Investigating the compliance of Child Support Agency clients

Adele Atkinson and Stephen McKay

A report of research carried out by Personal Finance Research Centre, University of Bristol on behalf of the Department for Work and Pensions
Contents

Acknowledgements .................................................................................................................. vii
The Authors .......................................................................................................................... viii
Abbreviations ........................................................................................................................ ix
Glossary of terms ...................................................................................................................... xi
Summary .................................................................................................................................. 1

1 Introduction .......................................................................................................................... 9
  1.1 Aims and objectives ........................................................................................................ 10
  1.2 Methods .......................................................................................................................... 10
  1.3 Characteristics of NRP sample .................................................................................... 11
  1.4 Child support enforcement: tools in the UK and elsewhere ........................................ 12

2 Financial support prior to CSA taking responsibility for maintenance ................................ 15
  2.1 Introduction .................................................................................................................... 15
  2.2 Sharing finances prior to separation .............................................................................. 15
  2.3 Legally and privately arranged child support ............................................................... 16
    2.3.1 Solicitors and divorce ............................................................................................ 16

3 CSA involvement: assessments and calculations for child support .................................. 21
  3.1 Introduction .................................................................................................................... 22
  3.2 Views of the Agency, prior to contact ........................................................................... 22
  3.3 Assessments and calculations for child support ............................................................ 23
  3.4 Comparison between voluntary payments and assessed levels .................................... 25
  3.5 Financial commitments and prioritising spending ........................................................ 27
List of figures

Figure 5.1  Reported contact levels between NRPs and children: similar but differing accounts ............................................................ 37
Figure 5.2  Links between distance and child maintenance payment........ 37
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Whilst it is intended that the report accurately reflects the views of the participants, the authors remain entirely responsible for the content and for any errors or omissions.
The Authors

The Personal Finance Research Centre is based within the School of Geographical Sciences at the University of Bristol.

Adele Atkinson is a research fellow at PFRC.

Stephen McKay is deputy director of PFRC.
# Abbreviations

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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>AO</td>
<td>Administrative Officer</td>
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<td>CS2</td>
<td>Child Support2</td>
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<td>CSCS</td>
<td>Child Support Computer System</td>
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<td>DEO</td>
<td>Deduction from Earnings Order</td>
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<td>DMD</td>
<td>Default Maintenance Decision</td>
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<td>EO</td>
<td>Executive Officer</td>
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<td>HEO</td>
<td>Higher Executive Officer</td>
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<td>NRP</td>
<td>Non-Resident Parent</td>
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<td>PWC</td>
<td>Parent With Care</td>
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<td>QC</td>
<td>Qualifying Child</td>
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Glossary of terms

**Assessment**
Working out how much child maintenance must be paid under the old rules. It is also called a child maintenance assessment and a maintenance assessment.

**Administrative Officer**
A civil service grade, typically the first point of contact for most people contacting the Child Support Agency.

**Calculation**
Working out how much child maintenance must be paid under the new rules. It is also called a child maintenance calculation and a maintenance calculation.

**Child Maintenance Premium**
The Child Maintenance Premium allows a parent with care who is on Income Support or income-based Jobseeker’s Allowance to keep up to £10 per week of any maintenance paid. If maintenance payments are less than £10 a week, a parent with care keeps all of the maintenance paid.

**New System (CS2)**
The new Information Technology system introduced as part of the reforms.

**Old System (CSCS)**
The Information Technology system in use before the reforms, and currently still being used alongside CS2.

**Deduction from Earnings Order**
If an employed person fails to pay their maintenance the Child Support Agency can order their employer to make deductions direct from their pay. For clients in the UK Armed Forces this is known as a ‘Deduction from Earnings Request’ (DER), with different provisions for amounts that may be taken.
<table>
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<tr>
<th>Term</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>Default Maintenance Decision</td>
<td>A decision made under the new scheme when the information needed to work out a maintenance calculation cannot be obtained straightaway. (Under the old system sometimes Interim Maintenance Assessments (IMA) were made.)</td>
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<tr>
<td>Executive Officer</td>
<td>A civil service grade, typically a line manager responsible for a team of AOs within the Child Support Agency.</td>
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<tr>
<td>Good cause</td>
<td>Good cause means that there would be a risk of harm or undue distress to the parent with care or the children if the Child Support Agency tried to arrange child maintenance. Parents with care who think that this may apply to them should tell the staff at their Jobcentre Plus (benefits) office.</td>
</tr>
<tr>
<td>Higher Executive Officer</td>
<td>Another civil service grade, typically a manager within the Child Support Agency responsible for several teams and EOs.</td>
</tr>
<tr>
<td>Jobcentre Plus</td>
<td>An agency of the Department for Work and Pensions, responsible for the payment and administration of social security benefits for those of working age.</td>
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<tr>
<td>Non-resident parent</td>
<td>A parent who lives in a separate household from the parent with care and qualifying child(ren) for whom they are liable to pay maintenance under the Child Support Act. Where parents have shared care, the parent who has the children for the shorter period is regarded as the non-resident parent. If the children spend an equal number of nights with each parent then the non-resident parent is the one who is not getting Child Benefit for the children.</td>
</tr>
<tr>
<td>Parent with care</td>
<td>A parent (natural or adoptive) who lives in the same household as the child(ren) for whom maintenance is sought. Somebody other than a parent who has day-to-day care of the child(ren) is a person with care.</td>
</tr>
<tr>
<td>Qualifying Child</td>
<td>A child for whom Child Support Maintenance is payable under the Child Support Act.</td>
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Summary

Many non-resident parents (NRPs) react negatively to the involvement of the Child Support Agency (CSA), which is often related to their perception that the CSA is only or mostly for errant fathers, a label they don’t often apply to themselves. They sometimes appear to view maintenance through the CSA as an additional burden – on top of any voluntary payments. This may suggest the following potential policy implications:

• Where existing voluntary payments can be maintained it is in the interests of the family and the Agency to do so.

• It may be questioned whether all separating parents should be asked to pay child support through the Agency as soon as they separate (or when the child is born in the case of those who are not cohabiting). This would have the advantage of dispelling any sense of blame or punishment.

NRPs are frustrated when their children want them to buy things that they feel they have already paid for through their maintenance payment. Often they resent giving money to their ex-partner and having no control over its expenditure. Possible policy implications may include the following:

• In some other countries, maintenance obligations are legally due to the child, not the parent with care (PWC) and this could have symbolic advantages. If a proportion of maintenance could be paid directly into a child’s savings account (or Child Trust Fund for the younger age group), that might remove some animosity towards maintenance payment.

• Coupled to issues about loss of control, many NRPs appeared unaware of the true costs of bringing up children. Some case studies or examples might encourage NRPs to think of maintenance in terms of helping to support a child, rather than being there to provide toys and gifts.
• Consider how far policy should be encouraging NRPs to share their standard of living with children. If not, then maintenance should be capped much lower than it is at present. If yes, then NRPs need to be told explicitly that this is the intention – some think only in terms of poverty prevention or in terms of reducing state spending on benefits (since only that group is obliged to use the CSA). The findings of this research suggest that this will be resisted as it necessarily means sharing with the PWC as well as the children.

NRPs face high living costs. Many take on large mortgages over extended repayment periods to provide enough space for their children. There is a continuing issue about how far departures from a simple formula can bring benefits or instead bring back complexity and confusion, but any extension of a simple formula could usefully consider a role for living costs.

Some PWCs (allegedly) demand frequent reassessments, claiming changes have occurred and some NRPs are reluctant to inform CSA about changes because of previous bad experiences with the Agency.

Other research findings and possible policy implications include the following:

• Compliance depends on both ‘willingness’ and ‘ability’ to pay. In particular, the self-employed are less likely to pay because of low, irregular income. Thus, there may be some benefit in considering whether further use of tax calculations for the self-employed can be used to help assess or possibly collect child maintenance.

• Some NRPs will put any children they live with in a subsequent relationship before their ‘own’ children and will often have a ‘naive’ view of the capacity of the benefits system to provide for their natural children. Thus, a potential implication is that the Agency should continue to reinforce the message that parents are responsible for their children.

• Enforcement can ensure that working NRPs pay the maintenance payments that are due. In particular, a Deductions from Earnings Order (DEO) can be a useful tool (especially if the NRP has not started paying) and, providing that the Agency is confident that the calculations are actually correct, then it may be appropriate to explore ways of collecting all payments from employed NRPs in this way. In addition, if the NRP misses a payment, then it may be appropriate to allow time for him/her to provide evidence of why before imposing a DEO.

• Many NRPs do not see penalties as a realistic threat. In particular, it is noticeable that NRPs do not talk about the effectiveness of penalties in terms of deterrence or punishment. Rather they consider whether the penalties are good ways of obtaining money. In particular, NRPs often consider that the primary value of penalties should be to catch errant parents and make them ‘pay up’ rather than punishing people for non-payment. There may be some value in considering this position more closely.
1 Introduction

In this chapter we investigate the payment decisions and reasons for compliance and non-compliance among NRPs. In particular, we aim to provide a clearer understanding of the interactions between the policy and practices of the CSA and the decisions made by NRPs. We consider changes over time, and note particular triggers that are associated with movement between compliance and non-compliance. The report also draws out a range of potential policy implications that are implied by the research findings. It is not the responsibility of the University of Bristol to determine the extent to which such implications are of practical use with regard to future CSA policy or operations.

The research aims were achieved through the analysis of 78 face-to-face interviews conducted with NRPs that asked about a wide range of issues thought to influence payment decisions.

The research described here was preceded by a small-scale re-analysis of interviews conducted for research into the reform of the CSA and a literature review of child support systems in other counties. The re-analysis suggested that NRPs tend to fall into one of three categories. A small group are extremely law abiding, and always try to meet their obligations. The two other groups justified their lack of compliance, or obstructive behaviour, by claiming high levels of dissatisfaction with the Agency, or unresolved issues with their ex-partner.

2 Financial support prior to CSA

Around half the NRPs felt that the household finances had been their sole responsibility before the relationship breakdown. There was little difference in subsequent levels of compliance or in the use of enforcement measures between those who had shared financial responsibility and those who felt they had shouldered the responsibility alone.

Many of the clients we spoke to had paid some support voluntarily or through a court order prior to the involvement of the CSA. Where NRPs had not made any voluntary payments this was generally because the CSA had been involved from the outset.

Most had given payments directly to the PWC in cash, or by cheque. Less common methods of support included extended periods of childcare, paying bills and covering household or child related expenses.

Voluntary support typically lasted for less than a year, only two told us that they had paid voluntarily for over two years. The reason for stopping payments varied. In some cases the PWC apparently felt that the contribution was too small or became agitated when a payment was missed or delayed. In other cases, the PWC needed to claim benefits and the CSA automatically became involved. Very occasionally, the NRP approached the CSA because he felt that he was being pressured into paying too much by his ex-partner.
Where parents are married and wish to divorce, the courts will become involved in dissolving the marriage, and may play a role in deciding residency of the children and dividing assets. Some NRPs had made legal arrangements that were intended to provide them with a ‘clean break’ financially. Some were surprised and frustrated to find that the CSA was able to override their earlier agreements, which in some cases diminished their trust in the legal system. We found several instances where it appeared that the legal profession had not mentioned that the CSA had such authority whatever the legal or court-based settlement.

3 CSA involvement: assessments and calculations for child support

The role of the CSA is still strongly linked in people’s minds to the desire to track down a group of non-paying fathers who are irresponsibly avoiding paying for their children. Most of the NRPs that we spoke to did not see themselves in this way. So they often reacted negatively when the CSA contacted them.

Some had re-appraised their view of the Agency once they were contacted, and decided that it was actually a way of recouping benefit spending.

Most of the old rules clients did not understand how the maintenance had been assessed, and some were confused by the introduction of the new rules. Several were aggrieved by the complexity of the assessment and the complicated paperwork. We feel that this was made worse by the levels of stress they were under generally, particularly if they had only recently separated.

A few clients did feel confident with the assessment process under the old rules, and felt that their assessment was wrong. This had led to long negotiations and the accumulation of significant arrears.

The maintenance calculation is more straightforward under the new rules than under the old. Despite this, a small number of new rules clients did not feel that they understood how the figure had been reached, probably because they hadn’t been given enough information, or taken on board the information they had received.

For many clients on the old rules, the original assessment was for less than they had been paying. It may be because they were paying a mix of child maintenance, spousal maintenance, paying for bills and perhaps a mortgage, and they are comparing the total amount with that assessed for child maintenance only. It seems that in some instances the NRP saw the CSA involvement as an additional burden rather than an alternative method of supporting their children. This was apparent from comments about how they felt they had been forced to stop making voluntary payments, buy clothes or provide money to cover the bills as a result of the demand for maintenance. If this is in fact the case it may indicate a need to calculate and impose maintenance requirements as soon as possible after a couple separates. An alternative approach might be to encourage continuing negotiation and
self-regulation between separated parents to reduce the need for Agency intervention. This is the approach used for most other matters when parents separate.

Some parents continued to support their children in other ways after the CSA became involved. The focus typically changed from helping the family to cover bills to re-establishing a relationship with the children as an NRP. However, we noted considerable frustration from parents who were asked for things by their children that they felt they were already paying for through their maintenance contribution.

One of the main financial pressures faced by NRPs is to provide housing for themselves and any new family. Almost all of those we spoke to had to start again in a different property – just one remained in the family home, and this was only possible after substantially increasing his mortgage. Starting again generally meant that the NRPs were facing long repayment periods and/or very large repayments. Other financial commitments included debt that had been accrued whilst the NRP was living with the PWC. Some claimed that they were paying off debts that they had been unaware of whilst they were together. A small number of NRPs had large, multiple debts after facing major financial shocks such as business ventures that failed.

For some people, the prioritisation of child support and debt repayments may come at the cost of providing for their own future. It would be interesting to investigate how many people working through financial difficulties with debt advisors have child maintenance commitments.

4 Compliance

The CSA aims to assess and collect maintenance payments from NRPs. Like all demands for payments, there will be some people who decide, for whatever reason, that they will try not to pay. There will also be some who are unable to meet the payments.

Many of the NRPs that we spoke to knew that they could not avoid payment as the money would be taken at source through a DEO. The only way they could stop paying was to move jobs. Some of these were frustrated that the CSA had actually implemented a DEO, even though they were willing to pay.

Whilst it cannot be claimed that DEOs would improve compliance in all cases (over the longer term) it is completely apparent that sometimes a DEO is necessary to access the maintenance due – some clients discussed how they would argue and delay the proceedings on purpose every time they switched jobs until the Agency imposed a DEO.
Changes in compliance through time

It was noticeable that some clients’ circumstances and willingness to pay varied through time. Fluctuating income is a frequent trigger for non-payment, particularly for those being paid hourly rates and the self-employed.

For some clients, the only changes through time were reassessments triggered by their ex-partner. Two complained that such reassessments took many months and left them with large arrears ‘through no fault’ of theirs. However, it was also fairly common for NRPs to tell us that they had not contacted the CSA to inform them about changes in circumstances. In most cases they claimed that this was because they did not want to go through the process of contacting the Agency after previous bad experiences that did not seem to reflect the likely direction of the reassessment.

5 Compliance levels and personal characteristics

Elsewhere we have re-analysed a government-funded survey of parents’ contact with non-resident children and how the arrangements were arrived at (McKay and Atkinson 2005). Statistical analysis of the survey data suggested that the significant factors associated with maintenance payments include work status, housing tenure, gender and having been married (rather than cohabiting).

Our qualitative research has allowed us to consider how characteristics might impact compliance. We did not find that either age or housing tenure was related to compliance. We did, however, notice some possible relationships between type of employment and payment. Civil servants, for example, were very likely to pay, both because they knew payment could be enforced and because they felt their colleagues would frown upon non-compliance.

We compared low paid workers in the caring professions and drivers, since both groups were paid varying amounts on a weekly basis. Those in caring positions were all compliant, whilst the drivers were not. This may suggest that the personal characteristics related to these jobs may also be related to compliance, or to the ability to manage on an irregular, low income.

Some of the NRPs who were self-employed were not fully compliant. This appeared to be related to their income rather than other characteristics; we did not speak to anyone who had chosen to be self-employed to avoid payment.

A small number of NRPs made it clear that they might become non-compliant if they found it difficult to meet the needs of their resident family. One of the reasons they had for doing this was that they believed that state benefits would provide a safety net if their ex-partner was left without sufficient income.
We have found in this research, and in other work we have done, that there is a complicated and often tense relationship between compliance and contact. NRPs withhold money when they are denied contact, and PWCs deny contact when they don’t receive their maintenance. NRPs comment that it seems strange that they pay less to see more of their children, and the shared care element created the potential for parental conflict over child-parent contact.

6 Compliance levels and policy

One of the key reasons given for not paying some or all of the maintenance due under the old rules (but not the new rules) was that the assessment was believed to be ‘too high’. Some clients from both sets of rules complained that the amount they paid did not reflect the cost of bringing up a child – though whether they could accurately gauge that cost is another matter. They did not appear to believe that their children should share in any increase in their standard of living.

Other areas that caused frustration and animosity amongst NRPs included the treatment of arrears, and the insistence that the Agency becomes involved if the PWC claimed benefits.

Some of the clients we spoke to told us that they were not paying all the maintenance due because of things the CSA had done. Others were paying reluctantly; some had been non-compliant because of the way the CSA had behaved, but had subsequently been subject to a DEO. By far the most frequent complaints were related to the lack of personal treatment by staff (including the lack of caseworker), and the perception that there was a bias towards PWCs.

We asked the respondents what changes could be made within the Agency that might improve compliance amongst NRPs generally. One of the more frequently repeated suggestions was to provide more face-to-face officers. Parents of older children felt that the Agency staff could do more to keep them informed of the child’s work or educational status. A few clients felt that the Agency did itself no favours by allowing frequent unscheduled (as they saw it) reassessments.

7 Knowledge and experience of enforcement actions

Most of the new rules clients had some notion that the CSA could do something to enforce payments. A very small minority were genuinely concerned about being subjected to the powers of the Agency, and paid everything that was due as a result. More generally the perception was that penalties were never or rarely used. This is a worrying situation for an organisation seeking to enforce compliance.

When we suggested possible penalties, nobody commented that the threat of penalties might be a deterrent to potential non-payers and nobody suggested that the penalty might simply be useful as a punishment. Penalties were simply assessed as ways of obtaining money.
A small number of compliant NRPs felt that prison was appropriate for those who didn’t pay because ‘decent’ people would pay to support their children.

The only enforcement technique that had been widely used amongst the clients we spoke to was a DEO. Some respondents felt a DEO was really no different from a direct debit and appreciated the ease with which they could then make payments. Others felt that the DEO was an intrusion, that the Agency should not have the right to allow the PWC first call on their money. The third point of view was that it was the only way in which the CSA was going to get any money from them.

We asked clients to suggest alternative enforcement strategies and measures. A small minority felt that the answer was to make sure more parents were in work. Others thought the Agency needed investigators with the powers of the Police, and the ability to call in bailiffs for persistent non-payment (which always has been a possibility to recover debts).

Paying child support can affect NRPs in different ways. We came across parents under both sets of rules who claimed that it was very hard to live on what was left after the maintenance payment went out. For some, the impact of paying through the Agency was not financial but simply a lack of control; they would have supported their children anyway. Because of the lack of control it was common for NRPs to assume that their payments were not benefiting their children, but were being spent frivolously by the PWC. Of course, we could argue that the allocation of child support payments within a household budget makes little or no real difference, but the issue that has been identified is that the perception of how the money is used is very important in determining attitudes towards compliance.
1 Introduction

In 2004, the Department for Work and Pensions (DWP) commissioned qualitative research to investigate the payment decisions and reasons for compliance and non-compliance among clients of the Child Support Agency (CSA). It is part of a wider research programme commissioned by the DWP into the work of the CSA. It explores personal and CSA policy related factors that may influence, determine and change levels of compliance amongst non-resident parents (NRPs).

This study is part of a body of work by the authors, looking at operational issues within the CSA, the impact of implementing new rules on both staff and clients, and a literature review analysing child support systems around the world. It also follows directly from a small scale re-analysis of existing interviews. This identified a number of issues relating to compliance and appropriate enforcement actions. Analysis of existing interviews and learning about other systems around the world highlighted some areas to investigate in more detail.

Re-analysis of some past interviews showed that NRPs can be loosely categorised into three groups, according to their interaction with the CSA, and their attitudes towards paying child maintenance. The smallest of these groups is characterised by co-operative law abiding citizens who are scared of authority, and willingly pay what is due. The state sets their legal obligation, they comply. The other two larger groups did not accept this line of thinking. They had unresolved issues either with the Agency or with their ex-partner which they believed could justify a pattern of non-compliance or evasion, though with limits to which such behaviour would be taken.

NRPs raised a number of issues with the CSA, ranging from a lack of information to a negative reaction to being told what to do. Difficulties between ex-partners typically relate to contact, relative incomes or the way maintenance payments are spent.

People’s reactions to the CSA and their behaviour is related, in part, to how they perceive the nature of the CSA and their own legal and moral obligations. These are shaped by different sources of information, including the media, friends and relevant CSA literature. For the previously married it may also include the legal
processes associated with divorce. The CSA in turn has sought to justify its role in terms of supporting families, enforcing parental obligations and alleviating child poverty. At its formation it was strongly linked to chasing after a sizeable minority of maintenance non-payers. Groups with missions to advance the cause of fathers have also been able to get across powerful messages of injustice related to elements of the legal system – some of which go with the flow of changes in legal thinking.

The report that follows holds these typologies in mind but does not stick rigidly to them when considering the multitude of interactions that affect how much and how often an NRP will pay. This allows for flexibility in the interpretation of our results and takes into account the probability of overlaps between groups.

1.1 Aims and objectives

One of the aims of this research is to better understand the interaction between policy and practice and the decisions made by NRPs. By building on previous investigations that have described the characteristics of NRPs who comply and those who do not, this qualitative analysis aims to increase our understanding about the reasons behind these differing levels of compliance. Specifically, the research explores how NRPs make the decision whether to comply with the CSA, what considerations they take into account and the extent to which these might be ‘active’ or ‘reactive’ choices. It considers how compliance changes over time and looks for key triggers or events that are associated with a move from compliance to non-compliance, or vice versa.

It is intended that the findings from this research will help the CSA develop effective strategies to improve levels of compliance, and ensure that parents with care (PWCs) receive the maintenance for their children that they are entitled to through the CSA.

1.2 Methods

A sample of 988 working NRPs was drawn from CSA records; 78 of these NRPs were interviewed. This sample included those clients whose records are held on the old and new computer systems (Child Support Computer System (CSCS) and Child Support2 (CS2) respectively) and clients on both the old and new rules. Full details of the sample can be found in the Appendix.

Previous research with Agency clients has shown that it is wise to be cautious when conducting face-to-face interviews. We have not been subject to specific personal threats, but some clients have told us that they have a history of violence, and some have clearly been very unstable at the time of the interview. For this reason, whilst most interviews were conducted in the participants home, interviewers were sometimes accompanied or worked in pairs. Additionally, a small number of interviews were conducted in public places or workplaces.
The research used semi-structured qualitative interviews, lasting up to 90 minutes, to explore the following areas:

- demographic characteristics of NRP, PWC(s) and child(ren);
- nature of relationship with PWC and child(ren) prior to separation;
- separation process;
- relationship with PWC and child(ren) following separation;
- views about parental responsibility to support children financially;
- attitude towards CSA;
- level, type and frequency of contact with CSA;
- payment of maintenance (and arrears if relevant);
- factors influencing compliance;
- enforcement measures used, suggested by CSA, or suggested by NRP, and the possible effectiveness of such measures.

1.3 Characteristics of NRP sample

Most NRPs are male and this was reflected in the sample. We therefore use male pronouns throughout this report whenever the gender of the respondent is not relevant to the discussion. Correspondingly, PWCs will generally be referred to using female pronouns.

Everyone in the sample provided by the DWP was identified on the CSA’s records as an NRP. In fact, at the time of interview four were living with some or all of their children, and three were claiming child support for these children. A further three had no children under the age of 18. This does not necessarily mean that any of the records were wrong and in some cases the client clearly was both an NRP and a PWC. Furthermore, as we noted in earlier research (Atkinson and McKay, 2005) family structures are far from static. Where interviewees claimed to be living with all their qualifying children, the interviewers carefully unpicked the circumstances of the separation and subsequent child care arrangements to clarify whether the CSA records were wrong or the difference was simply a matter of client perception. As a result of this, we believe that just one had never been an NRP, but one other had been treated as an NRP when he first claimed maintenance for his resident children as a PWC.

The ages of interviewees with cases under the old rules ranged from 29 to 64, whilst the new rules clients we interviewed were aged between 20 and 59. The clients interviewed had between one and four qualifying children, aged between six months and 18 years old, with the exception of three clients whose children had aged past 18 by the time of the interview.
Of those NRPs who had previously been in a relationship with the PWC, almost all had been separated for more than three years, ranging from 17 years to none – indeed some were together at the time of the interview. One NRP, for example, had never lived with the PWC, but was in a long-term relationship with her. He paid child support through the Agency for his own child, and also claimed that he supported the PWCs eldest child voluntarily.

There was a noticeable difference in the median separation length between clients on old and new rules, at eight years and three years respectively. It is important to keep this in mind when considering variations in behaviour of clients under the different rules.

The interviews covered sensitive and difficult subject matter, and some of the respondents were found to be in fragile states of health, through stress and unhappiness. Interviewers treated all respondents with utmost respect and care and did not pressure them to answer anything they were uncomfortable discussing. In one case an interviewer even took the respondent to hospital as he was clearly unwell. Furthermore, all respondents were reassured that the information provided was confidential, and would only be used for research purposes.

1.4 Child support enforcement: tools in the UK and elsewhere

Child support systems in the UK and elsewhere around the world have evolved a large number of different methods designed to encourage, promote and enforce compliance. Some systems of child support are run through the legal system, and so recourse to the courts is needed to enforce payments. In countries that have established separate agencies to deal with child support assessment and collection, a number of different approaches have been adopted.

Just to summarise, some of the key tools used in different countries include:

- income withholding of various kinds. This includes deductions not only from earnings, but sometimes from benefits, from tax rebates, from pension incomes, and other kinds of income;
- asset seizure;
- licence and passport revocation – this can apply to licences to practice of various kinds (e.g. for medicine, fishing rights where relevant), not only driving licences as in the UK;
- amnesties are sometimes used to permit forgiveness of debt in return for a record of compliance;
- credit reference agencies. Evidence of compliance may be registered with private credit reference agencies (in the UK this would happen only with County Court Judgements, which are public domain);
• telephone and Short Messaging Service (SMS)/text based reminders – used to remind NRPs when payments are falling due;

• naming/shaming non-compliant NRPs, such as through the ‘most wanted’ lists used in some US states.

The powers and approach of the CSA to recovering debt are now in the public domain (http://www.csa.gov.uk/advisors/enforcement-e.asp). This indicates the variety of legal steps that must be taken if the normal measure of a Deduction from Earnings Order (DEO) proves ineffective, and so action is needed to recover accumulating debts. These represent an extensive range of powers, but ones that clearly can take time to implement.

In the USA, one apparently effective innovation has been a ‘new hires’ database. Several states passed laws in the early 1990s that require employers to report any newly hired employees to the state Agency. Under more recent legislation (passed in 1996) employers must submit the information to the state no later than 20 days from the date of taking on a new worker. Some impressive claims have been made for this approach – it has been claimed that in Idaho, child support monies collected more than doubled following the use of this database, whilst in New Jersey they increased by 28 per cent in a single year.\(^1\)

\(^1\) This directory is a database of information on all newly hired employees and unemployment insurance claims in the United States. The National Directory of New Hires is maintained by the Federal Office of Child Support Enforcement in the Administration for Children and Families at the U.S. Department of Health and Human Services. The National Directory of New Hires has recently been expanded to track down defaulters on student loans.
2 Financial support prior to CSA taking responsibility for maintenance

Implications
In some cases (and despite a long history) individuals are not aware that the Child Support Agency (CSA) has authority to overrule earlier legal and court-based settlements.

- It is important that everyone is aware that the CSA has such powers, so there is no perception of child maintenance having been traded off against other elements of any settlement (e.g. capital).
- Non-resident parents (NRPs) should be discouraged from thinking that the terms of a ‘clean break’ settlement apply equally to children.

2.1 Introduction
In this section we consider the kinds of support arrangements, if any, that were in place prior to the CSA becoming involved. We begin with a brief discussion of how finances were arranged before the couple split (if they had been living as a couple), to consider if this affects later decisions. We then look at the decisions made on maintenance as a result of the relationship breakdown.

2.2 Sharing finances prior to separation
We asked the NRPs who were responsible for the family’s money, bill payments and day-to-day expenses when they were living with the parent with care (PWC). There was a roughly equal split between NRPs who felt that household finances were shared, and those who felt they had sole responsibility. This did not vary between those on the old rules and those on the new rules. In most cases the responsibility
was reflected in the use of a joint bank account, but some couples had several accounts for receipt of wages and bill payments. Just one client told us that the PWC had sole financial responsibility.

There was very little difference in the proportions of compliant and non-compliant NRPs between these two groups of clients. Slightly more of the NRPs on the old rules who had sole responsibility for the family finances claimed to be paying everything, but this was counterbalanced by the fact that according to Child support Computer System (CSCS) records some of these were not actually paying. Similar numbers of NRPs in each group were paying because of a Deduction from Earnings Order (DEO), and this did not vary by old and new rules.

Most of the NRPs that we spoke to who had their maintenance calculated under the new rules were compliant. Of the few who had not paid willingly some had been solely responsible for their family’s finances, but an equal number had shared the responsibility.

2.3 Legally and privately arranged child support

Many of the clients we spoke to had paid some support voluntarily or through a court order prior to the involvement of the CSA. Only seven NRPs told us that they had not made any voluntary payments and in most cases this was because the CSA had been involved from the outset. Just one had not paid because he had no knowledge that he was a parent, one because he had handed over the equity in the house and felt this was an acceptable alternative, and one because he offered childcare in lieu (as he saw it) of payment.

It was unusual for parents to make purchases rather than providing financial support, but one who did not provide direct financial assistance told us that he bought items such as school uniforms. A few also retained responsibility for bills and household expenses for some time after moving out. Most gave a payment directly to the PWC in cash, or by cheque. Just one parent told us that he gave money to the children to be handed over to their mother, one paid into the child’s bank account and a few paid the money straight into the PWC’s bank. These payments typically lasted for less than a year, only two told us that they had paid voluntarily for over two years.

The reason for stopping payments varied. In some cases, the PWC apparently felt that the contribution was too small or became agitated when a payment was missed or delayed. In other cases, the PWC needed to claim benefits and the CSA automatically became involved. Very occasionally the NRP approached the CSA because he felt that he was being pressured into paying too much by his ex-partner.

2.3.1 Solicitors and divorce

Where parents are married and wish to divorce, the courts will become involved in dissolving the marriage, and may help to decide residency of the children, and dividing assets. Most couples make their own arrangements and decisions, but
often will be guided by solicitors (or mediators) and some will take disputes to a legal resolution. Prior to the introduction of the CSA, courts also had responsibilities for child maintenance. Indeed, the feeling that courts had not proved very effective in either setting or enforcing adequate levels of child maintenance was one motivation for introducing the CSA.²

Some NRPs had made arrangements that were intended to provide them with a ‘clean break’. In some cases this had happened before the creation of the CSA, but even amongst those parents who separated a long time after the introduction of the Agency, there were some who were frustrated that the CSA was able to override their earlier agreements.

One respondent who had arranged everything through the legal channels, talked to us about how he was subsequently contacted by the CSA. Initially, he wanted to move out of the family home with as little disruption to his children as possible and so handed over the house to his wife. He commented that ‘It was just about the time that the Child Support Agency was set up, so they didn’t get involved initially, everything was sorted out.’ He and his wife came to an agreement ‘via solicitors and between ourselves, and it was amicable all round in that respect’. However, his ex-wife needed to claim benefits, and the CSA became involved. He told us ‘it was written on the divorce papers, ‘voluntary maintenance’, it’s not worth nothing’. The NRP asked for a face-to-face officer to come to his house, and was horrified by the attitude of the person who came – ‘That’s what I was told, ‘You’ve got no rights’… Yeh, ‘You’re far too generous to your wife, and you’ve got no rights’. He sat there and told me that.’ (new rules)

An interview with another NRP indicated to us that sometimes parents may not fully understand the agreement they have entered into, or the purpose of the CSA:

‘actually we made an agreement between our solicitors, which was subsequently stamped by the court…I would relinquish all rights to the house, provided that she did not pursue me for maintenance for herself. My understanding is that [money] I have paid to the CSA… included an amount of money for her.’

This NRP went on to explain how his solicitor only told him much later that the CSA could overrule maintenance agreements. However, he was still adamant that the CSA had taken maintenance for the mother as well as the children:

‘It was never made abundantly clear to me that, if you like, that arrangement would now cease and the CSA would now come into play. It wasn’t ‘til some considerable period of time afterwards, and several visits to my solicitor, that it became apparent that any arrangement we had made through the court died on the day that the CSA contacted me.’

(Old rules)

² In one significant case from 1990, Delaney v Delaney, the judge had accepted the argument that the availability of benefit for the ‘first’ family was a sufficient reason for the support obligation of an absent parent with a ‘second’ family to be reduced.
Some NRPs told us that the Agency’s jurisdiction to overturn court agreements diminished their trust in the legal system. One such NRP told us that he also found the payments difficult to make and felt unreasonably pressured. He told us that he had already been forced to take on loans to cover household expenses when he separated, and could not manage the additional demands.

‘Well, it makes us feel really angry and I’ve lost faith in the legal system as a result of it. I went through the family thing [mediation], combined with the CSA.’

(Old rules)

Another NRP was frustrated that the CSA would not take into account his voluntary child support payments despite the fact that they had been arranged through court. He had written proof of the agreement, signed by his ex-partner, himself and a witness, but claimed that the CSA refused to accept it. This NRP has had ongoing battles with the Agency and with his ex-partner, and claims to have spent several thousand pounds on court fees, trying to gain residency of his child. The combination of these difficulties have left him very bitter and he no longer has any contact with either the child or the ex-partner.

Other NRPs also told us that certain aspects of the legal system did not offer the fairness that they had anticipated; in the case below, the NRP had court battles with his ex-wife prior to the involvement of the CSA:

‘So I went to court fully expecting justice and uh…that was one of the biggest shocks of my life…I would say actually the solicitors are the most biased in the system. Through them I realise everything else is pivoted…I found the barristers and the judges to be fair…I have run up, so far, a debt of about £80,000 on credit cards to pay the solicitors.’

This NRP told us that he agreed on a ‘clean break’ settlement although the settlement he actually described to us had a multitude of rules, and included continued support through both mortgage payments and maintenance. His solicitor advised him to go to the CSA because he would pay less that way. He found that this was not the case and told us:

‘The court says I don’t have to support her, I have a clean break. But these stupid people and the way the system’s set up totally ignore what is going on in the court and financial settlement, they have this arbitrary, mutually exclusive figure of 20 per cent.’

(New rules)

This NRP was subsequently forced to pay three months arrears because the Agency would not accept that he had been paying through a court agreement, even though it was he who contacted the Agency and volunteered to pay through them.
Just one NRP told us that his solicitor had advised him that his maintenance contribution would be calculated under the new rules but was actually assessed under the old rules. He had made voluntary contributions to avoid being in arrears once the assessment was completed, but found they were inadequate to meet the higher demands of the old rules.

‘I was misguided by my solicitors just at the time when the new rules were coming in.’ The NRP refused to pay more to the CSA, because he trusted the calculation made by his advisor: ‘Well, I didn’t increase it, you see because I said: no, well that’s right [the amount he was paying]. My solicitor’s done it for me.’

This new rules client notes that he would have behaved differently when he separated if he had known that the CSA would be involved.

‘Like, if I’d have known this were gonna happen, I would have asked for more out of the house, do you know what I mean, I would have split it down the middle, which I didn’t’.

Other respondents had voluntary agreements with their ex-partner that were working well (in their eyes) until the PWC claimed benefits.

‘I continued to pay the mortgage for a period of time and gas and electrical bills, and so on and so on. Then the CSA got involved, and it all went straight out the window unfortunately, because the CSA come in with a hammer.’

Some of these case histories suggest a fair amount of ignorance among those advising or in contact with divorcing couples. In 1995, changes were made to the old child support formula to address so-called ‘clean break’ settlements, in a way that made no difference to the original assessment. However, some of the above statements suggest that the mechanisms now in place (solicitors, mediators) do not always deal with the later prospect of CSA involvement, such as when triggered by a benefits claim. Much of the separation/divorce process is now based on parents trying to reach amicable settlements by themselves, guided by general principles. It seems that, for some cases at least, the legal framework is not giving sufficient attention to the CSA and its approach. This is disappointing, given that the relationship between the CSA and other forms of support and property division have been established for over a decade.
3 CSA involvement: assessments and calculations for child support

Implications

Many non-resident parents (NRPs) face high living costs. Many take on large mortgages over extended repayment periods, to provide enough space for their children. There is a continuing issue about how far departures from a simple formula can bring benefits or instead bring back complexity and confusion, but any extension could consider a greater role for living costs.

Many NRPs react negatively to the involvement of the Child Support Agency (CSA), related to their perception that the CSA is only or mostly for errant fathers (a label they don’t apply to themselves). They sometimes appear to view maintenance through the CSA as an additional burden – on top of any voluntary payments:

- Where existing voluntary payments can be maintained it is in the interests of the family and the Agency to do so.
- It may be questioned whether all separating parents should be asked to pay child support through the Agency as soon as they separate (or when the child is born in the case of those who are not cohabiting). This would have the advantage of dispelling any sense of blame or punishment.

Some NRPs prioritise child support over their own financial security:

- This is more apparent amongst old rules clients expected to pay whilst off work. Need to continue to consider when clients may be moved over to the new rules.
- Look at ways of recognising that some NRPs are in genuine financial difficulties, and may be contact with other agencies (e.g. around debt).
3.1 Introduction

In this section we summarise the variations in amounts of maintenance required, and how these compared with the sums being paid prior to the involvement of the CSA. We also consider the extent to which clients understood how the maintenance figure was reached. We start by considering the amount that the Agency is currently trying to collect from individuals.

3.2 Views of the Agency, prior to contact

The then Prime Minister, Mrs Thatcher, announced the CSA policy initiative as one designed ‘to look at ways of strengthening the system for tracing an absent father and making the arrangements for recovering maintenance more effective’ (The Independent, January 18 1990). The perception of the CSA still appears to be strongly linked to the desire to track down a group of non-paying fathers who are irresponsibly avoiding paying for their children.

Many respondents certainly had that view of its role, and this was a perception that did not sit well with how they saw their own situation. In a fairly typical quote, one NRP said:

‘I mean, what is their remit? I thought it was for absent non-paying fathers. So I was not absent and I was paying, but they’re gonna have money off me anyway’

‘All these [CSA] are doing now are persecuting the people that are in the system. We’ll stick some more money on him because he’s paying…and that’ll cover, because we can’t find Joe Bloggs.’

When NRPs had this view of the role of the CSA, they reacted negatively when they themselves were contacted. ‘It was supposed to be set up, I think, just to chase the parents that were neglecting their responsibilities, and I don’t think I did that’ (Male NRP, new rules). Another NRP said he felt dreadful at being ‘reported’ (as he put it) to the CSA after all he had done for his kids. Others were initially proud to say ‘[From] day one of not being there, I’ve provided more than the CSA assessment’ (new rules), but often were pleased when a CSA assessment said they should pay less.

Their experience of contact sometimes led them to re-appraise this view – ‘A way of getting money from parents to pay towards benefits’ (Male NRP, new rules). There were, however, some who held more positive views: ‘the CSA are there to look after the majority, not the minority, and I think probably it’s the minority that one hears about in the press’.

The NRP making this comment thought that people should accept the limitation of the CSA, see them for what they are, not expect them to solve contact issues, or listen to personal moans. He told us that he liked the impartiality, and that they just needed to change their public image. Certainly CSA has a number of different public images, though most were only familiar with the negative press stories that related to it.
3.3 Assessments and calculations for child support

We were not provided with assessment levels for old rules cases on the old Child Support Computer System (CSCS). We have been able to look at the self-reported assessment levels from those clients with old rules cases who were prepared to tell us how much they were expected to pay. Three told us that they were currently on a nil assessment. Of the others the lowest amount being demanded was £20 a month plus arrears. Another was being asked for £23 a month and this NRP felt that was too little, and so paid more (despite having been non-compliant for many years previously). The highest assessment we were told about was over £600 per month including arrears. This parent had apparently been the PWC for one of his children for some time, but told us that the Agency would not accept this and he was, therefore, paying off large arrears that had accrued during that period. No other respondent had been asked to pay over £100 a week.

For the very small number of clients that we spoke to who had old rules cases that were being processed on the new computer system, we have additional information about the assessment figure. The average weekly amount expected from those we interviewed was approximately £68 according to the administrative data, ranging from £38 to £80. Of those who told us how much they paid, the figures matched up to within £5 a week, except in two cases. The first was a parent who claimed to be a PWC but had an assessment figure of over £70 a week on his records, and the second one had been sent a refund and told us that the claim had not re-started at the time of the interview, but the administrative records claimed he should pay £75 a month.

It was very common for clients under the old rules to tell us that they did not understand how the level of maintenance had been assessed, as illustrated by the quotes below. Some felt that the explanations were either inadequate or overly complicated, and some were confused by the concurrent rules, having been involved with the CSA only since the new rules calculator has been available online.

‘I can honestly say I don’t think I’ve ever had a reasonable explanation of how it’s made up.’ ‘Yeh, and they don’t put it over to you in plain English either.’

‘I would like them just to put it down in basic English. ‘Step one, we take this because of this and we need this amount because of this’. How they do it, I just can’t understand. I’ve read it time and time again and it looks foreign to me, I just cannot get me head round it. I wish they would look at each individual case as an individual case.’

‘...a mind-boggling formula.’

‘the formula’s too complicated...they’re just feeding numbers in to a computer...there’s no checking procedure.’

‘it was very complicated working out how they worked out these things.’
The lack of understanding resulted in clients questioning whether certain expenses were taken into consideration, or putting particular emphasis on the information they had gleaned such as how mortgages would be taken into account.

‘Well, – you know, like, they don’t take everything into account. They only take your mortgage, and your Council Tax I think it is.’

Compliance may be affected when clients do not fully understand why they are expected to make a certain payment. We spoke to several non-compliant NRPs who did not feel that they understood the CSA’s literature. They didn’t tell us that they had decided not to pay because of their lack of understanding, but they were certainly aggrieved by the complex explanations they had been given. We also feel that it is important to note that the clients we spoke to typically told us they were already very stressed from the separation. They may not have had the emotional/mental energy to deal with the additional burden of working their way through complicated paperwork and mathematical formulae even if they would normally have been able to understand the assessment process.

It was very unusual for clients to feel confident in their understanding of the maintenance assessment under the old rules. Despite this, a very small minority of clients told us that they had been in long discussions with the Agency because they believed that the CSA had made a mistake in the assessment. This led to protracted argument and recalculation, but, at least in one case, no sense that things had been rectified. If clients do not pay anything during the negotiations considerable arrears can accumulate, causing a further disincentive to make the required payments.

‘I agreed in the end because I couldn’t be bothered to phone up anymore and work out why they got it wrong and tell ‘em where they got it wrong.’

The administrative data for new rules clients includes information about the maintenance required. The average weekly amount amongst the clients we interviewed was just below £60, ranging from £14 (for two children) to £226 (for three children). In all, four were required to pay over £100 a week. As with the old rules cases many of the respondents told us maintenance figures that matched the records. We came across more inconsistencies amongst the figures, but it must be remembered that we interviewed more new rules clients. It is our assumption that some of the differences relate to arrears payments that have been unintentionally included in the figure provided by the respondent. Others cannot be explained in this way. For example, we spoke to two fathers who told us they no longer pay through the Agency. It also seems that cases where the parent is both a PWC and NRP (or has been at some point) can cause discrepancies. One such father told us that his case was ‘overturned’ early in 2004. The assessment data still says he should be paying £35 a week. Another told us that the non-resident child was now 19, and that he was paying arrears of over £100 a month, but the Agency records indicate that he should be paying £240 a month in maintenance. This respondent was one of two we spoke to who were particularly frustrated that the Agency had not been entirely successful at collecting maintenance for their resident children.
One of the cases where the administrative data was different from the self-reported amount highlighted a different concern. This NRP told us that the CSA took his payment by Deduction from Earnings Order (DEO), but that they did not take exactly the same amount each month. Furthermore, they generally took around £60 more than they paid to the PWC (whom he still spoke to).

It is accepted that the maintenance calculation under the new rules is more straightforward than under the old rules. Despite this, a small number of new rules clients did not feel that they understood how the figure had been reached. It seems that this may have been as a result of insufficient information rather than a lack of understanding of the calculation itself. But they were in the minority, and it is important to note that the lack of information was not universal, indeed the converse was also apparent occasionally:

‘I received the same booklets in [the correspondence] time after time’

There was some confusion about the switch from old rules to new rules, and it seems that some clients were sent the wrong information, or were not told that their case would be dealt with differently:

‘in the booklet that came with the initial papers it said you could actually make claims for living expenses, voluntary payments, loan payments and various other things. Three years on they’ve only just recently told me that I cannot claim for these so it was very misleading and inaccurate’.

‘I’d gone and got a whacking great mortgage’ [in an attempt to lower the assessment – not realising the case would be under new rules].

It was not uncommon for NRPs to comment that the straightforward percentage calculation did not take into account their expenditure, although few noted that this would have been the case under the old rules (and they were probably unaware of this). Just one client told us explicitly that he understood both sets of rules and felt that the old rules were fairer, because they took some expenses into account.

3.4 Comparison between voluntary payments and assessed levels

It would not be helpful to compare payments across clients, since they have been separated for different lengths of time, do not all have the same number of children, and will have provided different financial contributions when they lived together with the PWC. However, it is useful to consider the difference between the voluntary payment and the initial assessment or calculation provided by the CSA. Not all clients could remember these amounts and their recollections should be treated with caution, since it was not uncommon for them to be uncertain whether the figures were per week, or per month.
For many clients on the old rules, the original assessment was for less than they had been paying. This is a surprising finding given that there is widespread belief that the assessment levels were high under the old rules. This may also be because they were paying a mix of child maintenance, spousal maintenance, for bills and perhaps a mortgage, and they are comparing the total amount with that assessed for child maintenance only.

In some cases the drop was dramatic, for example one client claimed to have been paying support worth £800 per month but he found this too much and the subsequent assessment by the CSA was £440. Another was paying £50 a week but the PWC decided to involve the CSA. They assessed his contribution at £37 a week but added a handwritten note suggesting that he might like to continue paying the higher amount.

‘...so I thought no, she wants me to go through the CSA, she’ll have what they say. So she did herself out of £13 a week.’

‘Anyway, I had to pay and they’d calculated all that and, like, I went, ‘Forty frigging quid? What the hell are they moaning about on telly?’ you know, when they committed suicide and, frigging hell, forty quid, I paid her more than that before.’

‘She lost about a hundred quid a month by going through the CSA, compared to what she was getting privately. That’s how stupid she is.’

(Old rules)

There are several implications that could be drawn from these findings. We might assume that in many instances the maintenance assessment or calculation was rather lenient. Alternatively, something else may have been driving the NRPs to pay high levels of support before the Agency was involved. Possibly the initial reaction of the NRP was to make sure that his family was secure, with little or no thought of his own financial needs at that particular time.

One NRP commented that because the maintenance he was paying through the Agency was less than the PWC had requested he pay voluntarily she had created difficulties with contact since the CSA became involved. This reminds us that there may be some variation between what the NRP considers fair, and what the PWC deems appropriate, and that this may cause subsequent dissatisfaction for both parties. It is also clear that the delight taken by some in a drop in maintenance (to the ex-partner) was rarely tempered by regret about the amounts that might get spent on children, and indeed these were often separate in NRP minds.

It is possible that NRPs who felt that child support payments were too high were actually reacting to the initial voluntary agreements they had rather than to the figure set by the Agency. From discussions with the NRP another plausible reason emerges. It seems that in some instances the NRP saw the CSA involvement as an additional burden rather than an alternative method of supporting their children. This was apparent from comments about how they felt they had been forced to
stop making voluntary payments, buy clothes or provide money to cover the bills as a result of the demand for maintenance. If this is in fact the case it may indicate a need to calculate and impose maintenance requirements as soon as possible after a couple separates. An alternative approach might be to encourage continuing negotiation and self-regulation between separated parents to negate the need for Agency intervention. This is the approach used for most other matters when parents separate.

Although it was common for parents to withdraw financial support and stop helping with bills once maintenance payments were collected by the CSA, several continued paying for certain items for their children. Indeed, for some respondents, additional expenditure on their children still accounted for a significant part of their outgoings. Some told us that they took their children on holiday or paid for school trips and some provided clothes, pocket money or regular savings. The difference between these payments and the original payments can partly be accounted for by the change in focus from helping the family to cover bills to re-establishing a relationship with the children as an NRP. However, we noted considerable frustration from parents who were asked for things by their children that they felt they were already paying for through their maintenance contribution. This included most of the things that older children will ask their parents for, such as fashion items, trainers and mobile phone top-ups. It is not possible with our data to say whether the level of frustration felt by separated parents is necessarily different from cohabiting or married parents being asked to buy these items. We feel it is appropriate to conclude, however, that some of these NRPs are not just being stubborn, but feel sufficiently stretched by the maintenance payments and overall living expenses to be financially embarrassed when they are asked for additional support.

3.5 Financial commitments and prioritising spending

Child support is just one of a number of demands on the income of an NRP. It is important to consider the other financial obligations faced by parents, and how these might affect both willingness and ability to pay maintenance. We begin here by describing the kinds of financial commitments mentioned by respondents.

We asked the NRPs whether they had any ‘large financial commitments’. Some mentioned their mortgage – often saying ‘only my mortgage’. Other house-owners did not include their mortgage when considering their commitments. This finding is relevant to a study of compliance since it highlights that for some NRPs, one of the main financial pressures they face is to provide housing for themselves and any new family. Almost all of those we spoke to had to start again in a different property – just one remained in the family home, and this was only possible after substantially increasing his mortgage. Starting again generally meant that the NRPs were facing long repayment periods and/or very large repayments. Furthermore, some commented that they found it difficult to get a big enough loan to buy a house because the mortgage lenders took their maintenance liability into account. It should be noted that under the old child support legislation, mortgage payments were taken into
consideration when assessing maintenance levels; under the new rules they are not. Despite this difference the perception of mortgage payments as a significant financial burden was equally apparent amongst clients on old and new rules.

Other financial commitments included debt that had been accrued whilst the NRP was living with the PWC. Some claimed that they were paying off debts that they had been unaware of whilst they were together. At least one had used their own savings to pay off some of their ex-partner’s debt.

A small number of NRPs had large, multiple debts after facing major financial shocks such as business ventures that failed.

‘I’ve got colossal financial commitments, probably in the tune of a hundred and fifty thousand to a hundred and sixty thousand pounds of outstanding debt.’

Another small group told us that they were repaying money that they had borrowed for specific reasons – for example one was repaying the cost of a relative’s funeral.

For some people, the prioritisation of debt repayments may come at the cost of providing for their own future. We did not specifically ask about pension contributions, but a small number of parents commented to us that they had stopped paying into their pensions because money was tight (in one such case the NRP was paying support, but not receiving anything for resident children). We also heard from a client on the old rules who had suffered a period of ill-health and had to use his savings to cover his mortgage costs, but could not find the money for child support and was therefore forced to pay arrears when he returned to work. Another claimed he would default on his mortgage before stopping his child support payment – which is not necessarily the kind of behaviour that the Agency would wish to encourage. This kind of situation leaves individuals very vulnerable to future income shocks since they no longer have the safety net of their savings or the equity in their home. It also indicates how sometimes a compliant NRP can be forced to choose between paying essential household bills and providing maintenance to support his children. Inevitably, some parents in this situation will become non-compliant despite their best efforts.

Just one client under the old rules told us that his payments had been reduced as a consequence of getting help with debt management. This was just a few months after separation, but the CSA agreed to clear the arrears and dropped the assessment from £75 a week to £17 a week for some time. It would be interesting to find out how many people working through financial difficulties with debt advisors have child maintenance commitments.
4 Compliance

**Implications**

Compliance isn’t a static feature of clients, but varies through time. Some parent with care (PWCs) (allegedly) demand frequent reassessments, claiming changes have occurred whilst some NRPs are reluctant to inform Child Support Agency (CSA) about changes because of previous bad experiences with the Agency.

4.1 Introduction

The CSA aims to assess and collect maintenance payments from non-resident parents (NRPs). Like all demands for payments, there will be some people who decide, for whatever reason, that they will try not to pay. We found from talking to clients that whilst we could identify types of payers and non-payers it was clear there was movement across types; people move in and out of periods of non-payment and may pay, some, all or none of what is due.

Amongst our interviewees, those with child support assessments made under the old rules were more likely to be non-compliant – or have had periods of non-payment – than those with new rules calculations. However, it should be noted that the CSA records include some indication of how compliant old rules clients are and so we were able to actively sample those clients identified as partially, or non-compliant³. Secondly, their cases had been active for longer and so they are likely to have had several changes in circumstances which may have resulted in changed payment behaviour.

³ Of the 27 interviewees on the old rules and old system, nine claim to have either paid some maintenance but are recorded as non-compliant, or say they paid everything but are recorded as partial payers.
4.2 Tracing

It is often difficult to find people who are non-compliant to participate in this kind of research. One of the many reasons for this is that a typical way to avoid being traced by organisations such as the CSA is to go through frequent house moves or provide false addresses. This makes it difficult to trace people who do not want to be involved.

We can shed a little light on this through the initial process of contacting people for this study. A number of the opt-out letters that we posted were returned to us by the post office as undeliverable. In total, just three of the 207 letters sent out to clients on old rules and Child Support Computer System (CSCS) were returned (one per cent), but 21 of the 195 sent to clients on the old rules, new technology (Child Support2 (CS2)) (ten per cent), and 36 of the 586 sent to new rules clients (six per cent) were returned to us.

It is difficult to come to a firm conclusion about the reason for letters being returned. It might not be a deliberate attempt to avoid being contacted – it could, for example, be that the CSA records from which the sample were drawn are inaccurate or out of date. It could also be that the NRP has moved since the sample was drawn, or has recently moved and not yet informed the Agency, but has every intention of doing so. Perhaps more interestingly, some of the returned envelopes had been written on with notes saying that the addressee had not lived there for some years. In more than one case we were contacted by the resident of the address to let us know that the addressee was their ex-partner (those contacting us were not necessarily the PWCs known to the CSA).

4.3 Variations in compliance

It is clear that a number of clients work in jobs that make it extremely unlikely that they will even attempt to shirk their responsibilities to pay maintenance. This was particularly true of civil servants, those in the armed forces and those working in health or education (large areas of the public sector). For these people any suggestion that they might stop paying is considered entirely unrealistic since they know that the money can be collected at source. Clearly, the only way they can see themselves becoming non-compliant is to leave their job. We interviewed just one NRP who had left such a job and currently did not have to pay anything and we encountered nothing to suggest that this father had changed jobs in order to avoid paying maintenance.

Some clients feel that they have always paid everything requested, but still owe money to the CSA because the maintenance assessment or calculation took so long to process that arrears were accruing. In many cases these clients had already been making voluntary payments prior to the involvement of the Agency. This group certainly did not regard themselves as non-compliant. Yet others, who on the face of it are in similar positions, have clearly ‘played the system’ to slow down assessments by purposely changing details and asking for reassessments. These people may also eventually pay what is due, but will have avoided payments for many months.
The CSA is able to ensure regular payments from most employed parents by imposing a Deduction from Earnings Order (DEO). Many clients told us that the CSA had rapidly set up a DEO and they were therefore paying what was due. We are not certain that all these people were inclined towards non-payment; some were adamant that they would have paid in any case. Indeed, some had only missed a payment due to banking problems such as failed direct debits, and had always intended to meet their obligations. It cannot be claimed that the enforcement method worked to improve compliance in all these cases. It is completely apparent, however, that sometimes a DEO is necessary to access the maintenance due – some clients discussed how they would argue and delay the proceedings on purpose every time they switched jobs until the Agency imposed a DEO.

Occasionally, clients who appear to be of a compliant nature are still unable to pay everything that is due. We discovered that this was particularly the case when clients under the old rules faced an unexpected reduction in income. We might consider these people to be amongst those who ‘can’t pay’ rather than being persistent non-payers through choice. In these cases it is important that re-assessment is made in a timely manner, but this did not always seem to be happening.

Some clients feel the need to exercise control over their payments to express their frustration. These clients may be described as non-compliant since they make decisions about whether to pay, and these decisions do not necessarily reflect their ability to find the money due. For some the frustration they felt was directed at the Agency, whilst others were frustrated with their ex-partner, or their circumstances.

Very little has been said that suggests that those who are non-compliant are also less likely to provide information, or vice versa. However, one new rules NRP’s comment suggests that the CSA may be unwilling to share information as a way of preventing delays.

‘What they’ve done is they’ve put obstacles in my way to prevent me appealing and to apply for a variation. They won’t tell me how they calculated the net weekly earnings figure.’

4.4 Changes in compliance through time

It was noticeable that clients’ circumstances and willingness to pay varied through time. We will discuss how characteristics and circumstances appear to relate to compliance in later sections but we first consider the possible influence of time, and also consider various aspects of timing in relation to maintenance payments.

If an individual is unlikely to pay willingly, one option is to enforce payments at an early stage, to provide income for the PWC, and create the payment habit needed to ensure prolonged compliance. We investigated how many clients had only ever paid by DEO. On the old rules, this was a relatively small group. The remainder had almost all set up direct debits or paid by cheque – often at the post office. A few were subsequently forced to pay through DEO after a missed payment triggered
enforcement. Not all triggers were deliberate acts of non-compliance. Some told us that the bank had made a mistake but the DEO had been implemented immediately.

Payments cannot always be enforced. Some clients on the old rules had started paying and then suffered periods of illness or unemployment. Clearly a DEO is of no use in these situations, or indeed for those working as self-employed. Payment was therefore deferred, and resulted in the build up of large arrears. Fluctuating income is a frequent trigger for non-payment. One client described himself as a bad payer, but claimed that his payment partly depended on what he felt he could afford to pay. Some self-employed parents told us they missed occasional payments due to cash-flow problems.

The following case highlights the complexity of compliance through time, and how errors can cause further complications if a client is in arrears. It also indicates the difficulty with rigid timing. A father told us that he had paid maintenance through the Agency by direct debit, but when he changed jobs his mortgage and his maintenance requirement together were more than his take-home pay. He stopped paying anything at all at this point, but started again once the case was reassessed. However, he had built up arrears during this time. This client also stopped paying at a later date when four payments were taken in a month and he refused to pay any more until the mistake was rectified. Subsequently a further problem with his financial situation meant he had no money to cover his direct debit to the CSA. The CSA imposed a DEO on him even though he had told them he would need to send a cheque. He claims that the Agency cashed the cheque and refused to pay it back because he was in arrears.

It was not unusual for clients to tell us that the only changes through time were reassessments triggered by their ex-partner. Two complained that such reassessments took many months and left them with large arrears ‘though no fault’ of theirs.

‘last year I was assessed seven times in nine months and I now owe sixteen hundred pound in arrears.’

New rules clients were less likely to have faced many circumstance changes since the Agency calculated their maintenance payment. However, the original arrangements were still fresh in their minds, and they often told us about the initial confusion around backdated payments and allowing for voluntary contributions. It was common for them to feel that their voluntary payments should have been recognised, and in some cases they had clear evidence of payments but were still asked to pay arrears. Furthermore, a small percentage faced ‘counterclaims’ as they were both PWCs and NRPs and this had caused a range of problems both with operational issues and from the point of view of their own cash-flow. It was apparent that parents who are both NRPs and PWCs would prefer there to be an offsetting system of maintenance, rather than having to pay regardless of whether the other parent is paying. Some also felt that the small difference between the maintenance percentage for two children and one child was insufficient.
4.4.1 Letting CSA know about changes in circumstances

It was fairly common for people to tell us that they had not contacted the CSA to inform them about changes in circumstances. In most cases they claimed that this was because they did not want to go through the process of contacting the Agency after previous bad experiences.

Some made it clear that they refrained from contacting the Agency even when it might be in their interest to do so. For example, one NRP thought he was entitled to move over to the new rules (he wasn’t) and had calculated what his new payment would be. He estimated that he would pay almost £40 less each month, but did not want to go through the process of contacting the Agency and getting reassessed. Another NRP on the old rules had increased his outgoings and he knew that this might result in a lower assessment, but he chose to wait until his pay increased before contacting the Agency.

‘I’ve just actually put my pension up so I should inform them that my pension’s gone up by another ten pound a month, my mortgage has gone up so I should inform them that, but you sort of think, well, if you kept on informing them, they’d be constantly trying to undo what they’d done already, and you’d just end up – it’d just be a nightmare. So you think, well, I’ll wait for something major, like, I had a pay rise at the end of last year.’

At the present time it is possible to ask for a reassessment if the NRP’s income changes by at least five per cent or there are other changes that affects the child maintenance calculation (e.g. changes to shared care arrangements).

4.4.2 Switching to self-employment and leaving paid work

Some NRPs determined to be non-compliant may resort to stopping work altogether, or switching to being self-employed and hence beyond the reach of DEOs (though not other forms of enforcement). Others may attempt to move quickly between jobs. In some cases such actions may also leave the NRP worse off, but some of this group may be prepared to make everyone worse off financially if it means not paying maintenance. Some people are prepared to cut off their nose, to spite their face. This kind of drastic action was not encountered in what respondents had done, even if the thought had occurred to some. There were other actions that stopped short of this.

One NRP told us that he asked his workplace NOT to give him a pay rise because he did not want to be reassessed. Instead he negotiated a four day week. His ex-partner was claiming benefits and he described the CSA as the ‘chancellor’s support Agency’.

An NRP on the new rules also told us that he was working fewer hours as a result of the CSA claim. ‘I used to work fifty or sixty hours a week…since the CSA have been involved I work my 37 hours a week and I don’t work anymore because I just keep thinking they might do a financial assessment and then obviously the more money I earn the more money that she gets’.
Again, the emphasis is placed on the former partner rather than the children, and this is often how it is perceived.

A few told us that they had done some work ‘cash-in-hand’ unbeknown to the CSA, or had second incomes that they were not declaring. It is important to consider the relationship between undeclared income and compliance. Cash-in-hand work may be taken in an attempt to avoid payment, although the Agency records will not be able to identify it as such; similarly those clients with second jobs may appear to be paying everything that they owe, but by not declaring their full income they are actually paying less than they should. We were told by one client that part of the reason he left his job to work cash-in-hand was that he resented the level of the CSA assessment.
5 Compliance levels and personal characteristics

Implications

Compliance depends on both WILLINGNESS and ABILITY to pay.

Self-employed less likely to pay because of low, irregular income:

- Consider if further use of tax calculations for the self-employed can be used to help assess or possibly collect child maintenance.

Some non-resident parents (NRPs) will put the children they live with before their own children:

- The benefits system is seen as a safety net. We believe that the Agency should continue to reinforce the message that parents are responsible for their children.

NRPs are frustrated with the current shared care aspect of the rules:

- We recommend that policy makers look at the relationship between contact and compliance from the points of view of both parents and children.

5.1 Introduction

In this section we relate payment behaviour to the personal characteristics of NRPs and, to a lesser extent, parents with care (PWCs). Knowing the groups more and less disposed to be compliant makes it possible to consider different strategies for dealing with each group, and assessing the likelihood that interventions of various kinds will be needed. It may also be helpful in understanding patterns and trends in compliance behaviour over time.

In this section we begin by reporting a re-analysis of a Government-funded survey of parents’ contact with non-resident children and how the arrangements were arrived at (fuller details are in McKay and Atkinson 2005). This survey also collected data on
whether child maintenance was being paid, permitting analysis of a range of characteristics associated with payment. We then look at the effects of these characteristics within the qualitative interviews. The analysis of the interviews looks separately at the fixed and changing characteristics of NRPs to consider the reasons why these characteristics may be significant in explaining compliance behaviour.

5.2 Analysis of quantitative data

In 2002 the (then) Lord Chancellor’s Department (now the Department for Constitutional Affairs) used the Officer for National Statistics (ONS) Omnibus Survey to gather information on child contact arrangements between parents who no longer live together. The ONS Omnibus Survey is used by Government departments and other non-profit making bodies to ask questions covering a range of topics. It uses a random probability sample of 3,000 private households in Great Britain, selected from postcode records. The module asking about non-resident parental contact was run in April, June, July, August, September, October and November 2002. This was a self-completion module. The overall response rate was 70 per cent.

As with other studies, it was harder to identify NRPs than PWCs and so the results must be treated with caution. Both groups were included in the study, and they were asked parallel questions (e.g. do you pay maintenance for the NRPs, do you receive maintenance for the PWCs). The study identified and therefore included 312 NRPs (with 481 children) and 649 PWCs (with 1,030 children). Despite this disparity, the kinds of information provided tended to be reasonably similar. In Figure 5.1 we show differing reports about the frequency of contact between NRPs and each child of theirs, with figures coming from a separate samples, of PWCs and of NRPs. Clearly the NRPs reported more frequent contact, but the differences between the groups was not too great.

Attention is sometimes placed on how many children never have contact with their NRP. According to the accounts of PWCs, just over one-quarter (27 per cent) of such children never see their NRP. From the reports of NRPs, around one in seven (14 per cent) never see their non-resident child. This suggests at least some ongoing contact for the vast majority of such children.

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4 This question is literally about seeing, and meetings between, children and NRPs. Later questions picked up telephone and postal contact as a separate activity.
Respondents were later asked about the payment of child maintenance. The very simple question asked: *Do you pay child maintenance for this child?* It is certainly possible that NRPs and PWCs interpreted this question differently, and may have had different activities in mind. And we know that the sample of NRPs is smaller than might be expected and probably excludes many non-payers. Overall, however, PWCs asserted that child maintenance was being received in 38 per cent of cases, compared with NRPs claiming to be paying in 63 per cent of cases.
A particular complication to this picture results from the treatment of child support within the system of Income Support (IS). Many surveys find it difficult to accurately capture whether PWCs receiving IS also receive maintenance, as they may not be fully aware of the composition of their weekly income. Overall, 38 per cent of PWCs said that child maintenance was being paid. This was much higher among those not receiving IS (47 per cent of this group) than among recipients (24 per cent). An added factor is that some NRPs may be assessed with a zero liability if they themselves receive IS.

Turning to the substantive point, there was considerable agreement between NRPs and PWCs as to the association between the distance between NRP and child, and the likelihood that child maintenance was being paid. Those most likely to be paying lived between ten and 50 miles away. It seemed that both greater distance and greater proximity meant a lower rate of payment. A longer distance may have been associated with lack of involvement. A shorter distance, we might speculate, could imply lower overall income or contributions being made in other ways (such as childcare).

5.2.1 Modelling payment of child maintenance

There are a number of associations between paying maintenance and the characteristics of the parents (McKay and Atkinson 2005). Rather than report the individual relationships, we note that when a statistical model is used the most significant factors were:

- being in work (workers more likely to pay and receive child maintenance);
- housing tenure (home owners more likely to pay and receive child maintenance);
- gender, (men more likely to pay); and
- being previously married (ex-married more likely to pay than formerly cohabitants and those who never lived together).

Lesser but still significant factors included:

- regular contact and seeing the child (associated with more people paying/receiving);
- distance;
- satisfaction with contact arrangements;
- time since separation (with compliance worsening once people had been separated for three or more years).
5.3 Static factors affecting compliance

In the remainder of this section we consider what light the qualitative interviews may shed on the above links, and whether they provide support (or not) for such relationships with paying child maintenance.

5.3.1 Age

Previous research has indicated that there is a positive relationship between the age of the NRP and compliance. We therefore considered the compliance levels of clients at either end of the age range. Just one of the old rules clients we spoke to was under the age of 30. Of the new rules clients that we interviewed, just two were under thirty. Of these younger clients, one always paid something, but not necessarily the whole amount, one was currently unemployed, so not paying, the other was paying, but felt that he would make late payments if he felt it was necessary to make ends meet. In all these cases the major issue appeared to be a lower incomes, rather than age per se, and any missed payments were not an indication of wilful non-compliant behaviour but of an inability to find enough money (or, to manage money to make such payments possible). Clearly there is also a relationship between age and income, but that in itself does not suggest that all younger clients should be considered less willing to pay. However, our evidence in this area is relatively weak.

Clients aged 50 or over were not all compliant, by any means. The three who told us they had always paid were all on the new rules and therefore had relatively short payment histories. The lack of compliance amongst the other five in this age group appeared to stem from low income caused by redundancy or retirement, coupled in most cases with regular shared care, and therefore indicates that they share certain characteristics with the youngest clients.

5.3.2 Housing

Most of the clients we spoke to had been forced to look for somewhere else to live when their relationship broke down. Some clients moved into their parent’s home, or lived with siblings for a while.

Seven (out of 35) old rules clients were renting their homes and one was living in accommodation belonging to a new partner. The remainder were buying or had bought their home – unlike the new rules clients none was living with a family. The new rules clients were less likely to have a mortgage – nine clients (out of 42) were renting, a further nine were all living with family and three were living in their partner’s home. In this sample homeowners were not noticeably different in their compliance levels and we found no evidence of a causal link between housing and payment.

We found that there were more unusual cases amongst those who were without a mortgage, including clients who have spent time in prison, clients who claim to be the PWC, and clients still living in the same dwelling as the PWC and their children.
5.3.3 Employment

The NRPs we spoke to included several drivers and numerous technicians, mechanics and heavy engineers. We also spoke to police officers, teachers and civil servants. Some NRPs worked in the caring professions (nursing, care homes etc), and some in accounting and computing, or the retail sector. A small number were in untrained positions and another small group had retired.

We were able to compare people working in similar jobs, to try to identify particular triggers for payment. Most of the clients we spoke to who worked in the caring professions had cases under the new rules. All had paid what was due, notwithstanding that some were in low paid positions, and some were paid weekly. Some of the five drivers we spoke to (all old rules cases) were also paid weekly – although one was self-employed – and two commented that the amounts of their earnings varied from week to week. They were not all compliant, indeed neither of those who were paid different amounts each week were paying everything due, and another was paying because a Deduction from Earnings Order (DEO) had been imposed. We feel that the comparison between the carers and drivers indicates that neither low pay nor weekly incomes may be the key predictive factor to indicate non-payment. It may be a difference in personal characteristics or an inability to manage irregular cash.

Many of the NRPs with cases under the old rules had changed their jobs during the time they had been involved with the Child Support Agency (CSA). Sometimes the change was linked to a period of poor health, others had changed career path or simply moved on to new employers. Only a very small number had progressed to more senior roles.

Several of the NRPs on the old rules were self-employed, or had been self-employed at some point. It is more difficult to enforce payments with the self-employed, as the most common enforcement method, a DEO, is unavailable. Despite this, we found amongst the self-employed NRPs in our sample that some had not paid everything due, but an equal number were fully compliant. It is worth noting that even amongst the self-employed who were non-compliant there was nothing to indicate that these clients became self-employed in order to avoid payment. However, in at least one case, the low income of a self-employed NRP apparently made him unable to find the money to pay what was due.

Most of the new rules clients have been involved with the Agency for only a short time and, therefore, it is not surprising that fewer of them had changed jobs since the Agency contacted them. However, a number were currently off work with stress related illnesses. Only four of the new rules clients told us they either were, or had been, self-employed and one of these was technically employed by his own company. If self-employment is related to non-compliance, the low number of self-employed respondents may also help to explain the higher (self-reported) levels of compliance amongst the new rules clients that we spoke to. However, as mentioned above, there are several possible explanations for the difference in compliance levels. The self-employed individuals we spoke to were all compliant and had made voluntary child support contributions before the Agency was involved.
In a small number of cases respondents told us that their payments to the CSA influenced the number of hours they were working (or had worked at some point during the claim). One new rules client had reduced his hours due to stress, but told us that there was no incentive to increase them again whilst he was paying maintenance. Another told us that every extra penny he earned under the old rules would be taken from him as maintenance, and so he purposely worked minimum hours.

A few clients had increased their hours when they first separated to try and get some money behind them so that they could start again with a new home and buy replacement items for themselves. As the quote below illustrates, they had not considered the impact of the extra earnings on their maintenance assessment, or calculation.

‘Well I thought, surely you’ve got to assess someone on their basic money, because overtime’s never guaranteed for anyone.’

(Male, 42. SW)

The consequence for the NRP of including overtime when assessing maintenance payments is that he is either forced to continue working such long hours for extended periods of time or to face very high maintenance demands from his basic income. If he then asks for a reassessment, the PWC faces falling maintenance payments, and may be more inclined to become awkward.

Very few people said they had increased their hours to earn more after the Agency had become involved, perhaps indicating the strength of the disincentive caused by calculating maintenance using all earnings rather than simply earnings from core hours.

‘I’m not working 12/13 hours a day to earn effectively what I could earn on the dole. What’s the point of doing that?’

(New rules working NRP, finding the payments ‘crippling’)

Some clients had changed their hours or their pattern of work to maintain contact with their children. These parents included two of the self-employed fathers, who had found it necessary to hire additional help to cover for them whilst they took care of their children, and one father who was taking advantage of flexible working arrangements to leave early one day a week to collect his children from school. It was clear that very few of the NRPs had this level of flexibility, and it is reasonable to assume that it was more difficult for them to continue having regular contact. It is worth considering whether this could help to explain any statistical links between employment, contact and compliance.

There was a widespread belief that working NRPs are ‘easy targets’ for the CSA. This was felt particularly strongly amongst those who worked in the civil service, or the armed forces. These NRPs were absolutely certain that the CSA would not hesitate to use a DEO to collect payments from them if they did not pay willingly. Furthermore some civil servants felt that they would be frowned upon by colleagues for non-compliance.
It was not uncommon for NRPs to tell us that the CSA had been very quick to put a DEO onto their wages, even though they had been willing to make payments. One felt that this had caused him difficulties at work, and others commented that they would have preferred not to have their private life made known by their employers. However, a few thought that a DEO had no impact on their working life, and some welcomed the simplicity of having money deducted at source before they could ‘miss it’.

Some of these factors indicate low incomes, the problems of variable incomes, and quite often a lack of budgeting ability.

### 5.4 Dynamic factors

#### 5.4.1 PWC’s situation

Child maintenance is one way of ensuring that both parents provide for their offspring. Under the old rules, the maintenance assessment took into account the earnings of both parents (though not in a simple transparent manner). The few fathers under the old rules whose ex-partner earned more than they did were less likely to pay than those who earned more than their ex, even if they did not explicitly mention this as a reason for non-payment.

Many did not know the income status of their ex-partner, or assumed they were claiming some kind of benefit. Some had drawn this conclusion because of the ages of the children, whilst others felt that their ex-partner might be manipulating the social security system. One client told us how his ex-partner had worked hard to get every benefit possible, including renting a council property in order to subsequently exercise the ‘right to buy’ – as he put it ‘She played the system like a middle class piggy bank for skivers’.

One NRP on the old rules mistakenly thought that when his ex started claiming benefits (which was imminent due to a change in circumstances) he would have to pay less because she would be heavily supported by the benefits system.

New rules clients were more likely to know the employment situation of their ex-partner, as they had typically been separated for less time than the old rules clients and had younger children. It was common for them to tell us that the PWC worked part-time, or stayed at home to look after the children. Consequently, most NRPs were earning more than the PWC, but there were noticeable exceptions. Just one female NRP was earning more than her ex-partner, and men who had spent some time as the PWC also typically earned less than their ex-partners.

A small number of NRPs and PWCs worked in similar jobs on the same grade. In one such case, the PWC apparently asked for (and was granted) frequent recalculations. This was very frustrating to the NRP, who was on a national pay-scale and knew that his ex would already be aware of his income. He felt that the CSA should have copies of national pay-scales, and not keep bothering the NRP with more requests for information between yearly increments.
Just one NRP whose case was under the new rules told us that ‘she’s earning more than me’ and claimed that he has not paid willingly. This father was being made to pay via a DEO. His reasons for not wanting to pay were numerous, and included the very generous settlement that his ex-wife received when they divorced. He also claimed that they had always kept their money separate, and that he paid all the bills whilst they were together. Another of his frustrations was his claim that the CSA had never contacted him, and he therefore assumed that his ex-wife’s solicitors had made the claim on her behalf.

5.4.2 NRP re-partnering

Under the old rules, the income of any partner living with the NRP is taken into account in the maintenance assessment (again, not in a simple transparent way). Under the new rules, there is an allowance for children residing with the NRP, whether or not they are being supported by their own NRP. Because of the difference in the treatment of partners in the two sets of rules, it is appropriate to look at the relationship between having a new partner and compliance separately for old and new rules cases.

NRPs with cases on the old rules were likely to be re-partnered. Only one-quarter of those interviewed was single at the time of the interview. One of those who was single told us that he felt that the amount he paid in maintenance made it difficult for him to consider starting a new relationship. Another who was in a new relationship claimed that the payments he made in child support prevented him from remarrying or considering having more children. However, none of the respondents told us that they had changed their payment decisions as a result of a new relationship.

On average, clients with maintenance calculations under the new rules will have been separated for less time than those on the old rules. Around half of the NRPs we spoke to currently did not have a partner. The majority of those who did have new partners were living together with the partner, and almost all had children in the house (either birth or step-children). As with the clients on the old rules we did not find any parents who had changed their level of compliance as a result of re-partnering.

Some NRPs are very concerned about the impact of their maintenance payments on their ‘second family’, an issue that has been part of maintenance-related debate for decades. One old rules NRP told us that when he gets reassessed it puts a huge amount of strain on his marriage as they question ‘Are we going to be able to cope? Is our child going to have to go without?’

Another said: ‘I’ve gotta prioritise on the two that I can see in front of my face, to put food on the table and so on’.

Some of the new rules NRPs commented to us that when money was tight they would put the needs of the children they lived with before any maintenance payments to support their other children, even where those they lived with were
step-children. It was clear that one of the reasons NRPs felt that it was acceptable to consider prioritising in this way was that they believed that state benefits would provide a safety net if their ex-partner was left without sufficient income.

NRPs who lived with a new partner and step-children often commented on the arrangements for support of those children. Some felt that their partner had a better arrangement – perhaps a voluntary agreement with the father – whilst others were frustrated that the CSA was collecting money from them to support their own children but was failing to provide maintenance from the father of their step-children. Some parents felt that they paid more in maintenance than they spent on the children who lived with them. Nobody told us that this was a reason for not paying, but it was clearly frustrating to them.

5.4.3 PWC re-partnering

Some NRPs knew very little about the PWC, but most were able to tell us whether they had re-partnered and whether they lived with any other children. Some also told us that they believed that the PWC was manipulating the living situation to maximise any benefits available. For example, we were told how an ex-partner might be claiming to live with someone to lower that persons maintenance liability, but also be claiming to live alone to increase their level of tax credits and other benefits. We do not know if this is actually possible or if it might be an indication of the low level of trust between ex-partners.

It was noticeable that the vast majority of PWCs on the old rules had apparently re-partnered. Furthermore many of them had gone on to have more children. Additionally, several had children by ex-partners they had been with prior to their relationship with the interviewee. Slightly more of the PWCs under the new rules were single, and few of those who had re-partnered had had more children. As noted above, this is most likely to reflect the lower average time since separation. Across the whole sample, four respondents told us that their ex-partner had previously had an affair with the person they were now living with; some added that the new partner had previously been their close friend. Perhaps surprisingly, this situation did not result in lower levels of compliance.

NRPs told us in this research and in previous work (Atkinson and McKay, 2005) that once the PWC re-partners her household income is often similar to or greater than that of the NRP. Some felt that it was unfair that they still had to pay the same amount in maintenance. (One NRP went as far as to complain to us that well-paid PWCs receive maintenance payments tax free.) In particular, some clients on the new rules said that they felt that it was wrong that only their income was taken into account when the maintenance calculation was made. This is clearly an area of the rules that many clients think about in detail. This suggests that some NRPs feel that their financial responsibility should be limited to meeting any shortfall in the provision of the PWC, and that the proportionality of the maintenance calculation does not compensate for the perception that some NRPs are having to support a
household that does not appear to need help. For some clients at least, compliance may have less to do with personal circumstances and more to do with the circumstances of the children being supported.

The following case illustrates how difficult it is to take any point in isolation and assume that it explains behaviour. We have noted that clients may feel disinclined to pay support where the PWC has a similar income to them, but without further exploration we cannot assume that the reason behind their decision is one-dimensional. In this example, a client told us how he felt it was acceptable to pay only a small percentage of the arrears he owed because the loss of this money was not causing his child any kind of suffering – the child was living comfortably with their mother and step parent. The client made it clear, however, he was not paying less simply because his ex-wife had a new partner or a comfortable standard of living, he was paying less as his ‘little protest’ because he was angry with the CSA. He told us that he would not have been prepared to protest in this way had he been concerned about the financial situation of his child.

5.4.4 Contact

It is well documented that there is a relationship between the level of contact with non-resident children and willingness to pay maintenance. We found in earlier research that this worked in both directions – PWCs will withdraw contact in response to non-payment, and NRPs will withdraw payment if there is a lack of contact. During this research we also discovered from some NRPs who were apparently fully compliant, that the PWC used contact as leverage against threats of non-payment – even when the PWC had a higher income than the NRP.

We also found evidence that some NRPs may change the way they keep in touch with their children to make contact less beneficial to the PWC as a result of their frustrations with the CSA. The following substantial quote illustrates the thought process of one NRP:

‘I’ve stopped picking them up from school, because if she wants to penalise [me] with the CSA, she can incur the costs now of putting them in childcare. So theoretically the children get punished, she gets punished, and so do I, because she wouldn’t – if we could resolve things mutually, we could have had some sort of understanding or sorting things out, things would have been a lot better for everyone. But because, the way it was, the way it’s gone, I’m certainly adamant now that I’m not changing, this is the way it is now. There was a time when I was in a different frame of mind, but not now, I’m totally adamant that this is the way it’s gonna go, and I imagine it’s gonna stay like this… I thought, right, if she’s gonna come to me for all the money, ‘you can start putting them in child care and you can start paying for it, and I’m gonna inconvenience you’. That wasn’t up to the solicitors, that was purely CSA.’
Similar numbers of NRPs on the old rules and new rules had faced issues with child contact. In all, almost a third of all the NRPs told us about some aspect of their contact arrangement that they were, or had been, dissatisfied with. A minority of these had no contact with their children at all; sometimes because the NRP had decided not to pursue contact. One told us that he had finally decided to have nothing more to do with his children after his ex-partner repeatedly left the children with him whilst she disappeared for weeks at a time. Another had no knowledge that he was a father until the CSA became involved and did not want to build a relationship with the child.

Another small group seemed to have let circumstances influence the level of contact they had with their children without any attempt to find ways of improving the situation. For example, one found that his children did not get along with his step-children and so he let contact slip, whilst others lost contact when the PWC moved away.

Occasionally, NRPs claimed that the PWC had ‘poisoned’ the children’s perception of their father by telling them stories which were untrue, or heavily biased. More often they claimed that contact had decreased when the CSA became involved; this claim was more common amongst clients on the old rules.

‘They basically gave her a financial incentive to reduce my access to the children, which is what promptly happened.’

(Old rules)

‘Effectively they’ve stopped me seeing my kids because she gets more money if I don’t see them.’

(Old rules)

‘…she stopped me seeing the kids for six weeks, to get the shared care stopped, and after six weeks they did a reassessment.’

(Old rules)

Some fathers’ groups have expressed anger at their perception that child support is rigorously enforced whilst contact orders are flouted with impunity. This issue was not mentioned by anyone we spoke to. None of the NRPs we spoke to linked enforcement issues with contact in any way at all, even though they commented on various relationships between payment and access. This may be because those who had looked to the courts to address issues with contact were either still going through the process or had been successful in reaching a conclusion before the case was heard. At least two of the NRPs we spoke to had found that a letter threatening court action was enough to convince the PWC to allow contact.
5.4.5 Other characteristics

We feel that it is important to reiterate that clients’ decisions are based on myriad experiences, preferences and ideals. For example, it was clear that some of the people we spoke to had strong ethical or religious reasons for paying child support that overrode (almost) all other considerations. One very principled NRP did not request a recalculation despite finding it incredibly difficult to manage. He was subsequently contacted by the CSA, who admitted they had made a mistake with the calculation. This client considered himself fortunate (rather than necessarily ‘entitled’) at having the amount reduced.

Some clients told us that they had been responsible for the separation. We found that if there was some admission of a sense of guilt the NRP tended to be relatively more generous when sharing out the household equity or assets\(^5\), but we did not find any evidence to suggest that these individuals were more willing to pay child support. This may be because the asset split occurred relatively soon after the relationship broke down, but child maintenance continues for many months and years thereafter. It may also relate to a feeling of having made a clean break at separation, and not having factored in the need for continuing child maintenance.

\(^5\) In legal terms there is no link between the reasons for divorce and the principles used when deciding assets. The reasons for divorce do not need any attribution of ‘fault’. The priority when allocating assets will be the welfare of the children affected. Even so, couples are increasingly encouraged to come up with their own solution to dividing assets, including through mediation, rather than seeking a judge’s opinion.
6 Compliance levels and policy

Implications

Non-resident parents (NRPs) are frustrated when their children want them to buy things that they feel they have already paid for through their maintenance payment. They also resent giving money to their ex-partner and having no control over its expenditure.

• In some other countries, maintenance obligations are legally due to the child, not the parent with care (PWC) and this could have symbolic advantages.
  – If a proportion of maintenance could be paid directly into a child’s savings account (or Child Trust Fund for the younger age group), that might remove some animosity towards maintenance payment.

• Coupled to issues about loss of control, many NRPs appeared unaware of the real costs of bringing up children. Some case studies or examples might encourage NRPs to think of maintenance in terms of helping to support a child, rather than being there to provide toys and gifts.

• Consider how far policy should be encouraging NRPs to share their standard of living with children. If not, then maintenance should be capped much lower than it is at present. If yes, then NRPs need to be told explicitly that this is the intention – some think only in terms of poverty prevention or in terms of reducing state spending on benefits (since only that group is obliged to use the Child Support Agency (CSA)). The findings of this research suggest that this will be resisted as it necessarily means sharing with the PWC as well as the children.

Continued
Clients like to feel they are treated as individuals:

- They want more face-to-face officers, as they feel that their situation is unique.
- They will stop paying if they feel they have been poorly treated.

Not all clients have regular contact with their children. Some do not like to feel that they are paying, but get nothing back.

- The Agency should consider ways of sharing information about children with both parents, including such details as whether teenagers remain in school or work when they reach the end of year 11, as NRPs cannot rely on the PWC telling them.

6.1 Introduction

In this section we look at the associations and links between certain aspects of CSA policy and operations and compliance with child support. We first look at ideas related to the calculation of the amount to be paid. Then we look at some of the operational issues that may affect compliance.

6.2 Amounts of maintenance and their derivation

One of the key reasons given for not paying some or all of the maintenance due under the old rules was that the assessment was too high. This is despite the fact that most were apparently paying large sums prior to the involvement of the CSA. Some told us that they paid less than the required maintenance but others were so frustrated that they told us that they would pay nothing. Many respondents had views about why people were not always compliant, and accepted that there was a good deal of non-compliance with the CSA.

‘People don’t pay because some people can’t pay. If you’re only left with a small amount of money and you’re on a small wage, then people have gotta live, sorry, people have gotta have a life as well.’

‘...there’s a realistic chance that when they recalculate, that I won’t be able to afford to pay what they calculate, in which case they won’t get a penny.’

‘I’m not going to rob a bank for it.’

Very few of the new rules clients that we spoke to claimed to have deliberately missed any payments. None of them had reasons for not paying that related specifically to the calculation.

Old rules NRPs on higher incomes felt that the amount they paid did not reflect the cost of bringing up a child. A small number commented to us that there should be a ceiling on the amount of maintenance paid (as indeed there now is). Some felt this should relate to the amount paid in child benefit, tax credits or additional Income
Support (IS). Those taking this view, which was common, were clearly seeing their role as providing a minimum survivable income for children. They did not appear to believe that children should share in any increased living standard that the NRP might attain.

The old rules took far more factors into account than do the new rules. The NRP was expected to provide a great deal of information, and the assessment was based on a complicated formula that included details related to the PWC. This was not widely appreciated. Amongst the NRPs we spoke to who had cases under the old rules, a sizeable minority told us that the best way to improve compliance would be to take a more personal approach to making the assessment, ensuring that individuals’ circumstances were taken into account.

‘I mean I think you should consider at regular intervals just how much you’re both earning and pay a proportion of what’s needed to support the child or children accordingly.’

One commented that any attempt at negotiating was hampered because the ‘meter is running’, i.e. there is an accumulation of arrears during this time. It was not uncommon for parents to feel that arrears were built up without warning or explanation.

‘I feel particularly aggrieved about it, by the fact that they’ve allowed these arrears to accumulate and not given me one inkling whatsoever that this was happening…it’s debt out of the blue.’

As mentioned above, some parents use contact (it is alleged) as leverage to get more money, or pay less maintenance. Several of the NRPs we spoke to for this research felt that it was strange that the CSA linked contact with reduced payments, they commented that this was a perverse incentive, ensuring that PWCs gained more from allowing less contact. Looking at this the other way some commented that they would happily pay more to see more of their children.

‘you spend more for the ‘privilege’ of seeing them [your children] less.’

Occasionally NRPs commented that they were reluctant to pay anything through the CSA because their ex-partner was claiming benefits and would not get any of the maintenance paid. Additionally some were frustrated that a benefits claim necessitated the CSAs involvement. More commonly, NRPs claimed that they were not happy with the money going to the PWC – they would prefer to pay at least some of the maintenance directly to the child.

Compliant NRPs told us that they felt the CSA could do more to catch those who chose not to pay. Some were even under the impression that they were paying more to compensate for non-compliant parents. Several felt that the Government had sufficient information to ensure that everyone with a National Insurance number, Inland Revenue record, or benefit claim, paid what was due. One noted that local government is able to effectively collect council tax (another payment that some people try and avoid), and so it ought to be possible to collect maintenance payments.
The percentage of income formula is not accepted as fair by those who appear to regard children as having a fixed cost. As a result, some perceive that the child support is more about the living standard of the PWC than the children being supported.

‘How on earth do you say 20 per cent for a man earning £100,000 is what two children need to survive, and 20 per cent of somebody earning £2,000 is what a child needs…that’s patently not what children need to survive. What that is, is an inbuilt factor for the mother. And that can’t be right, because in the court, the court system decides what is attributable to support the mother according to what she put into the marriage. So you’re paying twice. And it’s totally and utterly wrong.’

(New rules)

The use of the term ‘survive’ is interesting, whereas many would expect children to share in the living standard of the parents – certainly to get to more than a level of surviving. The respondent is also mostly incorrect about the judgements made in the courts, where the ‘contributions’ to the marriage are only one factor among many used to make decisions and asset division and spousal maintenance.

Some NRPs were aware that IS provides a safety net to those unable to provide for themselves, particularly where children are part of the household. They were therefore, in their own minds, able to justify non-compliance because they did not perceive that it would make their children or family any worse off. Often they had exaggerated and incorrect views about the kinds of support that their former partners would receive:

‘The state’ll have to pay to keep them in a house, they get reduction in electric, gas and everything else, and don’t have to pay no Council Tax, they get a reduction in water rates, so to me it’s all in their favour.’

(Old rules)

Conversely, others thought that once PWCs did not claim benefits that their need for any child support would be reduced. If PWCs were able to support themselves and their children, then NRPs sometimes did not see the case for further support from themselves.

6.2.1 Misunderstandings about rules

It was clearly difficult to understand the formula used to assess child support until the advent of the new rules in 2003. This mystery about how amounts were arrived at meant that certain myths about what was included and who was ‘eligible’ were able to grow up. Some were unaware that the (legal) obligation to pay maintenance would end at 18, or sooner if the child left full-time education. Some thought that with more children going to University ‘some bloke could be paying until that child’s twenty-one year old.’ (old rules). In other parts of this report we also touch on issues about the treatment of housing costs and mortgages, which was a big difference between the old and new systems, and one which some groups may have used to their advantage.
Many NRPs had different views and perceptions about where the child support was really going. Many seemed to assume it might be used to deal with shortfalls elsewhere, so if others were non-compliant their own bills would rise. It is difficult to see how such a perception could arise, given the information provided about the calculation, but clearly it is a common view about taxation where it may have greater force. Others seemed to think that large chunks were spent on ‘administration’.

‘If they take a certain amount from my wage, a certain percentage of that is taken as administration. So, I might pay – well, at one point I was paying eighty pound for one child every week. Well, I know for a fact that the parent was only receiving just over fifty, so twenty-odd pound of that has gone on administration week after week after week.’

(old rules)

6.3 Compliance levels and operational matters

There are a number of reasons why operational matters might affect levels of compliance. However, before discussing these we feel it is important to go back to the point made earlier relating to how levels of compliance are identified and were indicated to us on cases held on the old Child Support Computer System (CSCS). CSCS has three markers indicating whether the client was ‘nil’ compliant over the last three months, ‘fully’ compliant (meeting their all maintenance obligations over the last three months) or partially compliant (meeting some of their maintenance obligations over the last three months). We did not divulge this information to interviewees but we were able to compare their responses with the official data.

Of the 27 interviewees with cases on CSCS, 11 were recorded as non-compliant or partially compliant. Of those identified as being non-compliant, all told us that they had almost always paid what has been due (in one case by Deduction from Earnings Order (DEO)).

‘It’s never been about paying it [I have] always paid it.’

(M, 42, Leeds)

Those identified as partially compliant had more complicated reasons for not paying. Only one told us he had always paid; the others had been unable or unwilling to pay for part of the time. One claimed he hadn’t always paid because the assessment was too high, and because he preferred to support his children in other ways (the mother was claiming benefits and he was aware that his money was not directly making her better off). Another had always paid what was due until a period of unemployment had forced him to stop. He had then built up arrears which he was reluctant to pay off as his children had grown up and left home. A third had been making voluntary payments based on the new rules, but then discovered that his maintenance had been assessed under the old rules and he had accumulated a deficit, which he was reluctant to pay off.
The discrepancy between reported levels of compliance and payment levels described by clients was also noticeable amongst a small number of those identified as fully compliant. In all we considered that two clients should not have been identified as fully compliant, but several others clearly felt that they had not paid everything due. In some cases this was because they had fought to be reassessed or to come to an agreement to pay a lower amount, and so they felt that they were withholding some of their payment but were probably paying the assessed amount. Similarly, some had arrears to pay off, but were paying the required amount. A number of others had been non-compliant until a DEO was imposed, but were identified as being payers, presumably because the DEO had been in place for some time. Two claimed to have never paid the full amount assessed but are identified as fully compliant. A few were aware that some payments had been delayed because of lack of funds in the bank, or banking errors but this did not seem to change their official records.

### 6.3.1 CSA interactions and willingness to pay

Some of the clients we spoke to told us that they were not paying all the maintenance due because of things the CSA had done, or had not done. Others told us that they had initially been non-compliant because of the way the CSA had behaved, but had subsequently been subject to a DEO. Amongst the old rules clients there was no single operational trigger for non-payment, indicating that there is no simple operational fix that could encourage more of these NRPs to pay.

Reasons cited for the behaviour of the Agency to discourage payment included unnecessarily (in their mind) initiating a DEO – something designed specifically to increase levels of compliance. In this case non-compliance was a time delayed response – when the NRP became unemployed he stopped paying, and did not resume on returning to work. This highlights that there may be a tension between enforcing payment now and maintaining a longer term willingness to comply. It is also noticeable that improvements in one area of the business may not be sufficient to alter the client’s mindset. For example, we were told by one extremely non-compliant father that staff incompetence was one reason for his lack of consistent payment – but it was just one of the many reasons he gave and even a marked improvement in staff training and operational efficiency was unlikely to alter his behaviour.

Almost all the clients with cases under the new rules had been paying maintenance. Those who hadn’t commented on specific things that the CSA had done which made them feel less inclined to pay. These included failing to provide maintenance for resident children in the NRP’s own household, claiming that the NRP had large arrears without justification, and becoming involved simply because the PWC was claiming benefits. An additional small group had convinced the PWC to withdraw the claim because they felt the CSA was treating them badly.

Whilst some NRPs on the old rules claimed that the behaviour of the Agency had encouraged them to stop paying, others told us that they were not paying and that they had frustrations with the Agency, but they did not identify these frustrations as
reasons for non-payment. Even though these complaints were not seen as catalysts for non-compliance by the NRPs we spoke to, they did seem to be barriers to improving levels of payment. Several fathers felt that the Agency had treated them unfairly by requesting large arrears payments even though they had paid regularly, simply because the assessment had taken so long, or there was some disagreement over dates. By far the most frequent complaints were related to the lack of personal treatment by staff (including the lack of caseworker), and the perception that there was a bias towards PWCs.

‘You’re constantly talking to half a dozen people before you get the answer that you want, and then the answer that you want isn’t necessarily the correct answer to the question you asked.’

‘They usually come on the phone a little bit shirty.’

‘It always seemed to be the same wording letter - nastily towards the man.’

The Agency was also criticized both for the lack of information provided and the complicated literature and language used in explanations. A significant minority of the parents felt that staff and the actions of the Agency were insensitive to their circumstances; a similar number were unhappy with the threat of penalties and the insinuation that they were somehow irresponsible.

‘It’s just the insensitivity of it all. I mean, you still then are suffering the effects of a divorce not seeing your daughter as a father would see her every single day, and that [large arrears notification] lands on your desk.’

[They are insensitive, for example:] I basically told them the first time, that my wife had actually gone off with somebody else, and they basically told me that was my problem.’

[letters] were very nasty, threatening in actual fact.’

It was interesting that respondents frequently commented to us that they felt that the staff at the CSA caught them out when phoning them by claiming to be from ‘work and pensions’6. They were clearly uncertain whether this was a deliberate ploy to catch them off guard, or an attempt to maintain confidentiality in case they were speaking to the wrong person.

Occasional comments about the strong regional accents of some member of staff made it apparent that some clients found it difficult to understand what was being said during telephone conversations with staff. Regional accents caused most concern for clients who were being dealt with by distant offices, and in particular for those with cases held in Northern Ireland. Taken in the context that some clients felt that the Agency was insensitive, and did not provide clear explanations, it is understandable that conversations that are already painful can be unbearable when there is an additional lack of understanding caused by different accents.

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6 The CSA is of course one part of the Department for Work and Pensions (DWP), and staff may have experience of working for other parts of the Department.
‘I’ve got to deal wi’ Irish people that I can’t understand.’

(Client from Yorkshire)

We asked the respondents what changes could be made within the Agency that might improve compliance amongst NRPs generally. There was a wide range of views, and no typical response. However, of the views expressed a few were repeated by more than one respondent. These included providing more face-to-face officers, available locally, who could look at individual cases, and treating the clients fairly after discussing their circumstances.

‘Why can’t they be local, so you can go in and see them?’

This sentiment may, however, be somewhat futile given the lack of any capacity to vary payments to cater for individual circumstances. There does seem to an unmet need for support and advice of various kinds, but it seems pointless to offer any false hopes of any ability to vary set levels of maintenance. The exceptions to this, the variations and departures schemes, would seem unlikely to apply to many of the kinds of circumstances discussed.

NRPs did not like to feel, but sometimes did feel, that they were being treated like criminals. Those who had not instigated the separation from the other parent were frustrated by the lack of empathy from members of staff. As we commented earlier, those that did feel responsible for the split began with a more compliant perspective towards maintenance and settling other matters. One also felt that the Agency could do more to work as negotiator, encouraging parents to come to some agreement about the level of payment rather than dictating the maintenance requirement. This is increasingly how other aspects of relationships between separating parents are handled, albeit these other aspects may have fewer implications for state spending on benefits.

Parents of older children felt that the Agency staff could do more to keep them informed of the child’s work or educational status. It appeared to them that the Agency asked for a great deal of information but was reluctant to provide any to the parents. Clients were reluctant to pay for teenage children who they believed had left school, just because they did not have any evidence. The feeling amongst this small group was that the Agency had a duty to keep them up-to-date and not expect them to continue paying ad infinitum. Some were reluctant to contact the Agency themselves, because of previous experience of bad service and of reassessments resulting in higher maintenance demands. One NRP told us he would carry on paying after his daughter left school because he doesn’t want to ‘upset the applecart’.

A few clients felt that the Agency did itself no favours by allowing frequent unscheduled re-assessments. They felt that assessments should be conducted annually, statements should be provided regularly, and there needed to be some flexibility in the collection of any additional payment. Parents with cases on the old rules also felt that the Agency should stop requesting payments whilst they were sick or unemployed.
6.3.2 Financial incentives to ‘collude’

Three old rules cases expressed remorse at being entirely open and honest with the Agency. One described himself as being ‘stupidly honest’. Another said, ‘If you’re honest with them, it doesn’t seem to make any difference.’

A small number of NRPs had tried to make voluntary payments to ex-partners on benefits to make sure they got more of the money. One had arranged for a family member to pay the household bills so that the money couldn’t be traced, prior to the involvement of the Agency. Other NRPs who paid through the Agency told us that they wished they could pay voluntarily and make sure that more of the money got to their children.
7 Knowledge and experience of enforcement actions

**Implications**

Enforcement can ensure that working non-resident parents (NRPs) pay what is due:

- Deduction from Earnings Order (DEO) can be a useful tool – particularly if the NRP has not started paying.

- It may be acceptable to collect all payments from employed NRPs in this way – if the Agency is confident that the calculations are correct.

- If the NRP misses a payment, allow time for him/her to provide evidence of why before imposing DEO.

Many NRPs do not see penalties as a realistic threat:

- It is very noticeable that NRPs do not talk about the effectiveness of penalties in terms of deterrence or punishment. Rather they consider whether the penalties are good ways of obtaining money. (They also talk about catching errant parents and making them pay, not catching them and punishing them for non-payment). There may be some value in considering this position more closely.

- A DEO is the only penalty which can easily obtain maintenance payments at low cost. It may therefore be and remain the most acceptable form of enforcement – as it can ensure that the parent with care (PWC) receives maintenance.
7.1 Introduction

The Child Support Agency (CSA) has extensive powers to enforce child support payment, and have been in place for many years. Some of these powers are used only infrequently, and are costly of resources to use. In this section we discuss what people knew about enforcement and what they had experience of. We then consider any comments regarding enforcement they had to make, with a view to increasing compliance.

7.2 Knowledge and experience of enforcement action

Most of the new rules clients had some idea that the CSA could do something to enforce payments. However, the vast majority of clients couldn’t think of any methods of enforcement actually used by the CSA – though many had thought of ways to lower assessments or believed that non-compliance was common. Despite this a very small minority were genuinely concerned about being subjected to the powers of the Agency, and paid everything that was due as a result. In one case the respondent had requested a DEO because he was so afraid of being put in prison and was irritated to find that there was an additional charge for paying this way.

We asked them what the CSA might do if a client did not pay. Most hazarded a guess that eventually non-payers would be taken to court, or perhaps ‘put in prison’. When ourselves and other interviewers offered suggestions – such as removing driving licences or fining non-payers – in almost every case we were told that they had not heard of such penalties and that they would not work because they would make the parent less able to pay than before. There was also a strong perception that penalties were rarely used, if at all.

‘How many people are arrested for not paying their CSA – nobody. How many people have their driving licences taken?’

A lack of expectation of penalties, or knowledge of those facing penalties, is a worrying situation for an organisation seeking to enforce compliance. Research on social security fraud (Rowlingson et al. 1997) has suggested that the key deterrent to non-compliant behaviour is the perceived chance of being caught and being subject to penalties. The level of penalty itself is less important than the perceived likelihood that some negative consequences will follow from non-compliant (fraudulent in their study) behaviour.

Furthermore, two noted that one of the consequences of taking away a driving licence would be to stop contact between the NRP and the child.

‘If they take my driving licence I can’t go to work, can’t earn any money…can’t pick the children up, can’t see the children.’

7 Interestingly it has only fairly recently become an offence to supply false information to the CSA (s14 of the 2000 Act).
One lone voice felt that the kind of person who would avoid payment may also be likely to drive without a licence. This particular parent was not fully compliant until a DEO was imposed. Another commented that such a penalty would add to the stress on the NRP. It was interesting that nobody commented that the threat of penalties might be a deterrent to potential non-payers, and nobody suggested that the penalty might simply be useful as a punishment. Every person we spoke to simply considered whether or not the penalty might be a method for obtaining money. There was little expectation that the CSA would try to do any more than recover the sums owed, so there was no incentive to be prompt with payment or being compliant. There was little or no expectation of any punitive sums, or even interest, being added to the outstanding sum to be collected. Or that punishment would be used other than to recover those sums owed.

‘They can take your driving licence away…why that would make you pay I’ve no idea.’

Of those who were aware that the CSA was keen to enforce payment some believed they needed to be pushy whilst others felt their methods, including DEOs, were too ‘drastic’. Drastic measures may scare people into paying, but some felt they may also encourage people to keep a low profile, perhaps by working in the informal economy.

Interviewer ‘what do you think an Agency like the CSA could do to try and encourage people who don’t support their children?’

Respondent ‘(laughter) I’ve a feeling they might have the right idea, not being funny…in the way that they’re actually hammering ‘em for it.’

‘putting the frighteners on people.’

A very small minority of those under the old rules had been told they could go to prison for non-payment. One commented that you wouldn’t get long ‘for 40 quid’. A small number also felt that prison was appropriate for those who didn’t pay because ‘decent’ people would pay to support their children. Not surprisingly this opinion was expressed only by compliant people. ‘[Put them in prison because] you just don’t have children and dump ‘em and…not support them.’

It was not uncommon for NRPs to comment on the failure of courts to bring in outstanding fines. One told us that they would just request minimum payments as they would with a credit card debt, whilst another commented that the courts are owed billions of pounds, and need to spend their time dealing with criminals before sorting out absent fathers.

Several NRPs spoke of friends, colleagues or newspaper reports of people who avoid payments. Some of them found it astonishing that people could get away with this, and a few thought that the Agency should be doing more to catch up with those who don’t pay.

‘Sort of you know nine people out of ten don’t pay and they can never track them down, which I find absolutely remarkable, but there you go.’
Other NRPs told us that they were aware that they could try to avoid payments but they felt a responsibility to support their children.

‘At the end of the day, if you’ve got to pay for your children you’ve got to pay for your children, you can’t avoid it. I’m not going to go and put myself out of work.’

‘They don’t pick on those people that they should be i.e. those that disappear and never pay anything. There’s plenty of those about but they don’t seem to go after them.’

None of the NRPs talked about other people avoiding payment by pretending to be sick. However, several of the NRPs we spoke to were currently, or had previously been, off work due to sickness. Most of these had stress-related illnesses. It is very difficult to know whether people off work with stress are genuinely unable to work. Some were clearly ill, and others told us they were taking medication to combat the symptoms. However, some also commented that they were better off not working. One of these had been on a low income, and had never been compliant, but was no longer being asked to pay.

A number of NRPs were adamant that the CSA rather than their separation had caused their stress symptoms, one had retired due to ill-health, and others were working reduced hours whilst they tried to cope.

The only enforcement technique that had been widely used amongst the clients we spoke to was a DEO, which was often referred to as an attachment of earnings (the term for the equivalent court procedure, and the name of the relevant Act of Parliament). Reactions towards being subjected to this procedure fell into three camps. Some respondents felt it was really no different from a direct debit and appreciated the ease with which they could then make payments. Others felt that the DEO was an intrusion, that the Agency should not have the right to allow the PWC first call on their money. The third point of view was that it was an inevitability, and the only way in which the CSA was going to get any money from them. Some clients commented that a DEO had been used even though they were paying regularly, and one told us that the first he knew that the CSA had requested payments in this way was when his employer told him.

Of those who felt the Agency had used a DEO unfairly in their case some nevertheless acknowledged that it was a valuable tool for improving compliance. DEOs are likely to remain the key tool of enforcing compliance from those in stable employment who do not make payments.

### 7.3 Alternative approaches to enforcement

We asked clients to suggest alternative enforcement strategies and measures. Some NRPs felt that it was not a change in the enforcement strategy that was needed but a change in policy, bringing us back to the analysis of compliance in the previous sections. This was particularly true where they felt policy conflicted with contact arrangements, but was also made as a general point that the Agency should not
enforce an ‘unfair system’. Less commonly, people commented that the main reason for non-payment was a lack of funds. However, most fathers also felt that it was right in principle to target non-payers but few had any suggestions about the method that should be used.

‘It is a necessity that they have those sanctions, yeah, for people who aren’t willing to pay.’

‘If they’re not paying and they should be, then there should be something, but I don’t know what.’

A small minority felt that the answer was to make sure more fathers were working (one commented that more should be done to get PWCs working too). One felt that the CSA could do more to identify itself as a Government Agency, in order to garner respect and compliance, in the way Inland Revenue (as it was then known, and for most people probably still is known) does. Others thought the Agency needed investigators with the powers of the Police, and the ability to call in bailiffs for persistent non-payment (which always has been a possibility to recover debts). A few wanted the Agency to refocus its attention on the non-payers, because they felt that currently it penalises the payers. Similarly, those who had been subject to possibly unnecessary enforcement procedures wanted the CSA to investigate individuals’ reasons for not paying, rather than assume the worst.

It was interesting that only one client out of all those we spoke to commented that the Agency should look to see whether the child’s needs were being met before enforcing maintenance (indeed this is a Court consideration). This perhaps indicates that most people accepted some level of individual responsibility for children where parents were separated.

‘...like I say, if they spoke reasonable with you on the phone and were more understanding, and they did it so that each party was happy, that they didn’t have to go out and sell their house, their car, this that and other, then I don’t think they’ll get five per cent wouldn’t pay. I think everybody’d come forward ‘cos they wouldn’t want it hanging over ‘em.’

(Old rules, non-compliant)

7.4 The impact of paying child support

We conclude with a few remarks about how paying child support may affect NRPs in different ways. Meeting one set of policy priorities may have consequences for others, and it is in this spirit that we discuss such effects.

Most of the parents we spoke to were paying child support regularly, either through choice or as a result of a DEO. We came across parents under both sets of rules who claimed that it was very hard to live on what was left after the maintenance payment went out. Some were overdrawn throughout the whole month.
One father told us that his parents were paying £100 a month of the maintenance payments for him. We are very aware that a number of clients get support from their own parents when they separate. This support may be accommodation, financial and emotional support, or practical help completing the CSA forms.

Occasionally, parents told us that it was difficult to find the money to pay maintenance, but if they had not been paying it through the Agency they would have spent it on their children anyway. The impact was therefore not financial but just a loss of control. It was very common for NRPs to feel frustrated that they did not know how the money they paid was spent, or for them to assume that it was spent frivolously or on the PWC rather than the children. Interestingly, one respondent who was both a PWC and NRP commented that he had very strict criteria regarding the spending of child support received, but could well imagine that the mother would not realise this, and might assume the money went on the family's car or holidays. Of course we could argue that the allocation of child support payments within a household budget makes little or no real difference, but the issue that has been identified is that the perception of how the money is used is very important.
8 Some concluding remarks

The Child Support Agency (CSA) assesses and collects child support on behalf of parents with care (PWC). It has long been known that there is resistance among some groups of non-resident parents (NRPs) to paying child support, and groups purporting to represent them have forwarded a number of reasons for this. The above analysis has discussed and analysed some of the these reasons, and more besides, to get behind the motivations linked to compliance and non-compliance. Last in this report we stand back and make a few more general observations about child support compliance.

The CSA began with what has been widely interpreted as a moral mission. The aim was to track down non-payers and get them to live up to their responsibilities. In the first phase of the Child Support Act, under its first chief executive, actions were justified by the importance of this mission. The problem with such an approach, emphasising roles for reducing child poverty and reinforcing parental responsibility, is that individuals may want to argue that alternative arrangements may better achieve those objectives, or that those aims require finer judgements than are possible with a formulaic and separate approach to setting levels of child maintenance.

An alternative strategy is to simply base actions on the legality of child support law. Parliament has mandated certain levels of support as being due, and the CSA collects them. This might be considered to be akin to the tax collection role of the Inland Revenue (now Her Majesty’s Revenue and Customs). Individual taxpayers do not enter debates about why their particular circumstances should affect their tax liability, save for fitting within a complex set of allowances and exemption. It may be argued that child support is a parallel function within government.

One problem with this analogy is that the funds collected by CSA are not perceived as going to some central anonymous body but instead go to a co-parent and generally a former partner with whom NRPs have a particular history. Making the NRP worse off financially (through meeting their legal obligations) entails making their former partner better off (or no better off, if the former partner is on benefits and linked to the old rules). Moreover, an emphasis on the money collecting role risks alienating those who see the importance of maintaining children and taking parental responsibility.
Some concluding remarks

The perception is also still one of an Agency where compliance, if not voluntary, may be possible to withhold for at least some time without too much fear of punitive measures. Greater attention needs to be drawn to successful compliance action. It is generally the perception that such action is available and regularly used that dissuades those on the margins of non-compliance – deterrence and prevention is generally cheaper and more effective than enforcement. Research based on private sector debt recovery also emphasises the importance of early intervention to tackle problems, getting to people before the level of debt makes the prospect of recovery lower and the likelihood of people becoming serial evaders more likely.
Appendix
Fieldwork methods

The sample of 987 working, non-resident parents (NRP) was drawn from 47 postcode areas within five of the seven Child Support Agency (CSA) business units; Scotland and the North East, South West, Eastern, Midlands and South East. The postcodes were chosen to include both rural and urban areas.

The sample included clients on both the old and new rules by drawing data from the old Child Support Computer System (CSCS) and the new system (CS2). The data available for each client varies across computer systems. For each client, we were given name, age, gender, number of children being supported and contact details. Additionally, for clients on the old rules whose cases were on CSCS we were given assessment stage (full or interim), and compliance (full, partial or nil). For clients with cases on the new system (both old rules and new rules) we were able to access data on the calculated maintenance.

The contact details provided by the CSA included telephone numbers for 191 of the 586 new rules cases. The vast majority of these were mobile phone numbers. Just 17 of the 194 old rules cases on CS2 had phone numbers (most were land lines). We were given 133 home contact numbers for the old rules cases on CSCS, along with 100 mobile phone numbers, and 72 work numbers (which we did not use). In all, just 20 of the 207 records held on CSCS did not include a contact telephone number.

Recruiting and interviewing participants

Potential respondents were written to on a Department for Work and Pensions (DWP) headed paper, asking for their help with this research. They were told explicitly that participation was voluntary, and that their decision whether to participate could not affect their payments or entitlements to child support, or any other benefit. It was explained that the research would be undertaken by independent researchers and that neither the DWP nor the CSA would know who had been interviewed. The letter asked them to contact the research team by email, phone or letter to let them know whether or not they wanted to participate.
Of 987 letters sent just 16 people contacted us to say they did not want to participate. A total of 44 offered to be involved, many of whom contacted us by email. We also had 60 letters returned undelivered. Some of those who offered to take part wanted to let off steam after some aspect of their separation or interaction with the CSA had caused them particular distress, others felt it was important that they got in touch because they were concerned that otherwise the research might only reflect the negative image portrayed by the press.

Two weeks after the letters were sent, we began recruiting from the pool of opt ins and those who had not responded. We used a range of strategies, including telephoning home and mobile phones, doorstep recruitment, and leaving notes asking clients to call back at a time convenient to them to arrange an interview. Some chose to withdraw from the research at this point.

Interviews were conducted between December 2004 and April 2005. In all 78 interviews were achieved before the general election was called in April. We stopped recruiting at this point. As we had almost hit our target of 80 interviews we did not resume recruitment after the election.

Clients were asked to allow approximately one hour for the interview. Our previous research highlighted to us the importance of exercising caution over visiting clients alone since a number of past interviewees had admitted to having been accused of violent behaviour. We, therefore, made arrangements to protect our own safety. Some interviews were conducted in quiet public places, sometimes the interviewer was accompanied by a colleague. A number of interviews were conducted at the client’s workplace during lunch breaks or early evening, and in some cases the clients came to the University. We also used mobile phones to give regular feedback to colleagues about our whereabouts.

Interviewers followed a topic guide and interviews were recorded (where permitted by the respondent), fully transcribed and analysed using schematic grids. In most instances the interview was completed in under an hour, but interviews with respondents who were supporting children born to more than one partner typically lasted slightly over an hour. All clients were offered a £20 gift voucher to thank them for participating.
Copy of Opt-Out Letter

Dear,

A chance to have your say about Child Support and receive £20

We are writing to ask for your help with an important research project. Your participation in this study is entirely voluntary, but the more people who take part, the better the research will be.

What would we like from you?

We have asked researchers at the Personal Finance Research Centre, Bristol University to interview parents to find out their views about child maintenance and the Child Support Agency, and we would like you to be involved.

Will it be confidential?

All information collected for this project, including anything you tell the researchers will be held in the strictest confidence by the Centre. The findings of the study will not identify you or your family, and your details will not be passed to anyone outside the Centre. Your name has been selected at random from the records of people who have had maintenance worked out by the Child Support Agency. The Department for Work and Pensions will not know whether or not you have taken part in this research and your decision cannot have any effect on your entitlement to benefits, any obligations you may have to pay maintenance or your dealings with any government department.

How to tell us if you want to be involved or not

We would very much appreciate it if you could contact the Centre and tell them whether or not you would like to be involved. If you do not want to be contacted by one of their researchers, it is particularly important to let them know.

You can telephone Stephen McKay on 0117 928 9713, or write to him at the Centre (address below) – by post or email. However you make contact, please give your name and reference code, CSA22132.
Postal Address

Personal Finance Research Centre
University of Bristol
University Road
Bristol BS8 1SS
Email: s.mckay@bris.ac.uk

What happens next?

Unless you have told the Centre that you do not want to be involved one of their interviewers will try and contact you in the next few weeks to explain more about the study and to ask you to take part in an interview, at a time convenient to you. The interview will last approximately an hour and, in return, the Centre will offer you a £20 gift voucher to thank you for taking part.

The interviewers will not have time to talk to everyone, so if you have not been contacted by the end of March, 2005 you will know that you have not been selected for an interview.

If you have any further questions about the research please do not hesitate to contact me at the address at the top of this letter, or Stephen McKay at the Personal Finance Research Centre.

Yours sincerely,

[Signature]

Victoria Petrie

Department for Work and Pensions
References


