



Child Maintenance

Information about the Child Support Agency (CSA) & the Child Maintenance and Enforcement Commission (C-MEC)

There are two child maintenance schemes currently operated by the Child Support Agency and a new agency that has been established: The Child Maintenance and Enforcement Commission (C-MEC or The Commission). This factsheet provides an overview of all three.

The Child Support Agency

- 1) The Child Support Agency (CSA) was established in 1993 to assess, collect and enforce child maintenance payments from non-resident parents. The "old rules" formula for calculating child maintenance initially used by the CSA was complex and rigid, requiring over 100 pieces of information to make an assessment. Over the years, deviations from the formula were introduced making the whole system unwieldy and unworkable.
- 2) In March 2003 a "new scheme" was introduced for new clients only plus linked cases. Maintenance was now assessed as a straight percentage of the non-resident parent's (NRP) net weekly income: 15% for 1 child, 20% for 2 and 25% for 3 or more children. This is known as the **basic rate**.

Other rates apply where the NRP's net weekly income is limited:

- **Nil rate:** for NRPs who are full-time students, are in prison, under 16, or are under 19 and in full-time non-advanced education, 16 or 17 year olds who are receiving (or who's current partner is receiving) Income Support (IS), income-based Jobseeker's Allowance (ibJSA) or income-related Employment & Support Allowance (iESA). If the NRP has a net weekly income of less than £5, they don't have to pay child maintenance.
- **Flat rate** of £5: for NRPs with a net weekly income of £100 or less or who are in receipt of certain benefits or pensions. Visit www.csa.gov.uk for a full list of the benefits that apply.
- **Reduced rate:** NRP has a net weekly income of more than £100 but less than £200. They will pay £5 per week plus a percentage of the net weekly income over £100.

There is an upper limit of £2000 per week that the CSA will take into account when assessing income. The parent with care (PWC) can still apply to the courts for a top-up where net weekly income exceeds this cap.

The calculation does not take into account the PWC's income, either parent's current partner's income, housing costs or travel to work costs. Where the NRP has a second family, including step-children, the NRP's weekly income will be reduced by the same percentages used in the basic rate depending on the number of children in the second family. The normal percentages are then applied to the reduced net weekly income to calculate maintenance liability for the first family.

Shared Care

Shared Care means caring for a child, overnight, for at least 1 night per week. ANRP's maintenance will be reduced depending on the number of nights s/he cares for the child(ren):

- 52-103 nights p/a 1/7th reduction
- 104-155 nights p/a 2/7ths reduction
- 156-174 nights p/a 3/7ths reduction
- 175 nights p/a 1/2 reduction plus a further £7 per week will be deducted for each child

Variations

The CSA can alter the maintenance calculation in some exceptional circumstances - this is called a variation. ANRP may request a variation for:

- costs for maintaining contact with a child
- exceptional costs due to a long-term illness or disability of a child in a second family
- reasonable costs of honouring a debt from the marriage/relationship, including a mortgage.
- maintenance costs of boarding school.

A PWC can ask for a variation if s/he believes the NRP has reduced the amount of income that can be taken into account of by diverting it to someone else for another purpose, for example into a business, they have substantial assets or other income that has not been taken into account or they have a lifestyle that is inconsistent with declared income.

Jurisdiction

In most cases, the CSA only has jurisdiction within the UK. It can pursue NRPs who are not resident in the UK but are living abroad while employed as a civil servant or by the British Armed Forces, or are privately employed, living abroad and paid via a UK payroll. Some countries have reciprocal agreements with the UK that allow for maintenance to be pursued through the courts.

For useful information see www.scotland.gov.uk/reciprocal_enforcement

The Requirement to Co-operate

There is no longer any requirement to co-operate with the CSA when a claim is made for IS, ibJSA or income-related Employment & Support Allowance (iESA). Parents are being encouraged to make their own voluntary maintenance arrangements where possible. From 12th April 2010, child maintenance will be ignored for all income-based benefits including IS, ibJSA and iESA. Child maintenance payments are already ignored for Housing Benefit and Council Tax Benefit purposes.

Enforcement

There are a number of enforcement measures that the CSA has at its disposal to enforce maintenance payments. They may order the NRP's employer to make deductions from earnings and pay them directly to the CSA. This is known as a Deduction from Earnings Order (DEO). This method cannot be used if the NRP is self-employed.

If a DEO is not appropriate, the CSA may apply to the Sheriff Court for a liability order, which provides the CSA with legal recognition of the debt and allows the CSA to pursue the debt, through the courts.

The CSA may also take action for disqualification from driving or imprisonment.

It is now a criminal offence to withhold information or supply false information to the CSA, punishable with a fine of up to £1000.

Contacting the Child Support Agency

The CSA has two phone numbers for enquiries: 08457 136000 for 'old rules' cases (pre 3 March 2003) and 0845 090042 for "new rules" cases (from 3 March 2003). Both lines are open Monday to Friday 8am to 8pm and Saturday 9am to 5pm. For general enquiries, ring 08457 133 133. This line is open the same hours as the numbers above.

Child Poverty Action Group publish a comprehensive guide to child support legislation and procedures: Child Support Handbook, 2010-2011 will be available autumn 2010 and costs £27.00 (£8.00 for individual benefit claimants) from CPAG, 94 White Lion Street, London N1 9PF or www.cpag.uk/publications.

The Child Maintenance and Enforcement Commission (C-MEC)

C-MEC (also known as The Commission), a non-departmental public body that reports to Parliament, will replace the CSA next year. It will support the making of applications for Child Support Maintenance and will secure compliance where appropriate. There are two distinct services: the Maintenance Options Service that includes a national call centre, web based support, printed information and a face-to-face service, particularly intended for parents facing significant disadvantages. This service is now in operation and can be contacted on 0800 988 0988 or at www.cmoptions.org

The Maintenance Options Service encourages parents, where possible, to make informed decisions about their own voluntary maintenance arrangements. Where this is not possible, PWC will be referred to **C-MEC** for assessment and enforcement of maintenance payments. Until C-MEC takes over from the CSA, the CSA will continue to assess and collect child maintenance. There are numerous changes that will be implemented under The Commission that are different to CSA:

- a maintenance assessment will be based on gross weekly income (rather than net), using the latest available tax year information held by HMRC.
- the new basic rate for NRPs earning between £200 and £800 will change to: 12% for 1 child, 16% for 2 children and 19% for 3 or more children.
- new percentages will be introduced for NRPs earning over £800 and up to £3000 per week: 9% for 1 child, 12% for 2 children, 15% for 3 or more children.
- the flat rate maintenance of £7 per week applies to NRPs who are in receipt of a prescribed benefit or earning less than £100 per week.

The new legislation places restrictions on how often a maintenance assessment can be changed. Reviews will take place annually and the calculation will only be altered between annual reviews if there is a large change in income or a child moves to live with another parent.

Collection and Enforcement

The new Commission will have increased powers to ensure NRPs make regular maintenance payments. These powers will include:

- removal of the requirement to apply to the courts before proceeding with enforcement action.
- making more use of information from banks, building societies and credit reference agencies in tracing NRPs and collecting maintenance.
- allowing C-MEC to take money directly from NRP's bank accounts
- enforcing the surrender of NRPs passport or imposing a curfew if s/he fails to pay maintenance.

Transfer of CSA Cases to C-MEC

From April 2011, C-MEC will become operational. Existing clients on the current schemes can choose to apply to the new statutory scheme or move into private arrangements. It is anticipated that this process will take 2 to 3 years to complete. If one parent does not want to transfer to the new scheme, that parent's choice will be disregarded if the other parent wishes to use the new system.

In 2014, the two CSA schemes will close, once all clients have either moved to the new scheme or made a private arrangement.

Further Changes to the Child Support System

Alignment of the definition of a child for maintenance purposes with entitlement to child benefit

From 10th November 2009, the definition of a child was amended to include a qualifying young person up to the age of 19 for whom Child Benefit is payable.

During 2011, when the new system for calculating maintenance payments is introduced, child maintenance payments will be extended to young people up to the age of 20 years.

From January 2010, new regulations were passed to address the following situations:

- Where a child moves to live with the other parent and there are outstanding arrears from that previous arrangement so the new non-resident parent is faced with paying child maintenance to the parent that owes her/him arrears, the new regulations enable C-MEC to offset child maintenance arrears owed by each parent to the other.
- Where a separated couple who have 2 or more children and each parent has at least 1 child living with him/her, and this results in either or both accruing arrears in child maintenance, C-MEC will now be able to offset 1 parent's liability for child maintenance against the arrears owed by the other parent.
- Where parents agree a payment that is separate from the normal child maintenance payments made to C-MEC, C-MEC will be able to offset such payments made for a prescribed purpose related to maintaining a home for qualifying children against a non-resident parent's liability for child maintenance.
- In addition, where there are outstanding arrears immediately prior to a death, the debt that is owed to C-MEC may be taken from the deceased's estate.