



Delivery Plan  
2011 / 12

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# Foreword by the Commissioner

2010/11 was a year of significant change for the Commission. During the year the Commission revised its strategy to support the new coalition government's vision for child maintenance whilst maintaining performance through the Child Support Agency and the Child Maintenance Options service.

The Government's proposals for the future of child maintenance were published in a Green Paper 'Strengthening families, promoting parental responsibility: the future of child maintenance' in January 2011.

The vision set out in the paper is for a child maintenance system where more parents are supported to take responsibility for the ongoing parenting of their child by making their own family-based arrangements, and

a more efficient and effective statutory service for parents who are unable to come to their own arrangement.

At present only around half of children in separated families are supported by a child maintenance arrangement. The proposed changes are intended to benefit children in separated families and provide better value for the taxpayer. Key to the changes will be rebalancing the child maintenance system

by embedding support for parents to work collaboratively to make their own, family-based arrangements, wherever possible, rather than treating the statutory scheme as the default option. Research shows that improved relationships between parents lead to better outcomes for children in the long run<sup>1</sup>. This is why we believe family-based arrangements, which encourage collaboration, are generally better for families and children.

<sup>1</sup> Mooney, A, Oliver, C and Smith, M (2009). *Impact of Family Breakdown on Children's Well-Being: Evidence Review*, Department for Children, Schools and Families, Research Report 113

The Commission began work to support this vision in 2010/11 and amended its corporate strategy accordingly; this included a refocusing of the work of the Child Maintenance Options service and a revision of the plan for a new statutory child maintenance scheme.

I am very pleased that as I start my new role I inherit an organisation which is making good progress towards our objective of maximising the number of effective child maintenance arrangements. In the final quarter of 2010/11, the Commission passed the milestone of 950,000 children benefiting from maintenance arranged through the statutory schemes or family-based arrangements made after contacting the Child Maintenance Options service. We also exceeded our targets on collections and maintenance

outcomes on the statutory schemes.

Child Maintenance Options goes from strength to strength. It has now handled over 600,000 calls and received over one million unique hits to its website. It is offering a range of new services and tools to provide enhanced support to parents and in particular to help them make family-based arrangements. It received a major service award in the last year and was shortlisted for another one.

After just a few months in post, it is clear to me that the Child Support Agency suffers from severe limitations in its IT systems and policy framework. Without changes to both, costs will grow and the scope for improvements in efficiency and client service is extremely limited. I am very pleased that the government

has reaffirmed its commitment to a new scheme, which is simpler, more transparent and more efficient, and based on a new IT system. This will help us to move away from a situation where applications take over two months to process, cases are managed off the main computer systems and two statutory schemes operate at the same time with different rules.

Despite these issues with the current schemes, record-breaking performance was still achieved in the past year. I am hugely impressed by the dedication and commitment of the Commission's employees and it is a testament to them that this performance has been reached.

In order to deliver on the vision the Government has set out for us, we have four priorities for 2011/12.

The first is to continue working with other government departments and the voluntary and community sector to explore ways in which guidance on child maintenance can be better joined-up with other types of support provided to separated and separating parents.

The second is to press ahead with the new scheme, scheduled for launch in 2012, and to incorporate into the design the new elements proposed in the Green Paper. 2010/11 saw us move towards the completion of the new systems, and the year ahead will see extensive testing, as well as continued policy development and a series of public consultations.

The third is to maintain our performance levels for existing clients who currently rely on us.

The final priority is to deliver

value for money in everything we do, as we seek to deliver the services we are obliged to, within the financial constraints required by the current economic environment. The IT system and policy underpinning the new scheme will be key to achieving this priority.

Our day-to-day work will also continue in the year ahead. Child Maintenance Options will be enhancing the type of guidance it offers to clients to help parents overcome barriers they face in making arrangements. A local community outreach programme will see our face-to-face consultants seeking to work with children's centres, health professionals, local authorities and other local organisations to raise awareness of child maintenance and the benefits it brings to children. We will continue also to drive efficiencies within the Child Support Agency.

This is my first Delivery Plan as Commissioner and I am grateful to Stephen Geraghty, who in his six years with the Commission and Child Support Agency laid good foundations for the future of child maintenance that I hope to build upon.

I am confident that in 2011/12, the Commission will take major steps forward towards delivering the Government's vision of a better child maintenance system for parents and children.

**Noel Shanahan**  
**Commissioner and**  
**Chief Executive**

# Executive summary

This report sets out the Child Maintenance and Enforcement Commission's achievements in 2010/11 and its plans for 2011/12.

The Commission's principal focus during 2010/11 has been to refocus its activities so that they align with the priorities of the Coalition Government. This included refocusing the work of the Child Maintenance Options information and support service and revising plans for the new statutory scheme of child maintenance.

The Commission also made progress during 2010/11 against its three core functions: promoting the financial responsibility that parents have for their children; providing information and support; and providing an efficient and effective statutory service.

It undertook significant work

in raising the awareness of the importance of taking responsibility for child maintenance across government, among key professionals and at a local level; further developing the range of services and support provided by Child Maintenance Options; and maintaining the performance on the current statutory schemes.

2011/12 will be another year of rapid change. To deliver the vision set out in the Green Paper and make further progress against its three functions, the Commission will, during 2011/12:

- continue to work with the Department for Work and Pensions and other government departments to

explore how support services can be better integrated

- develop the range of services provided by Child Maintenance Options, using it as a test bed to trial different models for the type of integrated support services envisaged in the Green Paper
- continue to develop the policies required to implement the vision set out in the Green Paper
- continue the design of the new statutory scheme, including adding the functionality required to meet new policy priorities; and undertake testing
- maintain existing levels of performance on the current statutory schemes and through Child Maintenance

- Options
- promote financial responsibility in local communities and through intermediaries
- deliver value for money in all the Commission's activities.

Finally, during 2011/12, the Public Bodies Bill, which provides for the Commission and all its functions to be transferred into the Department for Work and Pensions, will continue its passage through Parliament.

## Highlights of 2010/11

- Adapting our plans to meet the priorities of the Coalition Government
- Raising awareness of the importance of responsibility for child maintenance among government departments and professional associations
- 600,000 calls now handled by Child Maintenance Options and over one million unique web visits
- Maintaining performance on the existing statutory schemes
- Steady progress in the design and development stage of the new scheme and system

## Priorities for 2011/12

- Promoting financial responsibility in local communities and through joined-up services
- Continuing the design and testing of the new statutory scheme
- Maintaining existing levels of performance
- Delivering value for money in all the Commission's activities

# Performance indicators and resources

The Commission has continued to meet challenging ministerial targets year on year in the face of wider economic difficulties, whilst at the same time developing the new scheme and driving down costs.

Our performance against ministerial targets set by the previous government is shown in the following table<sup>1</sup>

Overall target	2004/05 Actual	2005/6 Actual	2006/7 Actual	2007/8 Actual	2008/9 Actual	2009/10 Actual	2010/11 Actual
Children Benefiting (000's) <sup>2</sup>	561	623	683	749	811	906	972
Statutory scheme targets	2004/05 Actual	2005/6 Actual	2006/7 Actual	2007/8 Actual	2008/9 Actual	2009/10 Actual	2010/11 Actual
Statutory collections and arrangements (£m)	798	836	898	1,010	1,132	1,141	1,150
Maintenance outcomes (%)	63	63	65	67	71	77	78

<sup>1</sup> Performance relating to off-system cases is included in the figures from 2008/09.

<sup>2</sup> From March 2009 this reflects the number of children benefiting from statutory maintenance or from an effective family-based arrangement following contact with the Child Maintenance Options service.

For 2011/12 the Commission's sponsor department, the Department for Work and Pensions, has, in line with the Government's priorities on transparency, issued new guidance on how performance should be measured. This will henceforth be judged by a series of indicators rather than top-down targets.

The Commission is proposing to use the following indicators:

- The progress made in delivering the new scheme of child maintenance
- The total number of children benefiting from a child maintenance arrangement, both through the statutory child maintenance schemes and through family-based arrangements.
- The percentage of cases under the statutory

schemes which have a positive liability and have received maintenance in the previous quarter (shown as 'maintenance outcomes' above)

- The amount (in £'s) of collections and arrangements through the statutory schemes
- The overall cost of operating the Commission (less investment costs)
- The cost per £1 of child maintenance collected under the statutory schemes
- The cost per child benefiting.

The Commission aims to show improvements in all indicators.

The overall budgets for the Commission are as follows:

Operating cost (£m)	2009/10 Actual	2010/11 Actual	2011/12 Budget
<b>Existing statutory service</b>			
Investment	19	3	7
Delivery	503	450	432
<b>New services and new scheme</b>			
Investment	40	36	76
Delivery	13	24	30
<b>Total operating cost</b>	<b>575</b>	<b>513</b>	<b>545<sup>1</sup></b>

Overall costs continue to reduce year on year. The total budget for the Commission for 2011/12 is £545m. Excluding investment expenditure, this represents a 3% reduction on 2010/11.

The largest element of the Commission's spend is the

delivery of the current statutory schemes operated by its Child Support Agency division. Improvements and efficiencies mean that the costs for delivering these schemes are projected to fall to £432m in 2011/12. These costs are driven by the size and complexity of the statutory

caseload, the increasing number of cases being processed off the main computer systems and the choices that parents make when deciding on their maintenance arrangements.

Investment expenditure of £83m focuses mainly on new services and the new scheme. This will deliver the final design, build and testing of the new computer system, interfaces with other government departments, the organisational changes needed to deliver future services and savings and contracts with our service providers.

<sup>1</sup> The total operating cost for 2011/12 includes costs associated with transferring the Commission and all its functions into the Department for Work and Pensions.

# Child maintenance in the future

The Green Paper 'Strengthening families, promoting parental responsibility: the future of child maintenance' published in January 2011, outlines proposals to reshape the child maintenance system and better support families going through separation.

## *Promoting family-based arrangements*

The Government wants to integrate the support currently provided to empower separated families to come together and resolve their issues in a collaborative fashion by making family-based child maintenance arrangements. We believe that these arrangements are generally better for families and children.

The Government also recognises that child maintenance is one issue among many that separated parents may need

to resolve, so information and support on child maintenance needs to become better integrated with information and support on other issues people experience during separation. The Commission and the DWP are working in partnership with the Department for Education, the Ministry of Justice, and the voluntary sector to consider ways in which services could be better joined-up. This work will continue in 2011/12.

In March 2011 the Commission published research which explored the reasons why parents do not make child maintenance arrangements. The research found that parents are motivated by their relationships with the other parent or their child more than long-term attitudes or financial reasons.

Based on this research and input

from other academic experts, during 2011/12 the Commission will test a set of interventions to help parents make family-based arrangements and also consider child maintenance in the context of wider issues faced at separation, through the Child Maintenance Options service. This will provide evidence on what works, to inform the development of integrated family support services in the future.

## *A new statutory child maintenance service*

The Government believes that there should continue to be a statutory service for those who cannot make a family-based arrangement. The Green Paper states that the new scheme, which the Commission had been designing before the Coalition Government came to power, should still go ahead and be launched from 2012. The

Government believes that clients should pay towards the cost of using the new scheme, which will remain heavily subsidised.

The rationale for the new scheme is that the existing CSA schemes are hampered by deficiencies in their IT systems, which in turn leads to significant inefficiencies. In addition, the policies and processes underpinning the current schemes, for example the lack of regular reviews to keep cases up to date and the speed of processing applications, mean that children miss out.

In short, there is no business justification for continued spend to improve the existing schemes.

The Commission undertook significant design and development work on the new scheme and the new IT system underpinning it throughout 2010/11. Work has continued

with other government departments, notably HM Revenue and Customs and Jobcentre Plus on the interfaces that will allow the new child maintenance IT system to work with the tax and benefits systems. The Commission also began work to adapt new scheme design to incorporate elements from the Green Paper.

In 2011/12 the Commission will continue the building of the new IT system and will test it, to ensure that it can effectively deliver the service to clients envisaged, prior to launch later in 2012.

Regulations for implementing the new scheme will be laid before Parliament, in advance of the scheme going live. These will include details of the new child maintenance calculation and how current scheme cases will be closed. Public consultations will

be held before regulations are laid before Parliament.

During 2011/12, the Commission will also develop policy and continue to adapt new scheme design to incorporate other elements of the reforms proposed in the Green Paper. These include:

- a gateway process to ensure the statutory scheme is only used by those who really need it
- a calculation-only service to give parents an authoritative figure to help them make collaborative family-based arrangements
- charges for the use of statutory child maintenance services.

## Priorities for 2011/12

- Test interventions to help parents improve their ability to collaborate and reach family-based arrangements
- Continue the design and testing of the new system and prepare for launch
- Develop regulations, consult publicly and lay before Parliament
- Adapt the design to reflect changes proposed in the Green Paper

# Promoting child maintenance and financial responsibility

The Commission must raise awareness of the importance of parents taking responsibility for the maintenance of their children and making appropriate arrangements for children who live apart from one or both of their parents.

The Commission is working to change the way parents behave on separation, so that making an arrangement and paying child maintenance becomes the norm, with non-payment no longer considered acceptable.

To achieve this, the Commission undertook a range of initiatives during 2010/11.

It continued to engage with a range of other government departments and professional associations to ensure that awareness of child maintenance issues is increased amongst the front-line professionals who provide services to parents

and children and in particular, those who work with the most vulnerable groups in society. For example, it is working with the Department of Health to explore how child maintenance issues can be included in training provided to health visitors and family nurses and is liaising with professional associations representing social workers, midwives and also bank staff.

The Commission is exploring how child maintenance can be integrated into other support services provided within local communities. Its first such initiative has been in Ashington in Northumberland. In partnership

with Action for Children, at a children's centre where a range of health and children's services are provided, the Commission has worked with professionals to help them understand why child maintenance is important and how they can point parents in the right direction, as well as offering face-to-face clinics to separated parents.

Enhanced training on the importance of parental responsibility has also been provided to Child Maintenance Options consultants during 2010/11, so that they can promote the benefits of both parents remaining involved in a

child's life, even if they live apart.

In 2011/12 the Commission will focus on delivering a more joined-up approach to support services for families. The priority for the year ahead is to continue working with the Department for Work and Pensions and in partnership with the Department for Education and Ministry of Justice, to model ways in which child maintenance can be promoted through integrated family support services. This is in line with the priorities set out in the Green Paper on the future of child maintenance.

The Commission will continue to test a range of interventions to find the best model for integrating child maintenance into existing services at a local level. This will be delivered through the Child Maintenance Options service with tests in a number of children's centres

across the country. Initiatives are planned in Nottingham and Essex in the months ahead.

In March 2011 the Commission published its first research report, 'Promotion of Child Maintenance: Research on Instigating Behaviour Change', which examines the child maintenance behaviours of separated parents with no child maintenance arrangements and identifies what drives parents to behave as they do.

As a result of this research, the Commission has developed a range of support tools aimed at guiding parents and helping them overcome the barriers to making child maintenance arrangements. The tools will focus on ways in which parents can work together to overcome conflict and work together for the benefit of their children.

A further focus for 2011/12 will be for the Child Maintenance Options face-to-face consultants to engage with key organisations at a local level to raise awareness of the importance of parental responsibility and the support available. The Commission will meet with key staff at children's centres, Jobcentre Plus offices and Citizens Advice Bureaux as well as local authority Family Information Services across Great Britain to ensure that key professionals have all the information on child maintenance that they need.

Finally, the Commission will increase the use of social media, to ensure that as many people as possible understand why parental responsibility is important and how it benefits children.

## **Achievements in 2010/11**

- Engagement with other government departments and key professional associations
- Start of local tests to integrate support services

## **Priorities for 2011/12**

- Increasing engagement in local communities to find the best model for integrating child maintenance into existing services
- Developing guidance to help parents overcome barriers to making arrangements

# Information and support

The Commission must provide information and support to help secure effective maintenance arrangements for children who live apart from one or both parents.

The Commission's Child Maintenance Options service gives parents free information, support and guidance to help them decide on the most suitable maintenance arrangement for their circumstances. Since its launch in July 2008 it has handled over 600,000 telephone contacts as well as a growing number of email enquiries and home visits.

The Commission has continued to develop the service during 2010/11 based on client and agent feedback.

Enhancements to the service developed over 2010/11 have included:

- offering estimated maintenance calculations to help parents decide on the right amount of maintenance
- an enhanced family-based arrangement pack to help parents make collaborative arrangements and put them in writing
- a discussion guide to help separated parents start basic conversations about child maintenance
- improved signposting between Child Maintenance Options and providers of other support services to parents.

The Child Maintenance Options service has received recognition for its high levels of customer

service during 2010/11:

- Customer satisfaction levels remain at over 95%
- In November 2010, Child Maintenance Options and its supplier Ventura were awarded the Contact Centre Association Global Service Excellence Award for Best Outsourcing Partnership
- The service was one of three short-listed for the Best Public Service award 2010.

The Commission will build on this success in 2011/12 and continue to develop the service. The nature of the support will evolve, in line with the priorities set out in the Green Paper, so that parents are encouraged to try to make

a family-based arrangement before considering other options. We believe these arrangements are generally better for families and children as they encourage collaboration between parents. Research shows that improved relationships between parents lead to better outcomes for children in the long run<sup>1</sup>.

New processes will be developed which will enable clients on tax credits with a potential child maintenance interest to be referred by HM Revenue and Customs to Child Maintenance Options. The Commission is also looking at opportunities to develop referrals from other parts of government.

Other plans are to roll out extended follow-up support by phone to those who contact the service. Child Maintenance Options is also looking at whether clients can be referred to providers of mediation to help them reach collaborative arrangements.

### Achievements in 2010/11

- 600,000 calls now handled and one million website visits
- Working with partners at local and community level
- High client satisfaction and winner of major award

### Priorities for 2011/12

- Improved referrals to and from other parts of government
- Ensuring that the service delivered is in line with the Coalition Government's priorities
- Enhanced support to help parents make family-based arrangements

<sup>1</sup>Mooney, A., Oliver, C. and Smith, M (2009). *Impact of Family Breakdown on Children's Well-Being: Evidence Review*, Department for Children Schools and Families, Research Report 113

# The existing statutory maintenance service

The Child Support Agency (CSA) division of the Commission continues to operate and improve the two existing statutory schemes of child maintenance.

The CSA continues to deliver improved client service and operational efficiencies. For example, the number of uncleared applications is now at an all time low. 2010/11 was a year of stable performance and increasing efficiency, delivering money for children at the same time as a significant reduction in costs. In the 12 months to March 2011, 84% of non-resident parents with a liability to pay maintenance made at least one payment, benefiting over one million children.

In April 2010, a full child maintenance disregard was introduced, which allows those parents on income-related benefits to keep all the

money they receive for child maintenance without it affecting their entitlement to benefit. The Coalition Government has affirmed its commitment to keeping this disregard, benefiting our clients on low income.

CSA caseworkers have continued to tackle more difficult cases and collect more money with the help of deduction orders, a new enforcement power introduced in 2009. These enable the CSA to instruct banks and building societies to make deductions from accounts of parents who have failed to meet their financial responsibility for their children. More than £1m of arrears has been collected using this new power. The CSA

also refocused its enforcement activity during the year and re-deployed 400 people towards pursuing historic arrears.

In 2010/11 a significant achievement was made in increasing operational efficiency. Opening hours were standardised to save on security and site utility costs and a review of IT costs was implemented. These measures save money without impacting on the quality of the service clients receive.

However, the Commission recognises that the CSA is performing as well and as efficiently as it can, given the current IT systems and policies. The number of cases handled

off the main systems continues to grow, passing 100,000 during the year, and there continue to be two schemes in operation at the same time, with no opportunity having arisen to convert all cases from the 1993 to the 2003 scheme in the last eight years. Significant further efficiencies and improvements in performance can only be achieved with the introduction of the new statutory child maintenance scheme.

The current statutory schemes will continue to be operated by the CSA during 2011/12. Throughout the year the focus will remain on meeting performance targets, improving client service and maintaining operational efficiency.

### **Achievements in 2010/11**

- Maintaining performance
- Improvements in service quality
- Use of new Deduction Orders to secure over £1m of arrears

### **Priorities for 2011/12**

- Delivering performance objectives
- Continue to improve client service and operational efficiency within the constraints of the current IT systems and policy

# How to contact the Commission

## Child Maintenance and Enforcement Commission

The Commissioner, Child Maintenance & Enforcement Commission,  
PO Box 239, Leeds LS11 1EB [www.childmaintenance.org](http://www.childmaintenance.org)

## Child Maintenance Options

National helpline: 0800 988 0988 [www.cmoptions.org](http://www.cmoptions.org)

For impartial information and support on the range of options for making child maintenance arrangements.

## Child Support Agency

National helpline: 08457 133 133 [www.csa.gov.uk](http://www.csa.gov.uk)

For information about existing child maintenance cases and the current statutory service.