

Advice NI response to:

Child Maintenance: Improving the collection and transfer of payments

July 2024

About Advice NI

Advice NI is a membership organisation and service provider that exists to provide leadership, representation, support and services for the Independent Advice Network and people in Northern Ireland. We support 65 members across NI, providing advice on benefits, debt, housing, employment and consumer related issues.

Advice NI also delivers a range of advice services to the public via a Freephone helpline which includes Debt & Money, Benefits, Tax Credits & HMRC products/services, EU Settlement Scheme and Business Debt.

See www.adviceni.net for more on the work of the independent advice network.

[Our latest annual report](#) highlights that over 260,000 enquiries were dealt with by the network, with 76% of the work of the network relating to social security enquiries (amounting to almost 200,000 enquiries) in other words targeting low income households whether in work or out of work.

Summary of consultation questions and Advice NI responses

Question 1: Do you think the current CMS initiatives (Get Help Arranging Child Maintenance and the current online calculator), help parents to make effective family-based arrangements?

Question 2: Please could you explain your answer?

Question 3: How could Get Help Arranging Child Maintenance be improved?

Question 4: Government is considering introducing a service which provides a full maintenance calculation using verified income data held by government (for example HMRC data). Would you find this useful?

- Yes
- No
- Don't know

Question 5: Please could you explain your answer?

Question 6: What else could CMS do to improve the online calculator?

Question 7: What are your views on the accessibility of support available to separated parents to help them maintain family-based-arrangements outside of the CMS? For example: mediation, co-parenting and relationship programmes.

Question 8: What more could be done to help parents make effective family-based arrangements, where appropriate?

Question 9: Are you in favour of CMS signposting and where possible embedding support to parents to resolve conflict, where appropriate?

- Yes
- No
- Don't know

Question 10: Please could you provide reasons for your answer?

Response: Advice NI notes the range of support available in GB to help parents make an informed choice about their child maintenance arrangements. It is clear that there is much less support available in Northern Ireland and as such we would wish to see a review of the support available and a move towards putting arrangements in place with the independent advice network so that parents can be assisted to consider their options.

Advice NI would wish to see more scrutiny of the effectiveness of family-based arrangements. Like 'Direct Pay', we believe that there are hidden issues in relation to non-compliance which ultimately mean that children do not receive all the support that they should be receiving.

Question 11: What are your views on how Direct Pay and Collect and Pay currently operate?

Question 12: Are you in favour of consolidating the CMS into one service that monitors and transfers all maintenance payments?

- Yes
- No
- Don't know

Question 13: Please could you explain your answer? Please consider the effect of monitoring payments on compliance in your response, the effect on parents making their own arrangements and the effect on parents who choose not to have an arrangement in place. Please refrain from discussing fees in your response, as this topic will be addressed in the following section.

Question 14: Do you agree there should be a notice period for parents who use Direct Pay before moving to a new service?

- Yes
- No
- Don't know

Question 15: What do you think would be a sufficient amount of time for parents currently using Direct Pay to make a decision about the future of their CMS case?

- 3 months or less
- 6 months
- One year
- Don't know

Response: Advice NI believes that significant improvements can be made to the current Direct Pay and Collect and Pay services. It is clear that regarding Direct Pay, there is an unacceptable degree of hidden non-compliance with maintenance payments and an equally unacceptable lack of clarity in terms of the extent of this non-compliance. For this reason Advice NI is in favour of consolidating the CMS into one service that monitors and transfers all maintenance payments – subject to the submission below in relation to fees. Parents currently using Direct Pay should have (i) the choice to move prior to being called forward via any formal transition process that may be put in place; & (ii) up to 3 months notice to make the move.

Question 16: What are your views on the current fee rates for receiving and paying parents in Collect and Pay?

Question 17: Are you in favour of a 2% fee for receiving parents and a 2% fee for compliant paying parents under a scheme where the CMS monitors and transfers all maintenance payments?

- Yes
- No
- Don't know

Question 18: Please could you explain your answer?

Question 19: Do you agree that the CMS should maintain a 20% fee for non-compliant paying parents?

- Yes
- No
- Don't know

Question 20: Please could you explain your answer?

Question 21: Are you in favour of the CMS exempting those paying by deduction from benefit from non-compliance fees?

- Yes
- No
- Don't know

Question 22: Please could you explain your answer?

Question 23: Government is considering a fee structure of 2% for compliant paying parents, 20% for non-compliant paying parents and exempting those paying via a deduction from benefit order from the non-compliance fee. Do you agree that these proposals will encourage more paying parents to pay their maintenance?

- Yes
- No
- Don't know

Question 24: Please could you explain your answer?

Response: Advice NI is opposed to any fees being applied to 'receiving' parents. There is already a growing ground-swell of support for the abolition of the 2 child cap and the benefit cap, both of which punitively impact on families with children and contribute significantly to child poverty. It is indisputable that fees reduce the financial support going to children, something which is completely unacceptable.

The consultation document itself talks about fees being a 'behaviour driver', something we find callous in the context of providing support to children, in the context of relationship breakdown and in the context of a cost of living crisis.

Equally it is unacceptable that 'receiving' parents who are perfectly content with the 'Direct Pay' service will be subjected to fees, when they are transitioned to the 'Collect and Pay' service.

We must acknowledge that we are living through a cost of living crisis and in this context Advice NI is in favour of CMS exempting those paying by deduction from benefit from non-compliance fees. We would also encourage a review of the 20% fee for non-compliant paying parents who do not pay their maintenance liability in full and on time. We believe it is time to consider carefully the impact of this fee, does it really encourage compliance or does it drive 'paying' parents into hardship and do little to foster positive relationships at a time of relationship breakdown. We believe that other measures should be considered to positively encourage compliance.

Question 25: Do you think CMS domestic abuse procedures help support victims and survivors of domestic abuse when using the CMS?

- Yes
- No
- Don't know

Question 26: Please could you explain your answer?

Question 27: What are your views on the single, named caseworker for victims and survivors of domestic abuse?

Question 28: Do you agree removing Direct Pay completely would benefit victims and survivors of domestic abuse who use the CMS?

- Yes
- No
- Don't know

Question 29: Please could you explain your answer?

Question 30: Assuming the CMS did manage the collection and transfer of all maintenance payments, what further support would you like to see the CMS offer to victims and survivors of domestic abuse?

Question 31: How do you think we could improve the CMS for victims and survivors of domestic abuse who are receiving parents?

Question 32: How do you think we could improve the CMS for victims and survivors of domestic abuse who are paying parents?

Question 33: What do you think the barriers are to accessing the CMS for victims of domestic abuse?

Response: Advice NI believes that this is a hugely important issue. We believe that in order to genuinely improve the service for victims and survivors of domestic abuse, then there must be specific, direct, meaningful engagement with victims and survivors and representative organisations themselves regarding what currently works well and what can be improved.

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