



Gingerbread's Handy Guide to the Child Maintenance Service consultation

About the consultation:

The Department for Work and Pensions (DWP) has launched a public consultation on how the Child Maintenance Service (CMS) collects and transfers maintenance payments. This consultation was launched before the 4 July general election was called. However, the DWP has said the consultation will continue despite the election. The consultation's findings will then be presented to whoever forms the next Government, providing an opportunity for you to inform what they think about child maintenance.

The consultation includes a range of questions on various proposals to reform the service, including:

- abolishing Direct Pay
- reducing the fees for Collect and Pay
- looking at what can be done to help people set up their own private arrangements

The responses received will help to shape these plans. **The consultation closes at 11:59pm on 31 July 2024.**

How to respond:

The consultation document, which contains the government's proposals in full, can be found [here](#).

You may or may not agree with some or all of the proposals, but this consultation provides a clear opportunity to show that there is huge public support for reforming the CMS. Your response will help make sure that those in power hear us loud and clear and understand the need for transformational change. To respond, you can either fill out the [online survey](#), or send your response via email to cm.consultation@dwp.gov.uk, or via post to:

DWP Consultation Coordinator
2nd Floor
Caxton House
Tothill Street
London
SW1H 9NA

Please note that you do not have to answer every question. Below, we have outlined the questions we think you might like to respond to and have provided some suggestions and key points which you might find useful. You can also read the full consultation document





and comment on any additional areas. Please draw on your personal experience wherever appropriate.

On 12 June 2024, 12pm – 1pm, we will host a virtual webinar to answer any questions you have about responding to the consultation. To RSVP, contact: campaign@gingerbread.org.uk

Key points and our view:

As it stands, the CMS isn't fit for purpose. The current system is pushing single parent families into poverty and doesn't sufficiently safeguard survivors of domestic abuse. The total amount of unpaid maintenance stands at £590.2 million. It's vital that the Child Maintenance Service (CMS) works so that children are financially supported by both their parents. No child should go without.

There are several merits to the Government's proposals to reform the CMS, in our opinion. They have set out that they want to put all parents using the CMS on a new form of Collect Pay so that they can better focus on enforcing non-payment - a key area we have been putting pressure on the government to take action on. We also welcome the Government's consideration of how victims and survivors of domestic abuse can be better supported.

However, we've identified some risks. We have concerns that if not implemented effectively, the new system could mean an increase in numbers with no child maintenance arrangement. In addition, we are concerned that the proposed 2% collection fee will leave Direct Pay users worse off and will not include an exemption for victims and survivors of domestic abuse.

What you could say:

1. Chapter 1: Family-Based Arrangements

Overview:

Chapter 1 includes a **proposal to enhance the online calculation tool so that it uses verified income data held by the Government to calculate an accurate maintenance amount.** This would remove the requirement for receiving parents to input the income of the paying parent.

What you could say:

Questions 4 and 5 seek views on the proposal to enhance the online calculation tool. When answering these questions consider what effect these changes might have on the ease and accuracy of maintenance estimates. *You might want to note that separated parents may not know each other's income information – particularly in cases of conflict.*





Therefore, removing the requirement to input this data will allow more parents to use the calculator.

Question 6 offers the opportunity to share any suggestions on additional ways that the online calculator can be improved. Here, think about whether you find the calculator easy to use and whether any additional features would be useful to you. *You could highlight that the calculator does not consider cases where the non-resident parent has other dependent children that they are also paying maintenance for. This can lead to inaccurate entitlement estimations for receiving parents.*

2. Chapter 2: Service types

Overview:

Chapter 2 includes a **proposal to remove the Direct Pay service completely and manage all cases in a service similar to what is currently the Collect and Pay service**, where the CMS monitors and transfers maintenance payments. Under this proposal, parents who use Direct Pay would either be offered the choice to leave the CMS and set up a private arrangement or move over to 'Collect and Pay' and all parents who use Collect and Pay would remain in that service.

What you could say:

Question 11 invites you to share your views on how the Direct Pay and Collect and Pay services currently operate. Here, it would be good to draw on your own experiences of using either or both of these services. For example, are you happy with the way these services are operating? Have you faced any issues with payments not being sustained? Are enforcement efforts sufficient? What improvements could be made? *You could reference the high rate of arrears on the Collect and Pay Service and the insufficiency of enforcement efforts, alongside the fact the compliance isn't monitored on Direct Pay.*

Questions 12 and 13 invite you to share your views on the proposal to abolish Direct Pay. Try to think about the impact this change would have on you and other CMS users. For example, would you be happy to move to a new Collect and Pay service? Do you foresee any problems with such a move? Do you think it would have any effect on payment compliance? Would this policy impact your decision to use the CMS? *You could state that this may aid enforcement efforts though better payment monitoring. However, you might want to consider in your response what might happen if this new system isn't implemented effectively. Could it mean an increase in the number of separated families with no child maintenance arrangement in place? What measures could be put in place to reduce the risk of those currently on Direct Pay ending up with no arrangement at all?*

3. Chapter 3: Fees



Overview:

Chapter 3 includes a **proposal to change the maintenance collection fee structure to 2% for both receiving parents and compliant paying parents**. This would underpin the proposal to consolidate the CMS into one Collect and Pay service type, as outlined in chapter 2.

What you could say:

Question 16 seeks your views on the current fee rates for receiving and paying parents on Collect and Pay. Please do reflect on your own experiences here. Do you think the fees are fair? *You might want to note that the current 4% charge for receiving parents on Collect and Pay (which is deducted from the payment) results in children receiving less maintenance than they're entitled to, which is particularly concerning in the midst of a cost-of-living crisis.*

Questions 17 and 18 ask for your views on the proposed change to the collection fee structure. Think about how this change would impact you and other CMS service users. *You could mention that while those currently on Collect and Pay would be subjected to a lower fee under this proposal, those on Direct Pay do not currently pay a collection fee and would be worse off and the impact this might have on the arrangement for those on Direct Pay.*

4. Chapter 4: Domestic abuse

Overview:

Chapter 4 considers **how the CMS operates for victims and survivors of domestic abuse and what further support could be offered**.

What you could say: **Question 27** asks for views on the pilot of using a single, named caseworker as the main contact point for victims and survivors of domestic abuse. When answering this question, it would be good to draw on any personal experience of the pilot. Has this been useful? Have you felt sufficiently supported? Are there any areas for improvement? Do you think this should become a permanent offering? *You could mention that having a single, named caseworker prevents victims and survivors of domestic abuse from having to re-tell their story to different people, which can prevent re-traumatising them.*

Questions 28 and 29 invite views on whether removing Direct Pay completely would benefit victims and survivors of domestic abuse who use the CMS. Try to reflect on what, if any, benefits there might be. Do you perceive any risks? *You could highlight that any change to a maintenance arrangement can trigger unwanted contact from the paying parent. This is particularly concerning for victims and survivors of domestic abuse.* **Questions 31 and 32** invite views on how the CMS can be improved for parents who are victims and survivors of domestic abuse. Again, please draw on your personal



Gingerbread*

experience if appropriate. *You could note that perpetrators of abuse often use loopholes in the CMS and 'vexation litigation' to continue their abuse by minimizing, delaying and avoiding payments. As such, it is vital to address these issues in the system.*

Filling out this survey will make a huge difference. The Government must recognise the urgent need for CMS reform. Adding your voice to this call through the consultation is a key opportunity to make our collective voice heard. You can double the impact by sharing this document <https://bit.ly/3Re5nMA> and link on to 10 friends, family members or colleagues who could also add their voice. Doing so will make all the difference. Together, we can make sure that no child goes without.

