

Yes offices open 09.30 till 15.00 no working man can phone during his working day as it takes at least an hour to get through to anyone

6.12.

Other observations about how CMS operates.

6.12.1.

We have made some points below in our Conclusions and Recommendations. We also asked our survey respondents what improvements can be made to CMS.

6.12.2.

Understandably responses included obvious comments about calls being answered within 10 minutes and emails on the portal receiving responses. Also, making fewer errors in assessments.

6.12.3.

Not for the first time we had suggestions of less aggressive and supportive language in correspondence. We have made this point to DWP before too. There were also suggestions of a more effective escalation process to more senior and experienced staff.

6.12.4.

Again, not surprisingly, many comments related to the need to change policies so as to result in affordable assessments, ones based on children's needs and to take into account both parents' incomes (the vast majority of the 1524 responses received by Lord Farmer recently confirmed this to be a particularly commonly held view, particularly amongst paying parents (93%) and less so receiving parents (18%)¹⁵. Many also suggested that the policy should mean payments are in direct proportion to days with each parent rather than in proportion, but then multiplied by two – the current policy means that one parent having the children for 4 nights, the other for 3 means that one gets CM, the other does not, even though care time is little different and irrespective of relative income. A number suggested reverting to use of net rather than gross income.

Many more thought that the whole system needed an overhaul. We broadly agree with this and say that there needs to be, as SSAC identified, a coherent strategy for separated parents.

Some specific comments:

Mental health first aid training for staff.

Change wording in letters. Process pension payments without needing my bank statements. Have better examples in the pamphlet, they are all of people earning just £200 or less per week.

Have staff available to talk when people call answering your emails. Adjust how you work for military

Simplify and make transparent your service!!

Not charging for collect and pay... [we would add, depending on income]

Individual case worker.

Better staff training, prompter replies to queries and an overall [overhaul] of the complaints system.

A fair and accurate assessment of the income and ability to support a child of both parents.

Using the HMRC to see what happened and when. Not believing resident parents whatever they say and not ask us our side

Communication. No more texts at stupid o'clock

Use the correct figures, consider both parents equal and do not reduce people to poverty, homelessness and ultimately, suicide.

Its difficulty, it would be great if there was a threshold of CMS payments for higher earners. And where the threshold is exceeded this money went into a Child Trust account to ensure our children had money to support them when they are older.

¹⁵ [Hansard 24th June 2021 – Child Maintenance](#)

To investigate claims from both sides, consider real fiscal responsibilities and to encourage arranged agreements.

Take both parents income into account when working out child maintenance. Provide binding arbitration. Allow adult children to be paid direct. Obey Court orders returning disputes back to the Family Court. Require proof of what the receiving parent alleges. Make child benefit shared and stop using it as a gateway benefit. Get the online system to achieve the highest standards equivalent of the banking sector and the HMRC and be fully auditable.

Get rid of it. Follow the Swedish model

Close the toxic service down

Respond to complaints, don't just ignore them. Be polite on the phone.

I am reasonably literate but find some of the CMS communications hard to understand and overly threatening.

Families Need Fathers

9th March 2022

Appendix

See also below information from Dr Christine Davies being submitted by Families Need Fathers. Dr Davies is Honorary Senior Lecturer in Mathematics at Royal Holloway University of London. Dr Davies has kindly shared with us her evidence to the National Audit Office and given us permission to share it.

NAO VFM study into the CMS – Comments from Dr Davies

Preamble

I recognise that the NAO cannot comment on government policy. Nevertheless, the comments in my submission should be read against the context of the flawed Calculation Regulations used in the CSA 2003 Scheme and the CMS 2012 Scheme. The flaws mean that

- child maintenance liabilities are unaffordable for those on low pay
- work does not pay for those on Universal Credit

The DWP has acknowledged that there are issues with the Regulations. The problems have been documented by myself¹⁶, the Centre for Social Justice¹⁷ and the Social Security Advisory Committee¹⁸.

The NAO asks whether the CMS is working as intended, achieving its objectives, and whether it gives value for money. I address those questions.

Is the CMS working as intended?

The prompt for the introduction of the CMS 2012 Scheme was the 2006 Henshaw Report¹⁹. The CSA had serious difficulties with computer systems and had accumulated huge debts of unpaid maintenance. The Henshaw Report drew attention to the fact that many of the parents paying through the CSA were in low-paid insecure employment and that the statutory maintenance system did not work well for such people. It recommended that

- parents should be helped to make their own arrangements wherever possible, with the state being involved only as a last resort
- stronger enforcement measures should be introduced to ensure payments
- child maintenance payments received should not affect the receipt of welfare benefits

The CMS was set up following the Henshaw Report. It was to *'have different aims and cover different groups'*²⁰ compared with the CSA.

*'The government's changes to the child maintenance system in 2012 were designed to encourage parents to work together to provide for their children. Child Maintenance Options were created to support parents to set up collaborative, family-based arrangements. The CMS was intended for parents who cannot make family-based arrangements.'*²¹

¹⁶<http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/Work%20and%20Pensions/Child%20maintenance%20services/written/39518.html> and <http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/Work%20and%20Pensions/Child%20maintenance%20services/written/47429.html>

¹⁷ <https://www.centreforsocialjustice.org.uk/library/the-hidden-parent-poverty-trap-child-maintenance-and-universal-credit>

¹⁸ <https://www.gov.uk/government/publications/ssac-occasional-paper-22-separated-parents-and-the-social-security-system>

¹⁹ <https://www.gov.uk/government/publications/recovering-child-support-routes-to-responsibility>

²⁰ CMS Quarterly Statistics March 2021, page 17

²¹ *ibid*

Question 1: Does the CMS cover different groups from the CSA?

The CMS was to 'cover different groups' compared with the CSA.

The Henshaw Report stated that many of the parents paying through the CSA were in low-paid insecure employment. However, it would appear that the same is true for the CMS. The DWP has acknowledged in meetings with Families Need Fathers that many of the Paying Parents using CMS are on low income and that that is especially true for those who use the Collect and Pay Scheme.

The DWP has not published any data on incomes. However, in March 2021²² 40% of Paying Parents on the Collect and Pay Scheme were unemployed, with the Child Maintenance being deducted directly from their benefit. The Covid-19 epidemic has, of course, had an impact – in December 2019 the percentage was 25%.

Some limited information has been obtained by an independent individual, Brian Hudson, using Freedom of Information²³ and this is given in Table 1.

Table 1: Median annual income

Median Annual Income (£)	March 2016	March 2017	March 2018	March 2019	March 2020
Paying Parents (PP)	14,200	15,500	16,600	17,000	17,000
PP Collect and Pay	8,000	8,800	10,600	10,300	9,200
PP with Arrears	-	-	11,500	11,100	10,000

Source: Child Maintenance Service Administrative Data

The unemployed parents in the Collect and Pay Scheme will pull the mean income down. Nevertheless, the indications are that, just as with the CSA, many of the Paying Parents are on low income. Their employment may also be insecure. The pejorative term 'job hopping' is inappropriate in these circumstances.

From the limited data currently available, it would appear that

- **The intention of the CMS to take out the statutory system those in low-paid insecure employment, for whom the system is ill-suited, has not been achieved.**

The CMS should be

- asked to provide information on the income and employment status of the Paying Parents for the NAO - overall and then separately for those using Direct Pay, those using Collect and Pay and those in arrears
- encouraged to make such information publicly available, to guide politicians in decision making and educate the media and public

Question 2: Is the CMS effective in encouraging parents to work together to provide for their children?

²² CMS Quarterly Statistics March 2021

²³ https://www.whatdotheyknow.com/cy/request/725844/response/1764474/attach/3/FOI%202021%202020338%20Response.pdf?cookie_passthrough=1

'The government's changes to the child maintenance system in 2012 were designed to encourage parents to work together to provide for their children.'

The CMS incorporates various features to 'encourage' parents to make their own arrangements. It is worth considering whether these are effective.

- **Application fee**

There is a £20 application fee to use the CMS. Many consider this too small to act as a deterrent. Moreover, the fee is waived *'if the parent making the application ... declares that they have been the victim of domestic abuse, or declares that their child has been the victim of abuse'*²⁴. Note that this is a self-declaration. It is worth noting that the percentage of intake with an application fee exemption increased from 28% in March 2015 to 58% in March 2021. The percentage increased significantly from May 2018 when the CMS *'began to ask parents directly whether they had experienced domestic abuse'*²⁵.

- **Collection charges**

To 'encourage' parents who do use the service to pay the maintenance direct (Direct Pay), the CMS charges parents to use the Collect and Pay service. The Paying Parent has to pay an extra 20% on top of the calculated maintenance liability, the Receiving Parent has 4% deducted from the maintenance.

The majority of the new intake start on Direct Pay but can be moved to Collect and Pay if payments are not maintained. For the quarter to March 2021²⁶

- from the new applications
 - 11,400 parents joined Direct Pay
 - 800 joined Collect and Pay.
- 7,500 parents moved from Direct Pay to Collect and Pay

Note that the DWP has acknowledged that many of the Paying Parents using CMS are on low income and that incomes are even lower for those who use the Collect and Pay Scheme. This is borne out by the data in Table 1.

This suggests that many of the parents on Collect and Pay are those who cannot pay the calculated liability. The collection charge adds to an already unaffordable situation. Moreover, parents who defaulted on payments whilst on Direct Pay will be expected to pay extra towards their arrears, further exacerbating the situation.

The CMS should be

- asked to provide information on the incomes of those Paying Parents on Direct Pay who fail to maintain payments and are subsequently transferred to Collect and Pay
- encouraged to make such information publicly available

Question 3: Does Child Maintenance Options work well?

²⁴ national-tables-child-maintenance-service-to-march-2021, Table 2, Note 1

²⁵ Ibid, Note 3

²⁶ CMS Quarterly Statistics March 2021

*'Child Maintenance Options were created to support parents to set up collaborative, family-based arrangements.'*²⁷

Child Maintenance Options is a free service intended to provide impartial information and support to help separated parents make decisions about their child maintenance arrangements. This was an excellent, sensible initiative which, if successful, should substantially reduce the number of applications to the CMS.

The text in the early leaflets provided for parents was created with the help of organisations such as The Centre for Separated Families. The text was excellent. It explained that an arrangement did not have to be financial – the second parent might, for example, care for the children for some of the time. If the arrangement was financial, it did not have to involve regular payments – the second parent might, for example, pay for specific items such as school uniforms or mobile phone bill. Finally, if the arrangement was for regular payments, it was stressed that the amount decided on should be fair, realistic and above all affordable, taking into account the circumstances of the two parents - only then would the arrangement be sustainable. And, of course, the arrangement could and should be amended as circumstances changed.

Unfortunately, the stressing that any regular payment decided on should be 'fair, realistic and above all affordable' was undermined by suggesting that the parents look to the CMS Maintenance Calculator²⁸ to see what the CMS would use. That amount is often not 'fair' (it takes no account of the circumstances of the two parents), nor 'realistic', nor 'affordable'. It can, however, lead to unrealistic expectations on the part of the prime carer and they may not wish to settle for anything less than their 'entitlement'.

Even more unfortunately, the early leaflets seem to be no longer available and the briefer comments on the web do not have the same impact. Parents need to phone the Options Helpline but, even before they do that, they are directed to the CMS Maintenance Calculator.

It would be interesting to see the guidance/questions followed by the call answerer.

The make Child Maintenance Options (CMO) work better, the CMS should

- review their provision of information on CMO
- review the guidance/questions used by call answerers
- add a caveat to the link to the Child Maintenance Calculator that the amount given may not be appropriate in their personal circumstances, repeating some of the good advice given in the early days (see above)

Question 4: Compliance, Arrears and Enforcement - Do the CMS enforcement measures work well?

(All data from the March 2021 CMS Quarterly Statistics and National Tables)

With the comments made earlier on the low income of many Paying Parents, it is unsurprising that some maintenance is not paid. The CMS assumes that payments through Direct Pay are made in full since, if they are not, the Receiving Parent can request transfer to Collect and Pay. So the published arrears are for parents on Collect and Pay.

An analysis of the published data reveals the scale of the problem.

²⁷ CMS Quarterly Statistics March 2021, page 17

²⁸ <https://www.gov.uk/calculate-child-maintenance>

Arrears

The accumulated arrears since 2012 are £408.3m. The CMS states that this is 9% of all maintenance due to be paid. Note, however, that it is 34.3% (more than a third) of maintenance due to be paid through Collect and Pay.

Compliance

I comment on two of the figures given:

- The 'compliance rate' for the parents due to pay through Collect and Pay is given as 72%. This is for Paying Parents who paid something towards their child maintenance.

Note, however, that 40% were due to pay by Deduction from Benefits and a further 29% had a DEO/R in place. For a further 2% there is a Regular or Lump Sum Deduction Order in Progress. Simple addition indicates that, of the 72% of parents who are 'compliant', somewhere between 69% and 71% had no choice in the matter – the money is 'taken' rather than 'given'.

- The CMS reports that 53% of the parents due to pay through Collect and Pay paid more than 90% of the maintenance due.

Note, however, that the Deduction from Benefit cases will contribute 40% to this, leaving 13% of that category to come via other methods of payment. The implication is that the DEO/R on 29% of Paying Parents cannot always obtain the full maintenance due. Deductions are limited to 40% of net income.

Enforcement

The CMS has a range of enforcement measures that they can employ to obtain full payment and charges the Paying Parent for any taken. The measures may not be entirely successful when used on Paying Parents on low pay. One example is given above for DEO/R – it may not be possible to deduct the full amount of maintenance due, so that arrears continue to accumulate.

Another example is the attempted Recovery From Estate (RFE) after a Paying Parent has died. Table 2 gives an extract of the information provided in FOI 2021-21696. The information is clerical data which is subject to certain caveats. I have selected the year 2017 from the data since there are few remaining ongoing cases. Note that very few of the RFE are successful.

Table 2: Summary of Recovery From Estate (RFE)

Quarter	Applications	Successful	Unsuccessful	Ongoing
2017 Q1	144	6	138	0
2017 Q2	110	4	106	0
2017 Q3	110	3	107	0
2017 Q4	146	13	126	7

It would seem that many Paying Parents on low income end up in Collect and Pay with attempted enforcement of payment. The question arises as to whether enforcement measures are appropriate or cost effective in these cases.

The CMS should be asked to

- provide information on the incomes of those Paying Parents who are subject to the various enforcement measures
- give more data on DEO/R
 - income of parents
 - how effective are these?
 - how many achieve full payment?
 - how many fail?
- comment on the effectiveness of the various enforcement measures

Question 5: Does the CMS provide ‘Value for Money’?

The NAO state that in 2019 -20, £294m was paid in child maintenance at a cost of £146m.

The Henshaw Report drew attention to the fact that many of the parents paying through the CSA were in low-paid insecure employment and that the statutory maintenance system did not work well for such people. The intention of the CMS was that such people would not be part of the statutory system. However, this intention has not been successful. Many of the parents in the CMS are on low pay.

Much of the cost of the CMS will be in pursuing these parents for amounts that they cannot afford, transferring them to Collect and Pay and then attempting to enforce payments.

Afternote – post Covid-19 implications

Although the NAO cannot comment on policy, I comment on the increasingly pressing need for government to address the situation for separated parents as it deals with the financial after effects of Covid-19. The 2012 Scheme Regulations for calculating child maintenance liability are themselves fundamentally unsound, giving amounts that are unaffordable for those on low income. Moreover, the interaction of payments with welfare benefits means that work does not pay. Any increase in income tax will make the present situation even worse.

The impact of the interaction between child maintenance payments and Universal Credit can be captured by calculating the marginal ‘effective’ tax rate (METR) – that is, the total deductions made for each extra £1 earned.

At present, for incomes between £100 and the threshold for National Insurance a parent paying for three children on Direct Pay would have an METR of 101%; if transferred to Collect and Pay the METR would increase to 108%. The parent would be 1p or 8p worse off for every £1 earned.

For incomes above the income tax threshold, the METR for this parent would be 94% for Direct Pay, 98% for Collect and Pay. The parent would be only 6p or 2p better off for each £1 earned.

Government may decide to increase income tax to recoup Covid-19 expenditure or to fund social care for the elderly. Any increase will make the present situation even worse. A change in the withdrawal rate for Universal Credit will also have an impact.

CMD/NAO/300721

March 2022

