On behalf of the Committee

18 September 2017

Caroline Dinenage MP
Parliamentary Under Secretary of State for Family Support, Housing and Child Maintenance
Department for Work and Pensions
Caxton House
Tothill Street
London, SW1H 9DA

Dear Minister,

Child maintenance

The Committee was grateful for Government’s response to the previous Work and Pension Committee’s report on the Child Maintenance Service,¹ but expressed some disappointment about its content. The Committee asked me to respond on its behalf.

We welcome the commitments to rolling out training on domestic abuse to all frontline CMS staff and informing parents whether the CMS plans to attempt to collect arrears in their case. These were key recommendations of the Committee’s report.

We understand the Government’s rationale for wishing to give both parents the chance of a fresh start in the CMS. However, we remain concerned that the adherence to that principle even in cases with established histories of non-payment and/or abusive behaviour will come at the expense of inevitable distress for long-suffering parents with care. We are also particularly disappointed the Government made no commitment to reconsider its position on assets and lifestyles incompatible with declared incomes, or honour court-ordered higher maintenance payments where the parent with care has requested a variation to payments on those grounds. When parents with care are awarded a higher award by the courts, it can be because the CMS process has not accurately identified the full financial resources of the non-resident parent. We are surprised that, in spite of this, the CMS intends to continue over-ruling the decisions of the courts in such cases.

¹ 14th Report of 2016-17, HC 587
While we welcome the increase in the number of Financial Investigations Unit investigators, we are disappointed that you do not plan to embed HMRC staff within the Unit. Maintenance evasion often goes hand-in-hand with tax evasion and with the continuing growth of self-employment these problems are unlikely to go away.

The Government’s response states that the Child Maintenance Group and HMRC “have conducted four successful joint investigations, two of which resulted in custodial sentences...” Over what period please have do these figures cover, and how many such joint investigations are ongoing?

The Government response places considerable emphasis on the forthcoming consultation on the replacement for the Child Maintenance and Arrears Strategy 2012-17. We would be grateful if you could please clarify when that consultation is likely to be published, when you intend to have a replacement strategy in place, and whether the 2012-17 strategy will continue to apply in the meantime.

Finally, the Government acknowledges that it does not yet understand why “some parents are staying in an ineffective Direct Pay arrangement rather than moving to Collect & Pay”, but if charges are a factor, then this is not in line with the Department’s ambition of “ensuring that more children receive financial support”. We of course welcome the commissioning of a further survey to better understand parent behaviour. However we are concerned that 2019 is a long time to wait for further information on such a fundamental potential failing of the system which has very real consequences for children. Would it be possible to accelerate the process or publish an interim report?

We look forward to hearing from you.

With best wishes,

Heidi Allen MP
On behalf of the Committee