

Child Maintenance Service:

Does it deliver value for money for children?



April 2022



**One Parent
Families Scotland**
changing lives, challenging poverty



**Originally submitted by One Parent Families Scotland
to Westminster's Public Accounts Committee
investigation into the value for money of the child
maintenance system in March 2022.**



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Introduction

One Parent Families Scotland (OPFS) is the leading charity working with single parent families in Scotland. Building on over seventy years of advocacy and service-delivery expertise, OPFS provides expert information, advice, and family support for one parent families, along with training activities, employability programmes and flexible childcare. OPFS campaigns with parents to make their voices heard to change the systems, policies and attitudes that disadvantage single parent families.



Our vision is of a Scotland in which single parents and their children are valued and treated equally and fairly. Our mission is to work with and for single parent families, providing support services that enable them to achieve their potential and help create lasting solutions to the poverty and barriers they face. As part of this we have a goal to campaign for an effective child maintenance system, so children are not financially disadvantaged by parents separating.

In 2016 the UK Parliament Work, and Pensions Committee 'Inquiry into the Child Maintenance Service (CMS)' covered its effectiveness in ensuring regular payments for children and considers recommendations to improve the service overall.¹ OPFS submitted evidence to the inquiry which was based on a consultation with single parents. Astonishingly 78% of Parents with Care said the CMS was performing poorly/very poorly and only 22% felt it was performing well /extremely well.²

In 2021 the National Audit Office (NAO) issued a call for evidence to help them find out whether the CMS is working well and if it's good value for money.³ OPFS submitted evidence to the inquiry based on a new



consultation with single parents through a survey and indepth feedback from single parents using our five local services. We were interested to see if things had changed/improved since our consultation in 2016.

We found that 46%, were highly dissatisfied and 32% were dissatisfied with the quality and service provided by CMS. Only 10% were either satisfied or highly satisfied.

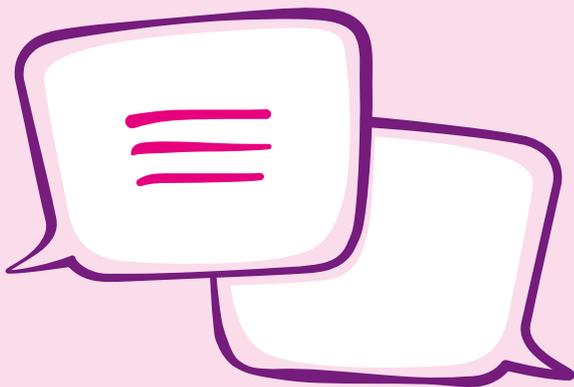
The NAO published its report on 3rd March 2022⁴ highlighting that the CMS is falling short of delivering the support that families need and has not, so far, increased the number of effective child maintenance arrangements across society.

The report found that despite improvements and reduced costs, the number of families in the UK with successful child maintenance arrangements has not increased. They acknowledged that many children are still left without the maintenance payments they are due.

The report reveals the number of families with no child maintenance arrangement in place has almost doubled since the CMS was established, and this is affecting children in some of the poorest children. These findings replicate what single parents told us in our consultation which is detailed in the next section.



Consultation with single parents



This report is based on a survey, case studies from our national advice and information service and from parents using our local community-based services. We have also used it as evidence to submit to the Westminster's Public Accounts Committee investigation into the value for money of the child maintenance system (March 2022).⁵

Feedback from single parents clearly suggests that the CMS has been lacking in many areas.

These areas include, the provision of the correct advice, reliable financial support and help when the ex-partner fails to report their true earnings, finds a loophole, or just simply refuses to pay.

OPFS believes that the UK CMS needs a root and branch review. For children of single parents, who are in poverty and not receiving maintenance, payments actually being received would lift them out of poverty in around 60% of all cases.⁶ However, the CMS has been beset with extensive problems such as calculations, enforcement and customer service issues. These have intensified since the COVID-19 pandemic started.

OPFS has worked in this area with partner organisations along with wider stakeholders to lobby and advocate for positive policy change. We also support Gingerbread's litigation case against CMS over non-enforcement.⁷

A child has a legal right to be supported financially by both their parents, where that is possible, and the government should enable that right to be fulfilled. Child maintenance helps with the costs of raising a child, from



the day-to-day expenses of food, clothing and school expenses to the costs of running a child's main home and giving a child a decent quality of life.

The CMS assessment needs to be accurate and lead to timely and full payments. If an ex-partner does not comply with their financial responsibility, the Government should use their powers to uphold a parents' duty to pay maintenance for their children.

Key policy asks for OPFS are:

- Abolition of CMS charges for parents receiving maintenance, who are unfairly penalised for the child's other parent's unwillingness to pay.
- An improved service for survivors of domestic abuse.
- Stronger systems and resources to challenging parents who attempt to avoid or minimise child maintenance, and those who do not pay what has been agreed.
- Better customer service for parents and improved case management by the CMS.

We emphasise that a complete root and branch review is needed to ensure fairness for both parents, because ultimately it is the children who are disadvantaged by a failing system.



Single parent families in Scotland



In Scotland 25% (144,000) of all families with dependent children are single parent families, with 133,000 (92%) of these headed by women.⁸ The average age of a single parent is 39 years. Around eight out of ten single parents are aged between 25 and 50 years old, and just 1% are teenagers.⁹

The Poverty and Inequality Commission has highlighted that 37% of all children in Scotland living in poverty live in a single parent family¹⁰ and 94% are women. 27% of single parent households have a disabled adult and 16% have at least one child with a disability.¹¹ The number of single parent households are projected to rise by almost a fifth (19%) by 2041.¹²

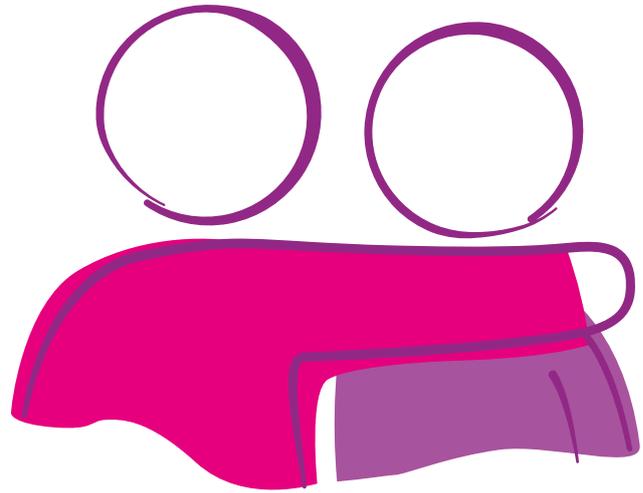
In the UK the poverty rate for people in single parent families is 48% (2.4 million people) compared to 26% (5.9 million people) in couple families with children. However, poverty rates for people living in different family types vary across the countries in the UK.

In England 52% of single parent families are in poverty. The figure in Scotland is considerably lower at 44% - an 8% difference.¹³

The working age (16-64) employment rate for single parents (67.1%) is lower than for parents in couples (87.8%). Lone parents report that they often struggle to meet both work requirements and caring responsibilities, and that having access to more flexible work and childcare would help significantly.¹⁴

Challenges for single parent families

Single parent families face significant challenges: poverty, isolation and loneliness, poor health or disability and judgemental attitudes. Many single parents are women, and many have experienced domestic abuse, so gender inequality is a key issue. Poverty and isolation have an impact on parent's and children's wellbeing, causing stress, anxiety, and poor mental health.¹⁵



These challenges are the result of structural issues. It need not be this way. At OPFS we know that single parents have one thing in common: inner strength - the strength to cope with hard times; the strength to put their children's needs first; the strength to be incredible role models. We think it is time everyone recognised single parents' potential and that their families should be valued and treated equally and fairly.

Being both sole carer and breadwinner is a difficult balancing act because of the lack of flexible and affordable childcare and the lack of secure and family-friendly employment. This is coupled with the fact that the causes of single parenthood, which include bereavement and relationship breakdown, are in themselves stressful for parents and their children.

The combination of balancing the responsibility for childcare and household earnings alone while social security has been cut means many single parent families have been pushed to the brink. Child maintenance payments are therefore vital for separated families and the wellbeing of children.

COVID-19 and single parent families

A briefing note on 'COVID-19 and single parents with dependent children' by Public Health Scotland notes that around 230,000 children were living in relative poverty in Scotland before this crisis. Of these, 90,000 were in single parent families (headed predominantly by women). Many single parent families have been locked into poverty given their greater likelihood of being in low-paid work, at a time of high and rising living costs, and when benefits have been cut or frozen.

There is emerging evidence that single-parent families have been among the groups most adversely affected by loss of income during this pandemic. The crisis has meant more single parents and their children have experienced negative social and economic impacts that are beyond their control, placing further additional pressures on those families.¹⁶





Child maintenance issues during the COVID-19 pandemic

OPFS recognises that child maintenance continues to be a major concern for both the receiving and paying parents during this period of extra financial pressures.

However, during the pandemic single parents, mainly mothers shouldered the hidden costs of children being home all day, such as additional utilities, food, entertainment activities and supplies for home schooling.

Some needed to reduce paid working hours or stop employment completely during this period to provide care for their children. The financial impact has meant that for many single parents child maintenance payments were more important than ever.

Over the last two years the CMS has been open. However, due to staff shortages, as a result of staff being redeployed to work on speeding up Universal Credit claims, there was a reduced phone service in operation.

To ensure that the service was not overloaded they notified all users that the service would only take calls in certain circumstances and would not deal with missed payments over the phone. If a payment had been missed or is less than expected, this needed to be reported through the CMS online portal.





Single Parents told us that the reduction in the CMS capacity meant some paying parents who generally pay child maintenance were allowed to stop paying out money for their children without the CMS carrying out an investigation amid the COVID-19 chaos.

This resulted in some parents receiving a reduced income at very short notice. For single parents already on a low income, losing child maintenance had a massive impact on their day to day lives¹⁷ It also meant some single parents struggling to meet the basic needs of their families.





OPFS consultation on child maintenance

At the end of 2021 OPFS carried out an online survey with single parents claiming child maintenance. The survey explored their experiences of the CMS. In total there were 60 respondents. These comprised of parents who were the main carer and either in receipt of child maintenance or who had previously used the service.



The key findings of the survey were:



83% of parents had open and ongoing cases with the service.



58% of parents were part of the 2012 scheme.



53% of parents had a Collect and Pay arrangement for their payments.



Overall, **78%** of respondents were dissatisfied or highly dissatisfied by the quality and speed of service provided by CMS.



75% of respondents identified payment, collection, and enforcement as an issue for them.

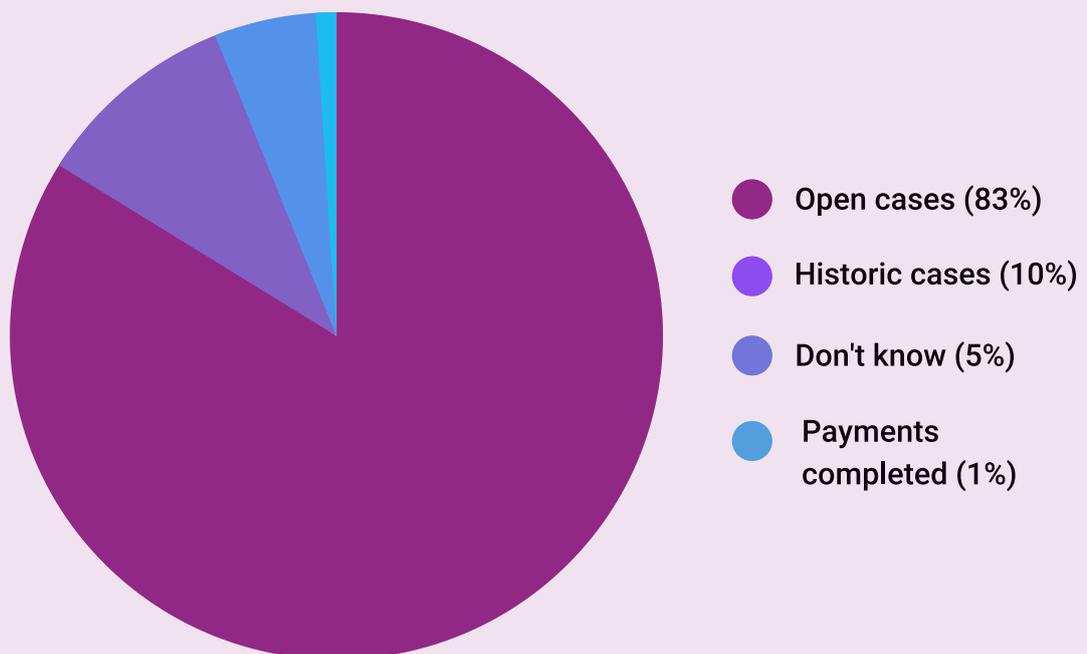


54% of parents were not pleased with the speed or quality of customer service that they received.



83% indicated that the level of child maintenance was inadequate.

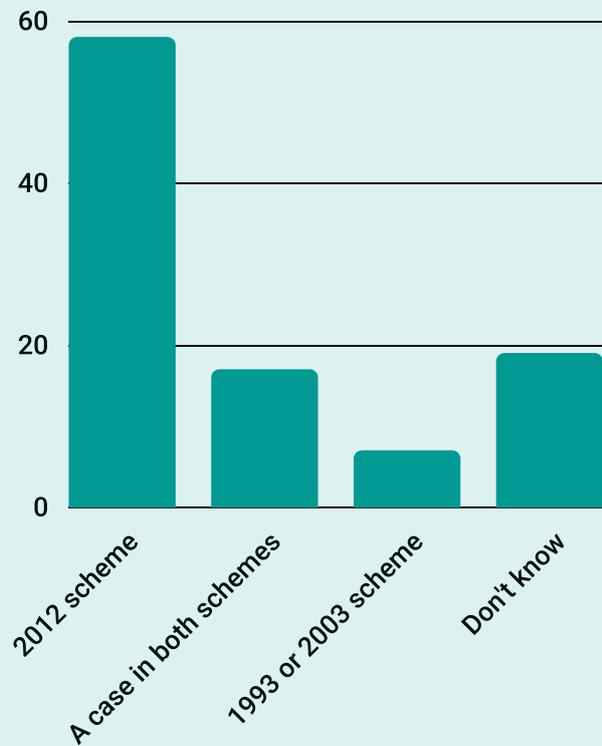
Are you getting in touch about an open case?



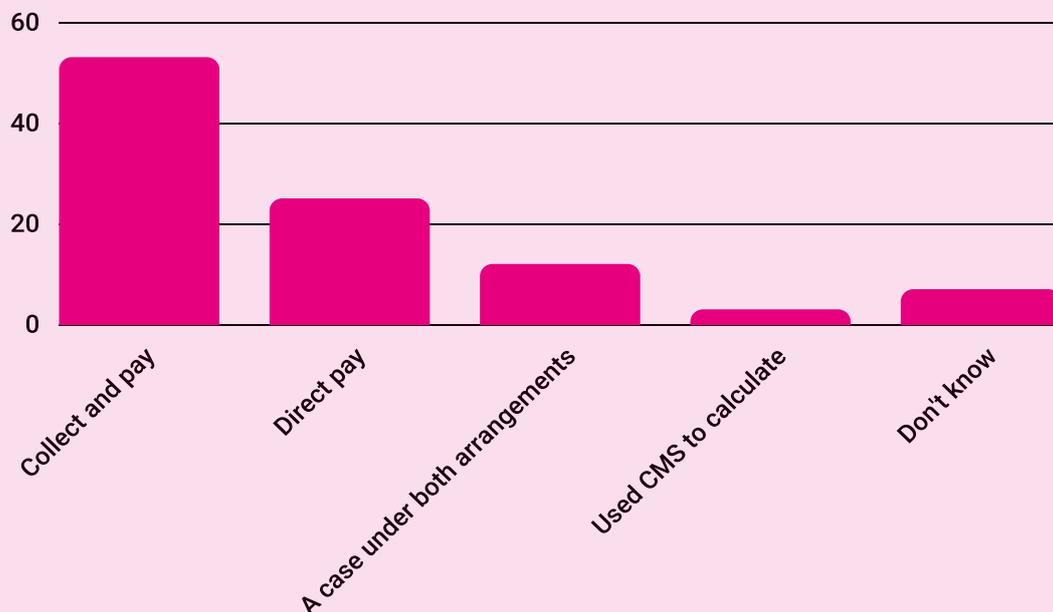
Of the 60 respondents, 83% had open and ongoing cases with the service, 10% were historic cases. Only one person (1%) responded who had, had their payments completed. Interestingly, 5% of those who participated in the study were not sure if their cases were still open, historic, or completed.

What scheme is/was your case a part of?

- 58% were part of the 2012 scheme
- 19% didn't know
- 17% had a case in both schemes
- 7% had a case in the 1993 or 2003 scheme (previously administered in CMS)



Which type of arrangement do/did you have?





- **53%** of parents had a Collect and Pay arrangement for their payments.
- **25%** had their payments go directly from the paying parent to the receiving parent (Direct Pay).
- **12%** had a case under both arrangements.
- **7%** didn't know.
- **3%** used CMS to calculate payment and had arranged payment themselves.

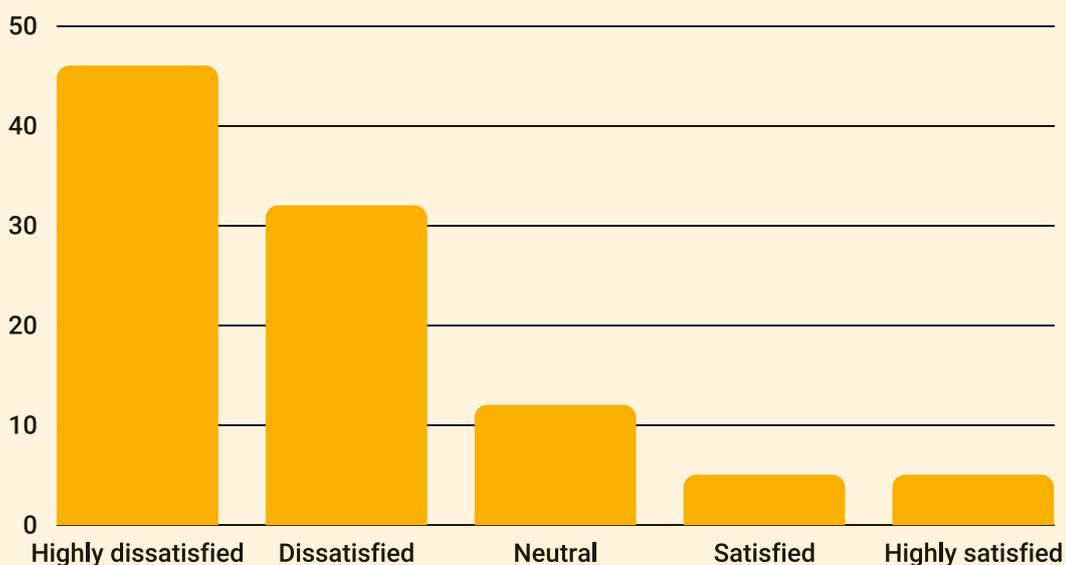




Experience of the Child Maintenance Service

Almost half of the respondents (46%), were highly dissatisfied with the quality and service provided by CMS. In addition, a sizeable number (32%) expressed dissatisfaction with the quality and service. This clearly indicates the lack of confidence that people had in the service meeting their needs as experiences were predominately negative.

How would you rate your experiences of speed and quality of the service with CMS?



They are far too lenient on parents who have not paid in the past and who still have arrears. CMS are very slow also.





Not very pleased with it. The paying parent is constantly late with his payments, can skip some, changes agreed payment dates, etc. I don't think the enforcement of pay is working at all. Also, the ongoing assessments are confusing. I know my ex can be dodgy and hide his actual pay (does a lot of cash in hand jobs), and don't feel the calculations made are reliable.



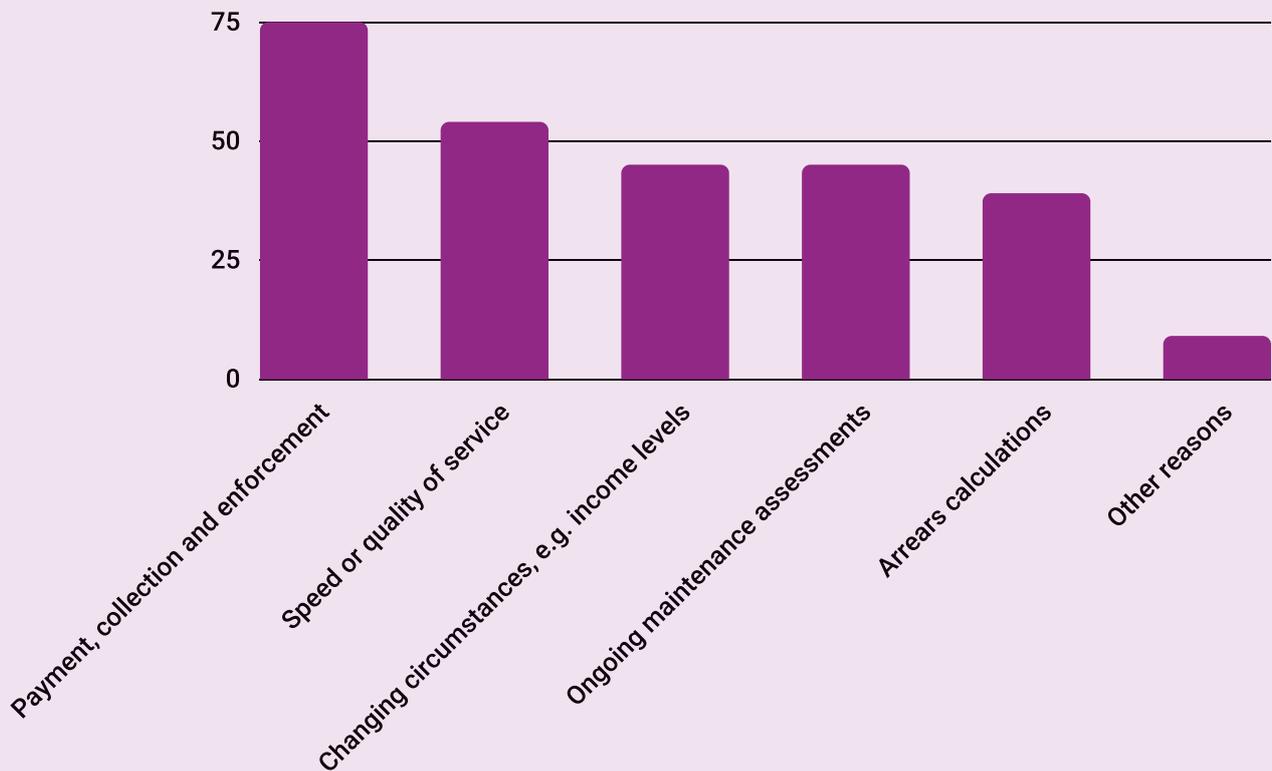
The system is not fit for purpose.



Only 10% were either satisfied or highly satisfied with the support they had received from CMS and 12% found that it was neither good nor bad. This is far from a ringing endorsement for a service that is supposed to be making a positive difference to the lives of all vulnerable families who are in desperate need of financial assistance.



What would you like to tell us about?



75% of respondents identified payment, collection, and enforcement as an issue for them. Feedback suggested that there were real challenges in payment retrieval from ex-partners.



Constantly promising enforcement action but never done. Told one thing by one person and then total opposite... been a living nightmare, I've even considered suicide over this.





Had a claim for four years never received a penny, enforcement rules are not upheld and seems to just have been ignored and put aside by CMS.



Speed of service

54% of participants referred to the speed or quality of the customer service which they received. For the most part the feedback was negative. Issues included:



The speed of the customer service is ridiculously slow; you're always on hold and queries are dealt with over long periods of time. I also find that those working on the customer service end sometimes have less information about how maintenance is calculated... While the customer service side can really do with improvement, the actual type of service is good.





Communication

For the most part, parents' feedback about communication with CMS was negative. We noted only a couple of positive comments:



No problems. Collect and pay works efficiently. They dealt with the changes in claim quickly and without fuss.



Been very good at informing via letter if payment still not paid so I can organise. Correspondence been excellent.



Insensitivity, speed of response, lack of consistency and general ineffectiveness in resolving financial concerns



I would improve the customer service; those working with communicating with parents using the service can be so insensitive when discussing personal situations and lacking in knowledge about the services provided.





My complaint is the communication. You are only allowed to message online and sometimes it takes over a week to get a reply, they also don't inform you of payments are stopping they just put on your statement, no payments scheduled without any explanation.



The communication is extremely poor.



I find it very hard to get through quickly! Never speaking to same person! It's so out-dated with day-to-day problems surrounding payments.



Absolute shocking service - ex partner was self-employed, and I could not get any money.





Changing financial circumstances

45% of participants identified their changing financial circumstances as an issue and the impact this had, had on their income levels.

This reflected the range of problems that each family faced and the challenges in achieving suitable payments from the CMS.

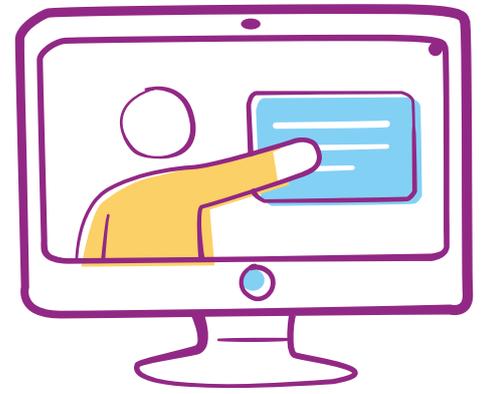


My ex is self-employed, but occasionally claims Universal Credit, a month here and a month there my son receives under £7 per week. This has gone on for years and even at such a low amount, he won't pay, only has it taken off any UC he claims. I don't believe we will ever see the amount due. I used the service previously for my other son, and never was the "amount due" paid. Much more needs to be done so that estranged/absent parent provides financially for their child, as I thought they legally had to.



Process doesn't work when the paying parent owns their own company or is self-employed. There are too many loopholes and most people in these circumstances end up paying based upon min wage. It seems that no matter how strong the evidence is given in variation forms, diversion of income requests are just automatically rejected. In addition, CMS response times are very long, messages and letters get entirely ignored and staff refuse to provide information about how annual review calculations have been calculated.





Arrears calculations

39% of participants referred to arrears calculations. This can be a particular burden on families who are trying to budget on limited means. The challenge of arrears further exposes the complexity of and weaknesses in the system of reimbursement by the CMS.



I think the CMS need to concentrate on arrears that the paying parent is due instead of leaving it.



Although I am on Collect and Pay, the paying 'parent' is still getting away with non-payment and nothing is being done about payment of the arrears. Then they have the audacity to charge me 4% even though none of this is the child's fault and it's the child who is being deprived of what she is owed.



I tried to claim CM and received a few erratic payments. It had to be collected through earnings arrestment. Every time the dad moved job, payments stopped and wouldn't re-start for months. CM said they couldn't find him and they were not allowed to search for him. He accrued lots of arrears. When the system changed over I was told I should write him a letter that would be passed into him. I didn't/couldn't...so I didn't make a new claim.





Additional issues which impacted on experiences of CMS

These included, the difficulties faced during the COVID-19 pandemic, domestic and financial abuse amongst other concerns.

Single parents' specific experiences of using the CMS

We asked respondents to describe their specific experiences of using the CMS. It is telling that out of almost 60 comments only four had something positive to report about their experiences of using the service. The remainder highlighted and reiterated a range of challenges such as inconsistency of practice, communications problems, and the speed of delivery.

Here is a flavour of the feedback received:



Their phone line is a shambles, never manage to get through to a case worker and never get a call back although I consistently ask for one...



It took over a year and multiple complaints to have a special variation for travel expenses removed from the claim after I notified CMS that my ex was no longer travelling to contact.



I've had to wait more than a year for a response on more than one occasion (despite chasing) which is completely unacceptable. Upon phoning, any random person becomes your case worker and as my case is complex this is soul destroying... I've had complaints closed down without my agreement. Calculations performed incorrectly. The actual running total has had technical issues twice, so I don't know how much is owed etc and it's taken MONTHS to sort out. If you don't chase nothing is actioned. The portal can be like a black hole...





“My opinion of the CMS is what’s the point? The whole idea of collect and pay was for them to collect it from his wages. So, I’ve not had a payment since March, and I’ve had letters from them saying I’m due this and that. But I’ve never received any payments... I really have no faith in the CMS and see that they have no real power in enforcing payments. I’ve seen the online groups where maintenance is into the thousands and is just written off after a few years and I’m in no doubt that’s what will happen to my case.”

The respondents were asked what would improve the service for them.

Suggested improvements included:

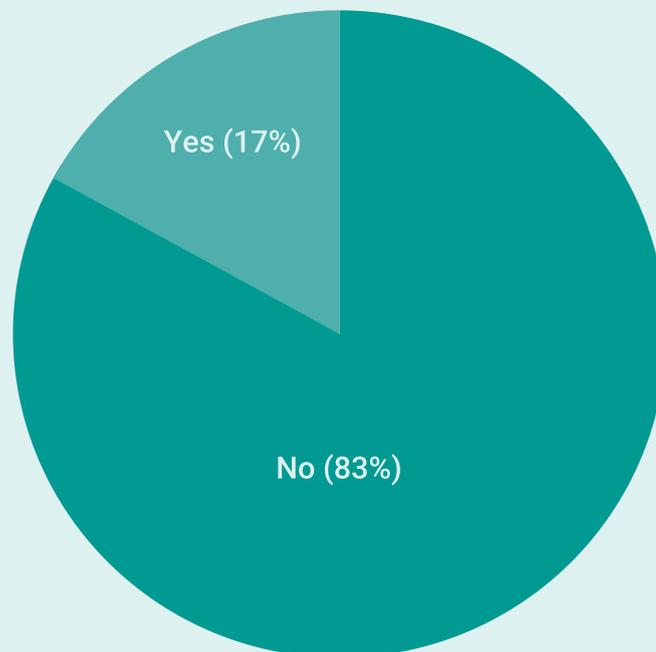
- Improve customer service/phone call response
- Increase child maintenance payments to a more realistic level
- Greater empathy
- Improve speed of service delivery and payments
- Better training for staff
- Employ more staff
- Stronger enforcement powers
- More thorough checks on the paying parent
- Tougher fines/sanctions for non-resident parents
- Improve communication in general
- Review effectiveness of the portal
- Greater transparency



When asked what they thought was good about the service, unfortunately the majority said, “nothing” or words to that effect. A few people remarked on the friendliness and helpfulness of staff whom they dealt with. Two themes emerged from peoples’ responses on how the UK Government could make receiving child maintenance payments easier and more reliable:

- For the service to be more child centred
- Stronger enforcement powers

In your opinion, are the levels of child maintenance adequate?



Given the feedback it comes as no surprise that a majority of the respondents (83%) indicated that the level of child maintenance is inadequate.



As one person commented:



£1 a day is nothing. By the time they take the fee for collecting the maintenance it's less than this anyways. It's a joke. Now that I'm receiving nothing and getting letters to say what I should be receiving is like a kick in the teeth too.



There have been many troubling accounts from the receiving parents as noted in the survey of the impact of child maintenance charges on their financial situation. The following example illustrates the dilemma for families:



Having to choose out of which of my children could return to school as couldn't afford the uniform. I am now down to four meals a week for myself so I can feed my children. I am in huge debt for utilities, council tax bailiffs are a constant worry as I've no means of paying them.



The feedback from single parents confirms that the CMS is not always providing meaningful support to families. Their comments suggest a lack of follow up when families experience unpaid payments from ex-partners, limited enforcement, poor communication by the helpline and email services along with additional charges for the receiving parent. Low-income single parents are consistently being let down by a system which is intended to protect and aid them financially.



Key points and recommendations

A functioning CMS needs to offer bespoke advice and support to parents to reflect individual circumstances. It needs to give confidential help to those with more challenging living arrangements, such as domestic abuse, to safeguard the vulnerable. For instance, it should remove face to face meetings with ex-partners who have carried out domestic abuse to avoid power imbalances and coercive control.

The CMS needs to advocate better on behalf of single parents to ensure that their voices are heard. However, the feedback from parents suggests that these objectives are not at present being met.

Single parents told us the CMS should:

- Ensure that any lessons learnt addresses the unique challenges of single parents and should place the child at the centre of the financial solutions.
- Work more closely with the receiving parents to ensure that there is fairness in the system in terms of access and speed of delivery.
- Prioritise enforcement action as a means of ensuring that the receiving parents and their children are not unduly disadvantaged by missed payments and arrears.
- Seek to better understand the lived experience of the recipients so that empathy and a child centred approach are key characteristics of service delivery.



- Ensure that staff training is effective and based on person-centred outcomes.
- Look at the increased use of technology to speed up support for recipients.
- Engage with all stakeholders including, staff, receiving parents, non-residential parents, third sector agencies to explore ways to deliver more person-centred support.



OPFS specific policy asks



Abolition of CMS charges for parents receiving maintenance, who are unfairly penalised for the child's other parent's unwillingness to pay.



An improved service for survivors of domestic abuse.



Stronger systems and resources to challenging parents who attempt to avoid or minimise child maintenance, and those who do not pay what has been agreed.



Better customer service for parents and improved case management by the CMS.

We emphasise that a complete root and branch review is needed to ensure fairness for both parents, because ultimately it is the children who are disadvantaged by a failing system.



Conclusion

The COVID-19 pandemic has exacerbated the challenges which already existed in the delivery of the CMS. There is now perhaps a greater awareness of the specific issues of the delivery of the CMS, but also the critical role that it plays. There is a need to build on lessons learnt from our survey feedback to develop a better system of child maintenance support to meet the growing demand of consistent financial payments.

The pandemic has shown us that the rug can be pulled out from under anyone's life. Families who never thought they would struggle are suffering through no fault of their own. Rising living costs. Insecure employment. Low wages. More and more single parent families feel trapped by a lack of financial options that limit children's lives and futures.

No child deserves to struggle to concentrate at school because there was not enough for breakfast. We think child maintenance has an important part to play to help tackle child poverty and give every child an equal chance. A child has a legal right to be supported financially by both their parents, and the Government must help parents to uphold that right.



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