



Business plan  
2008/09

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# Commissioner foreword

In Great Britain, over three million children do not live with both their parents. Almost everyone agrees in principle that both parents retain responsibility for their children, including financial responsibility. But, in practice, many parents not living with their children avoid their responsibility.

Since 1993, Government has tried to address this problem through the Child Support Agency (CSA) – part of the Department for Work and Pensions – but both the policy it administers and its operational performance have been controversial, heavily criticised and, at best, partially successful.

The Child Maintenance and Enforcement Commission (the Commission) now being established under the Child Maintenance and Other Payments Act 2008, has the opportunity to solve the legacy problems.

The Commission's main statutory objective is to "maximise the number of those children who live apart from one or both parents for whom effective maintenance arrangements are in place". To achieve this, the Commission will have three core functions:

- Promoting the financial responsibility that parents have to their children;
- Providing information and support about the different child maintenance options available to parents; and
- Providing an efficient statutory maintenance service with effective enforcement.

With much broader responsibilities than the Agency it replaces, it will not simply enforce a pre-determined policy, but will:

- Develop and advise ministers on child maintenance policy;
- Promote parental responsibility and seek to change attitudes;
- Encourage and support parents in making their own arrangements;
- Calculate maintenance and enforce it where necessary;

As a Non-Departmental Public Body, the Commission will operate at arm's length from Government enabling it to innovate and provide services how and through the mechanisms it chooses. The Commission will be able to deliver services through the public or private sector and will be better able to focus on what difference it can make for children who live apart from one or both of their parents.

The creation of the Commission marks a new era for child maintenance across Great Britain, supporting parents to make more difference for more children.

I am delighted to have been appointed as the first Commissioner and I look forward to realising the potential of the new legislation and enforcement tools that are now available.



Stephen Geraghty

# The Child Maintenance and Enforcement Commission

## Background to the new Commission

Since its inception, the CSA has been weighed down by a series of policy and operational problems which have prevented it from delivering a fully effective and efficient child maintenance service.

In February 2006, the Secretary of State announced a dual approach to the reform of child maintenance:

- An Operational Improvement Plan to stabilise and improve the service provided by the CSA over three years;
- A fundamental review of the child maintenance system led by Sir David Henshaw which concluded that the scheme was failing to deliver for children, parents and taxpayers.

### The White Paper

In response, the Government published the White Paper 'A new system of child maintenance' in December 2006. This set out its proposals to redesign the child maintenance system and create the Commission. The Commission will be established as a new Non-Departmental Public Body and will operate at arms length from Government.



### Commission role

The Commission has a much broader role than the CSA; covering child maintenance policy as well as delivering the statutory maintenance service. It aims to maximise the number of maintenance arrangements (either privately or through the statutory maintenance service) by promoting parental responsibility, and providing information and support to parents about their child maintenance options. The Commission will have new enforcement powers and a simpler mechanism for making assessments, meaning it can focus more on what difference it can make for children.

### Child Maintenance and Other Payments Act 2008

The Government's proposals received a broad level of support and led to the Child Maintenance and Other Payments Bill being introduced to Parliament in June 2007. The Act received Royal Assent in June 2008, paving the way for the Commission to become a statutory body responsible for maximising the number of effective child maintenance arrangements. It will provide an information and support service (Child Maintenance Options) for parents and a statutory maintenance scheme with improvements, phased in over time, in the areas of collection and enforcement, assessment and arrangements.

## Commission objectives

The Commission's main statutory objective is "to maximise the number of those children who live apart from one or both of their parents for whom effective maintenance arrangements are in place."

This main objective is supported by two subsidiary objectives:

- To encourage and support the making and keeping by parents of appropriate private maintenance arrangements;
- To support the making of statutory maintenance arrangements, which includes ensuring that parents comply with their responsibilities.

To achieve this, the Commission will:

- Promote parental responsibility by encouraging and empowering parents to make their own maintenance arrangements wherever possible, but also, when appropriate, taking action to enforce payment for those using the state maintenance arrangement;
- Provide a cost-effective and professional service that gets money flowing between parents in the most efficient way for the taxpayer; and
- Be simple and transparent, providing an accessible, reliable and responsive service that is understood and accepted by parents and their advisers and is capable of being administered by caseworkers.
- Help tackle child poverty by ensuring that more parents take responsibility for paying for their children and that more children benefit from this.

## Commission structure

The Commission is made up of a Chair, a Commissioner and a number of Executive and Non-Executive Directors. Together, they set the strategic direction for the Commission, make decisions on policy and lead the delivery of the strategic aims and objectives.

### Chair of Commission

Janet Paraskeva

### Commissioner

Stephen Geraghty

### Non-Executive Directors

Deborah Absalom

Rosemary Carter

Bill Griffiths

Maeve Sherlock

### Executive Directors

Alan Hardy – Finance and

Assurance Director

Further Executive Directors and one more Non-Executive Director are still to be appointed. Once all appointments have been made and confirmed, the Commission will build a new organisation and set out its vision, values and strategy. Further information about the roles and responsibilities of the Commission are set out in its Framework Document available at [www.childmaintenance.org](http://www.childmaintenance.org).

# Changing child maintenance

## What's different?

The Commission represents a fresh approach to child maintenance. The Child Maintenance and Other Payments Act 2008 introduces a number of changes to the child maintenance system which affect the options available for setting up maintenance payments, the methods for calculating maintenance, the services offered and the powers for enforcement.

A summary of the key changes proposed is below:



## June

Child Maintenance and Other Payments Act 2008

## From July

- Commission established
- Parents newly applying for income related benefits no longer required to use statutory maintenance service
- Child Maintenance Options available to parents newly applying for benefit

## From October

- Maintenance disregard increased from £10 to £20 to ensure more maintenance is retained by families on low income
- Commission takes responsibility for CSA.
- Child Maintenance Options service launched for all parents nationally
- Existing CSA parents with care on income related benefits no longer compelled to use statutory maintenance service

## Equalising choice

The 2008 Act repeals sections 6 and 46 of the Child Support Act 1991, which treat parents with care who are on benefits as making a claim for child maintenance. The Act also removes the reduction in income related benefit currently made where the parent with care chooses not to proceed with an application without giving a good cause. This means that parents with care in receipt of income related benefit will be able to choose the maintenance arrangements which best suit them and their children, equalising their choice with that of other parents with care.

From July 2008, new parents with care applying for income related benefit will not be compelled to use the statutory maintenance service. From 27 October 2008 the compulsion will be removed for all existing CSA parents with care on benefits.

## Child Maintenance Options

Child Maintenance Options is a new service to help parents understand the importance of having a child maintenance arrangement, and to provide impartial information and support on the options available so that they can make the best arrangement for their families – whether that is a private arrangement or a formal statutory assessment.

This new service will be offered through three main channels: a national contact centre, web-based support and a face-to-face service where a specific need is identified.

Recognising that newly separated couples often have many other issues to deal with simultaneously, the service will also provide basic information and referrals



to specialists in other organisations. Child Maintenance Options is quite separate from the CSA and will not answer CSA case specific queries or give detailed guidance around statutory scheme processes.

## Maintenance disregard

In line with the Government's White Paper commitment, by the end of 2008, the amount of child maintenance that parents with care can keep without affecting their income related benefits (maintenance disregard) will be doubled to £20 per week and extended to the old scheme. There will also be a full maintenance disregard in housing benefit and council tax benefit from this point. This will be delivered by Jobcentre Plus and Local Authorities as well as the Commission.

Parents with care on income related benefits will have a greater incentive to make an arrangement through the increased disregard and associated non-resident parents have an increased incentive to pay, as more money reaches their children. This means that more money will flow to some of the poorest children in Great Britain and support the Government target to eradicate child poverty.

## Streamlined assessment

The maintenance assessment process will be simplified to enable a quicker, more accurate and easier to understand process which is expected to be introduced from 2011. This faster, simpler and easier to administer (and therefore more effective) scheme will be based on gross income (from HM Revenue & Customs). Another key feature will be that changes in the non-resident parent's income will only trigger a recalculation where the change is greater than 25%. This will reduce the time it takes to make a calculation and the number of recalculations the statutory maintenance service will need to implement throughout the year while maintaining broadly the same level of maintenance payable across the life of a case.

The future scheme will also increase the flat rate of maintenance paid by non-resident parents on low income or those on benefit from £5 per week to £7 per week.

## Tougher enforcement

The Government wants to take firm action at the earliest opportunity against non-resident parents who do not fulfil their responsibility to pay child maintenance. Measures included in the 2008 Act extend the range of enforcement powers and streamline the way in which they are used.

The Commission will have the power to make administrative liability orders without having to apply to the courts, deduct money from accounts held by financial institutions, use deductions from wages as an initial method of collection, recover arrears from the estates of a deceased non-resident parent and provide information to credit reference agencies. Further powers enable the Commission to ask the courts to withdraw passports and impose curfews. In addition, the 2008 Act will enable the Commission to increase efforts to collect and reduce debt, including accepting part payment in full and final settlement of arrears, and in specific, limited circumstances write off debt.

In 2008/09:

- The Commission will actively promote direct debit and deductions from earnings as the preferred methods of collecting child maintenance;
- It will become a criminal offence for a non-resident parent who is liable to pay child maintenance through the statutory maintenance service to fail to report a change of address.

## Commission priorities in 2008/09

- Set up the new organisation and put in place the infrastructure to deliver the new services;
- Remove the compulsion for new parents with care applying for income related benefits to use the statutory maintenance service;
- Develop the vision and strategy to fulfil its objectives and to inform the Commission strategy and corporate plan;
- Plan and implement the programmes which will deliver better child maintenance outcomes including: extending choice, maintenance disregard, and the final year of the Operational Improvement Plan;
- Launch the new Child Maintenance Options service to support parents in making an informed choice;
- Take responsibility for existing CSA operations. The Commission remains committed to delivering the CSA Operational Improvement Plan and its associated outcomes and benefits;
- £20 maintenance disregard implemented across both existing CSA schemes so that all parents with care on benefits who do choose to use the statutory service will keep the first £20 of child maintenance paid before benefits are affected. There will be a full disregard from April 2010;
- Prepare to use the new powers for enforcement and collection to ensure more non-resident parents pay maintenance – delivering more money for more children;
- Agree new targets for the Commission beyond 2008/09.



# Key performance measures 2008/09

## Maintenance targets

The Commission will take responsibility for the CSA. It is determined to deliver the commitments made under the CSA Operational Improvement Plan.

### Number of children benefiting

By 31 March 2009, maintenance will be collected or have been arranged on behalf of 790,000 children. (2007/08 CSA achieved 749,300 against a target of 720,000).

### Total maintenance collection (including arrears)

Collect or have arranged £1,080 million in child maintenance between 1 April 2008 and 31 March 2009; of which at least £220 million maintenance will be arrears. (2007/08 CSA achieved £1,010 million against target of £970 million of which £126million was arrears).

### Maintenance outcomes

By 31 March 2009, in 69% of cases across both current and old schemes in which a liability to pay maintenance exists, the non-resident parent has either made a payment using the collection service or set up a maintenance direct arrangement. (2007/08 CSA achieved 67% against a target of 66% of cases).

### Uncleared current applications

By 31 March 2009, the volume of uncleared current scheme applications will be no more than 90,000. (In the year ending March of 2007/08, the CSA had 107,000 uncleared applications against a target of no more than 140,000).



### Maintenance targets: Key performance

Performance metric	Mar 05	Mar 06	Mar 07	Mar 08	Year end Mar 09 target
Total amount of money collected or arranged (£m)	798	836	898	1,010	1,080
Number of children benefiting from maintenance (000s)	561	623	683	749	790
Maintenance outcomes (%)	63	63	65	67	69
Uncleared current scheme applications	225,300	220,400	153,000	106,600	90,000

One of the Commission priorities over 2008/09 will be to agree targets for the new organisation. It will also produce the business plan for 2009/10 onwards.

Please note, figures previously reported have been adjusted to reflect improved management information. Although the total amount of money collected and arranged for children has not been affected; improvements in how all payments collected or arranged by the Agency are allocated has improved the accuracy of other key measures.

## Delivering client service

**Applying for child maintenance:** If the parent with care can provide contact details for the non-resident parent, the Commission will start gathering information from the non-resident parent within four weeks of the application being received. The Commission will aim to make an accurate decision on the application within 12 weeks, but in some cases this may take as long as 26 weeks.



**Collecting maintenance:** Where the Commission is collecting child maintenance, the Commission will aim to make a first payment to the parent with care within six weeks of making the initial payment arrangements with the non-resident parent.

**Administering payment:** The Commission will make maintenance payments to parents with care within one week of receiving the money from the non-resident parent.

**Response times:** The Commission aims to answer telephone calls within one minute. To achieve this for the vast majority of calls an average time to answer of 30 seconds is needed.

**Complaints, letters and appeals:** The Commission aims to reply to letters and either resolve complaints, or agree next steps, within three weeks of receiving them.

**Accuracy:** The Commission aims to provide an accurate calculation of the maintenance liability. Accuracy is defined by whether the weekly assessment is within one pound or two per cent of the correct liability, whichever is the greater.

## Client service: five-year performance trends

Performance metric	Mar 05	Mar 06	Mar 07	Mar 08	Year end Mar 09 target
Clearing current scheme applications within:					
12 weeks (Dec intake)	30%	53%	61%	77%	80%
18 weeks (Oct intake)	37%	61%	64%	83%	85%
26 weeks (Sep intake)	46%	67%	78%	88%	90%
Uncleared current scheme applications (000s)	225	220	153	107	90
Telephony					
Average time to answer (mm:ss)	01:40	00:59	00:26	00:20	<00:30
Percentage of calls lost	16%	9%	3%	2%	<5%
Accuracy					
Cash Value Accuracy			92%	96%	95%
"1p" Accuracy	77%	83%	80%	87%	90%

It is planned that the Commission will revisit all current targets and standards.

Please note, figures previously reported have been adjusted to reflect improved management information. Although the total amount of money collected and arranged for children has not been affected; improvements in how all payments collected or arranged by the Agency are allocated has improved the accuracy of other key measures.

# Commission resources for 2008/09

## Administration cost 2008/09

From July 2008 the Commission will be responsible for the development of the major programmes of reform under the 2008 Act. From 1 November, it assumes full responsibility for all CSA operations and people. Until then the CSA through the DWP remains responsible for the administration of child maintenance in Great Britain.

The administration cost for the year is £625 million – covering both the Commission's spend on developing new services, creating the future scheme under the 2008 Act and the full running costs of the CSA in the year from 1 April 2008 to 31 March 2009.

### Financial year spend (£million)

	2008/09 £m	2009/10 & 2010/11 £m	Indicative Total SR07 £m
Commission	80	218	298
CSA and Corporate (estimate)	545	919	1,464
<b>Total</b>	<b>625</b>	<b>1,137</b>	<b>1,762</b>

Please note, the figures for years beyond 2008/09 are indicative.

# How to contact the Commission

## Write to

The Commissioner  
The Child Maintenance and  
Enforcement Commission  
Caxton House, Tothill St  
London SW1H 9NA

## Website

[www.childmaintenance.org](http://www.childmaintenance.org)

## Helpline

For information and support for new customers, call the Child Maintenance Options service on 0800 988 0988\* or visit [www.cmoptions.org](http://www.cmoptions.org)

For information about existing child maintenance cases, call the CSA national helpline on 08457 133 133 or textphone 08457 138 924.

Both lines are open 8am to 8pm Monday to Friday and 9am to 5pm on Saturdays. Calls are charged at local rate.

If you want to speak to the CSA in Welsh, you can ring the Welsh language helpline on 08457 138 091. The line is open 9am to 5pm Monday to Friday. Calls are charged at local rate.

We may record our phone calls to check our service and to train our employees.

## Leaflets

You can get copies of child maintenance information leaflets by downloading them from the CSA website ([www.csa.gov.uk](http://www.csa.gov.uk)) or by calling the CSA national helpline on 08457 133 133 or textphone 08457 138 924.

## Alternative formats

This business plan and our information leaflets are available in other languages (including Welsh), in large print, in Braille and on audio cassette. You can get these formats by phoning us on 08457 133 133. Textphone 08457 138 924.

The business plan is also available at [www.childmaintenance.org](http://www.childmaintenance.org)

\*Calls to 0800 numbers are free from BT landlines but you may have to pay if you use another phone company, a mobile phone, or if you are calling from abroad. Calls to 0845 numbers from BT landlines should cost no more than 4p per minute with a 6p call set up charge. You may have to pay more if you use another phone company or a mobile phone, or if you are calling from abroad. Calls to 0870 numbers from BT landlines should cost no more than 8p per minute with a 6p call set up charge. You may have to pay more if you use another phone company or a mobile phone, or if you are calling from abroad. Calls from mobile phones can cost up to 40p per minute, so check the cost of calls with your service provider.