

Child Support Fees Regulations 2013

Equality impact assessment

Revised 25 July 2012

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Child Support Fees Regulations 2013 equality impact assessment

Introduction

1. The Child Maintenance and Enforcement Commission (the Commission) has carried out an equality impact assessment on the proposed Child Support Fees Regulations 2013 and how this affects our clients. This is to ensure that the Commission meets the requirements of the Equality Act 2010, that our policies are free from discrimination, and that we positively look for opportunity to promote equality and eliminate discrimination.
2. The Child Support Fees Regulations 2013 will complement existing primary legislation in establishing the amended statutory framework within which the new child maintenance service will operate. They introduce new secondary legislation with the provision for an application fee for access to the new statutory scheme, for ongoing collection fees within the collection service and for enforcement charges for those who fail to keep up to date with their maintenance payments. This equality impact assessment considers the impact of these proposed changes and covers aspects of delivery, ranging from when a parent applied to the scheme to the ongoing flow of maintenance once a case has been established.
3. This equality impact assessment considers the potential impact of the proposed policies on the protected characteristics as defined in the Equality Act 2010, namely age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. In some areas, equality data is unavailable so we cannot say with certainty how some groups would be affected. Where data is not available, we have considered potential impacts and made some assumptions based on this.
4. The Commission is considering the best ways to improve data on these groups. We welcome your views on any other groups you feel would be impacted by these proposed changes. A consultation on these regulations will be launched in July 2012.

5. An Impact Assessment for charging has also been produced and can be found at www.dwp.gov.uk/consultations/2012/childrens-futures.shtml

Purpose and aims of policy and delivery of service

6. Supporting families to prevent relationship breakdown is central to the Government's vision for strengthening families and delivering the best outcomes for children. However where relationships do break down, we want to enable parents to take responsibility in making their own choices to establish enduring post-separation agreements that place the welfare of their children at their heart.
7. The Government wants to enable and encourage parents to make their own family-based arrangements as well as offering a statutory scheme to calculate and collect child maintenance for those who cannot make a family-based arrangement.
8. The Government published the Green Paper 'Strengthening families, promoting parental responsibility: the future of child maintenance' in January 2011. This outlined a radical reshaping of the child maintenance system to move away from the current adversarial model in which the statutory scheme is seen as the default option for separating parents, to one in which families are encouraged and supported to come to their own collaborative arrangements. Central to this will be the provision of a more integrated network of support for families which will help parents address the multiple emotional and practical issues facing them at separation.
9. The Green Paper also set out how the existing Child Support Agency schemes would be replaced with a new, efficient statutory child maintenance scheme. This will help to deliver a simpler, more efficient and transparent service.
10. The Government published its response to the consultation on the Green Paper on 12 July 2011. This re-affirmed our commitment to providing better access to expert support to help parents make their own family-based arrangements while continuing to provide a statutory service for those who need it.
11. The Child Support Fees Regulations are one of several strands of legislation which will amend the statutory framework within which the new child maintenance service will operate.

Charging Policy Summary

12. This section summarises the main changes to the child maintenance scheme that are being implemented by these changes.
13. Charging is intended to encourage parents to take greater responsibility in decision-making, through increased consideration of family-based arrangements, whilst providing appropriate value for money for the taxpayer.

Application Charging

14. For those who are unable to reach their own family-based arrangements, and look to the new scheme, there will be an application fee. The applicant (person who instigates the application) will have to pay the application fee of £20. This will allow the applicant to access the statutory service.
15. There is no guarantee that the statutory service will actually secure maintenance from the non-resident parent in the case; and the application fee is non-refundable. For example, if the Commission is unable to make a maintenance calculation because the non-resident parent cannot be traced the application fee will not be refunded; the application fee is for access to the service.
16. The application fee is designed, in line with the Government's commitment to encourage and support separating parents to come to family-based arrangements, to create a pause where separating parents can assess their needs and consider what works best for them as well as the child/children, rather than default to the statutory scheme when separation occurs.
17. There will be two circumstances where exemptions from the application fee will be applicable:
18. Applicants aged 18 and under will be exempt from the application fee. This vulnerable group should benefit from exemption from the application fee due to the increased financial and emotional pressures placed on them due to their age.
19. People who declare themselves to be victims of domestic violence will be exempt from the application fee. In order to qualify for this, applicants will have to self declare confirming that they have reported the violence to one or more of a list of individuals or organisations.

Collection Charging

20. Collection charging will only be applicable to clients who use the collection service. Most statutory scheme users will be able to avoid collection charging by using direct pay. Direct pay is where parents pay maintenance directly from one parent to the other. Currently there are 180,000 direct pay cases in the CSA caseload. Non-resident parents who are deemed by the Commission to be 'unlikely to pay' will not have the option of direct pay and so will have to pay collection charges.
21. There will be a collection surcharge, taken as an addition to maintenance, for non-resident parents and a collection charge, taken as a deduction from maintenance, for parents with care. There will be no exemptions from this charge for those in the collection service.
22. The collection charge for both parents with care and non-resident parents will be a percentage of any maintenance calculation made. Current proposals are that this will be 20 per cent for non-resident parents and seven per cent for parents with care.
23. As with application charging, we want to create an incentive for parents to make family-based arrangements outside the statutory scheme. Collection charging is an additional mechanism to achieve this. The additional cost attached to the collection of maintenance will give an ongoing incentive to both non-resident parents and parents with care to make a private arrangement or make payments through direct pay.
24. For those who use the collection service, we believe that it is fair and appropriate for them to make a small contribution to the actual cost of providing the service they will use.
25. As non-resident parents have greater influence over whether or not their case is in the collection service, we believe it is fair that they should be liable for a higher proportion of the combined collection charge than the parent with care.
26. To provide an incentive to collaborate for both parents, the parent with care will also be liable for a collection charge.

Enforcement Charging

27. Where a non-resident parent fails to pay child maintenance we will take enforcement measures to collect any outstanding maintenance and charges.
28. Where the following enforcement actions are imposed, the non-resident parent will be liable for an enforcement charge:
 - Deduction from Earnings Order or Request

- Regular Deduction Order
 - Lump Sum Deduction Order
 - Liability Order
29. These charges are being introduced to encourage greater parental responsibility, and ensure that more separated families have effective child maintenance arrangements in place.
30. We also believe that, where expensive enforcement action is taken in regard to a non-compliant non-resident parent, it is right that they should make a contribution to the costs of this action.

Consultation and Involvement

31. A public consultation will be held on the proposed Child Support Fees Regulations during 2012. The regulations will then be scrutinised and debated by both Houses of Parliament, so any changes for the new scheme referred to in this document should be taken as proposals.
32. The Child Maintenance and Other Payments Act 2008 (which amended the Child Support Act 1991) provides the primary legislation under which the Child Support Fees Regulations for the new scheme are substantially written.
33. In formulating child maintenance policy for the new scheme Ministers and officials have involved and consulted a number of stakeholders both at ministerial and official level.

Scope of this assessment

34. This equality impact assessment looks at how future changes to the child maintenance scheme will impact on people with protected characteristics under the Equality Act 2010.
35. Specifically, this assessment will look at the impact of:
- (1) Application Charging
 - (2) Collection Charging
- and;
- (3) Enforcement Charging
36. It is important to note that the purpose of the statutory child maintenance service is to get maintenance flowing to children quickly and efficiently. The proposed changes do not have a

differential gender impact on children. The service operates, however, by transferring money from non-resident parents to parents with care, so parents with care and non-resident parents are also clients of the service and will be affected by changes to the scheme.

Impact of the proposed changes on Gender

Statistics

37. Of the current CSA caseload 95 per cent of parents with care are female and equally 95 per cent of non-resident parents are male.

Table 1: Gender of client by client role

Client Role	Female	Male
Non-resident parent	5%	95%
Parent with care	95%	5%

Source: Child Support Agency, quarterly summary of statistics (March 2012)

Impacts

38. The gender make-up of the Commission's caseload means that any policy that impacts negatively for parents with care will have a negative impact on women and vice versa for non-resident parents and men.
39. This inevitable gender impact is an important consideration for the Commission whenever a new policy is developed. The general justification is that our policies impact on the individual in terms of their client role, not as a result of their gender. For example, a key principle of the statutory scheme is that it requires a non-resident parent to pay child maintenance. The reasoning is that non-resident parents are living away from their children and cannot be assumed to be supporting them in the normal course of events. That approach is the same regardless of the non-resident parent's gender.

Application Fee

40. Where a proposed policy has an impact on parents with care it will, as a consequence, impact mostly on women. The introduction of an application fee is an example of this. Although the application

fee has been reduced by 80 per cent from £100 in previous proposals to £20, it does represent a change from the current CSA schemes, where there is no fee. This will affect parents with care and, as a consequence, women.

41. The introduction of an application fee is designed to act as an incentive for parents to collaborate. Studies show that children have better outcomes where parents collaborate.¹
42. We believe that it is right that applicants should make a small contribution to the cost of processing an application to the statutory scheme.
43. This charge can be avoided by making a family-based arrangement, supported by better co-ordinated services for separated and separating families, and the gateway. These will be provided free to parents and would eliminate the need to make an application to the statutory scheme.
44. The decision as to whether or not the charge is avoided lies largely with the non-resident parent. If the non-resident parent is un-cooperative and will not collaborate then the parent with care will have no choice but to pay the application fee. This could have a negative impact on parents with care and, as a consequence, women.
45. However, the application fee can lead to a parent with care receiving an income stream if a maintenance calculation is made. The average weekly maintenance liability is £33.40 (excluding nil liability) so compared with the possible stream of income from child maintenance over a year (currently a CSA parent with care with a compliant non-resident parent on the average assessment would receive over £1,700) the application fee is small.

Collection Charging

46. Under current proposals non-resident parents in the new scheme will pay an additional 20 per cent on top of their maintenance calculation as a collection surcharge. In the current schemes they pay nothing. 95 per cent of non-resident parents are male so mostly men will be affected.
47. However non-resident parents (apart from those deemed unlikely to pay) will be given the option to pay their maintenance directly (direct pay) to the parent with care rather than make use of the collection service. In this circumstance there will be no collection charges on the non-resident parent or the parent with care.

¹ Bradshaw, J. Skinner, C. Stimson, C and Williams, J. (1999). *Absent Fathers*. London, Routledge.

48. Although the non-resident parent collection charge will be significantly higher than the parent with care collection charge, and will largely affect men rather than women, we believe it is justified both because it is largely avoidable by choosing direct pay and also because we believe that this impact is proportionate and necessary to achieving our aim of encouraging collaborative family-based arrangements and direct pay payments, both in the interest of children and in the interests of reducing the cost of the scheme to the taxpayer.
49. The introduction of collection charging will also impact on parents with care. In the current schemes there is no charging at all. Under current proposals collection charging will mean that parents with care who use the collection service will lose seven per cent of maintenance payments to collection charges.
50. The collection charge on the parent with care is intended to provide an incentive for the parent with care to collaborate with the non-resident parent rather than default into the collection service.
51. However, whereas the non-resident parent will normally have the option to choose direct pay and thereby avoid charging, the parent with care will not be able to avoid charges if the non-resident parent is not willing or able to use direct pay; whether the parent with care (usually a woman) is negatively affected by charging is largely dependant on the conduct of the non-resident parent (usually a man).
52. For this reason the parent with care collection charge will be significantly lower than that on the non-resident parent. We also believe that this impact is proportionate and necessary to achieving our aim of encouraging collaborative family-based arrangements and direct pay payments, both in the interest of children and in the interests of reducing the cost of the scheme to the taxpayer.

Enforcement Charging

53. The introduction of enforcement charging will affect non-resident parents only and so will have an impact on men. 95 per cent of CSA non-resident parents are men. There are no enforcement charges in the current scheme. This policy introduces significant cost to non-resident parents who default on child maintenance.
54. However charges will only apply where a non-resident parent fails to pay and the Commission has to take enforcement action against the non-resident parent to recover unpaid child maintenance.
55. Enforcement charges are therefore avoidable. If a non-resident parent keeps up to date with their child maintenance payments then they will not be liable for enforcement charges.

56. We believe that where the Commission has to take expensive enforcement action against a non-resident parent to recover unpaid child maintenance, and secure ongoing maintenance, that it is right they contribute to the cost of such action.

Impacts of the proposed changes on Disability

Statistics

57. The Commission does not collect information as standard on the disability status of clients. We are therefore reliant on survey data for analysis. The self-reporting of disability status shown in Table 2 can be taken as indicative.

Table 2: Reporting a disability by client role

Client Role	Reporting a disability (%)
Non-resident parent	25
Parent with care	20

Source: Relationship separation and child support study (2008)

Table 3: Percentage of the population who are disabled

	Percentage of UK Population ²
DDA ³ disabled	18

Source: ONS⁴, People with disabilities in the labour market - 2011

Impact

58. The new statutory child maintenance scheme is designed to have simple to understand rules which can fairly apply to parents in general. It therefore carries forward the approach of having few rules that specifically apply to disabled people.

² Labour market population (people aged 16 – 64)

³ Disability Discrimination Act

⁴ Office for National Statistics

Application Charging

59. Only 14 per cent of adults who are disabled are in full time employment and 2 per cent are self-employed full time. However, the decrease in the proposed level of the application fee by 80 per cent from £100 as previously envisaged to £20 means that it is more affordable. Also, the £20 application fee can lead to a stream of income if a child maintenance calculation is made. The upfront £20 cost is minimal compared to what an applicant can expect to receive over the lifetime of their case. The average mean yearly maintenance award in the CSA is over £1,700 and an average case can be expected to last nine years, which combined would equate to over £16,000 of maintenance over the duration of such a case.

Collection Charging

60. Collection charging will apply to all non-resident parents and parents with care who use the collection service without exception. Non-resident parents and parents with care will face the same level of collection charges whether or not they are disabled.
61. As with the new child maintenance scheme in general, rules for collection charging have been designed to be simple to understand for all of the Commission's clients. There could be circumstances where a client's disability impedes their understanding of the rules. Reasonable adjustments will be made in these cases such as the use of Braille or large print or visits by face to face officers.
62. Clients with mental health needs or clients who have a learning disability may find it more difficult to collaborate and come to an agreement outside of the statutory scheme and so will find it more difficult to avoid collection charges.
63. Better co-ordinated support services for separated and separating families will be designed to be simple to understand and easy to use. The web application will tailor services to the needs of the applicant. This will help applicants who have mental health needs or have a learning disability to collaborate effectively and avoid the collection charges.

Enforcement Charging

64. Enforcement charging will affect all non-resident parents who fail to pay whether or not they are disabled. The rules for enforcement charging have been designed to be easy to understand for all of our clients.
65. Enforcement charging will only apply where the non-resident parent fails to keep up with their child maintenance payments.

66. Our communications around enforcement action and enforcement charging will be designed to be clear and simple to understand for all of the Commission's clients. We will provide support for clients who are disabled. For example where a client is blind we will be able to provide letters in Braille or large print or where a client has a mental health need we will be able to provide face to face visits to explain our actions.

Impact of the proposed changes on Age

67. Table 4 below provides a breakdown of parents' ages within the CSA. Table 5 provides results for parents with care from the Families and Children Study across the statutory and wider population.

Table 4: CSA – Age Distribution

Age	Statutory Parents with Care	Statutory Non-Resident Parents
Under 20	0%	0%
20 - 24	6%	3%
25 - 29	12%	9%
30 - 34	16%	13%
35 - 39	21%	19%
40 - 44	22%	23%
45 - 49	15%	18%
50 - 54	6%	9%
55+	3%	5%

Table 5: Wider Population – Age Distribution

Parent with Care Age	CSA Population	All Separated Families	Non-separated Families
Under 20	1%	2%	3%
20 - 24	9%	10%	3%
25 - 29	12%	11%	9%
30 - 34	16%	14%	17%
35 - 39	22%	22%	23%
40 - 44	25%	22%	23%
45 - 49	11%	13%	15%
50 - 54	4%	5%	7%
55+	1%	1%	1%

68. The results from Table 5 show the following:

- The age of parents with care within the CSA population is generally lower than those families with no child maintenance interest.
- Parents with care are more likely to be aged under 25 and less likely to be aged over 45.
- There is little difference between the CSA families and separated families generally.

Impact

69. Most rules do not apply specifically to age. There will be an exemption from the application fee for those applicants aged 18 and under. This will have an impact on applicants over this age as they will have to pay the application fee.

Application Fee

70. There will be an exemption from the application fee for those applicants aged 18 and under.

71. This will affect applicants who are older than 18 as they will have to pay the £20 application fee.

72. Only a very small number of applicants each year will fall into the exemption category, fewer than 200 parents with care and fewer than 30 non-resident parents⁵. The vast majority of clients will have to pay the application fee.
73. We feel that this vulnerable group would benefit from an exemption to the application fee because of the increased emotional and financial pressure placed on them through becoming parents at such an early age.
74. We believe that it is fair that clients make a contribution to access the service.

Collection Charging

75. Collection charging will fall across both parents regardless of age.
76. Both parents will be able to avoid collection charging by collaborating and making their own child maintenance agreement outside of the statutory scheme.
77. The Commission does not expect that this policy will have a disproportionate impact on clients due to their age.

Enforcement Charging

78. Enforcement charging will affect all non-resident parents who fail to pay child maintenance, where there is an ongoing liability, regardless of their age. Non-resident parents will be able to avoid these charges by keeping up with their maintenance payments.
79. The Commission does not expect this policy to have a disproportionate affect on clients because of their age.

Impact of the proposed changes on Race

Statistics

80. The Commission does not hold data on the ethnicity of its clients. We have used survey data from the Relationship separation and child support study⁶ to estimate the impacts on ethnicity. The data handling on these characteristics will change in the new scheme and requests have already been made for the collection of data to be included in the new computer system.
81. As shown in Table 6, the proportions across ethnic origin groups are largely consistent across both parents with care and non-resident parents and likewise between the statutory scheme and

⁵ Data from the 2003 scheme current case load.

⁶ Relationship separation and child support study 2008

wider population. The majority of separated parents are of white ethnic origin (between 88 and 91 per cent). Table 7 shows that people from ethnic minority backgrounds are less likely than the population as a whole to be employed and as such may be self-employed or claiming out-of-work benefits.

Table 6: Percentage of clients from ethnic minority backgrounds

Client Role	Ethnic Minority (%)
Non-resident parent	11
Parent with care	10
Population (GB)	11

Sources: Relationship separation and child support study (2008) and ONS (2010)

Table 7: Employment rates by ethnicity from ethnic minority backgrounds

Ethnicity	Employment rate (%)
Population (GB)	73
Ethnic Minority Groups	61

Source: Labour Force Survey (2010)

Impacts

82. The proposed policy changes will generally have a neutral effect on clients from ethnic minority backgrounds. The Charging Fees Regulations will affect people more by their client role e.g. parent with care and non-resident parent rather than the ethnic minority they are from.
83. The employment rate among ethnic minority groups is lower than the wider population but any maintenance calculation, and therefore collection charges, will be based on earnings and so ability to pay.
84. The Commission does not expect these regulations to have a disproportionate impact on clients due to their race.

Other Protected Groups

Gender reassignment

85. The general consideration is for a policy to impact on individuals in terms of their client role (parent with care and non-resident parent), not as a result of any protected characteristic. Specific data on this group is unavailable; however, we do not expect clients to be disproportionately impacted by the proposed changes.

Pregnancy and maternity

86. This characteristic would not be impacted by our proposed changes since their involvement with the statutory child maintenance service would only occur when the child is born and is deemed to be a qualifying child. Likewise, we do not believe that there will be a disproportionate impact on parents who are pregnant and have a qualifying child for whom a maintenance arrangement is in place.

Sexual orientation

87. Individuals are recognised by their client role rather than their sexual orientation. We do not expect those with a particular sexual orientation to be disproportionately affected by the proposed changes.

Religion and Belief

88. We do not have data on religion and belief with regard to child maintenance clients. We have therefore not been able to assess the impact of our proposed changes on these groups. However, as clients are recognised by their client role, we do not expect those with a particular religion or belief to be disproportionately impacted by the proposed changes.

Marriage and Civil Partnerships

89. We do not collect data on marriage and civil partnerships with regard to child maintenance clients. We have therefore not been able to assess the impact of our proposed changes on these groups. However, as clients are recognised by their client role, we do not expect these groups to be disproportionately impacted by the proposed changes.

Contact Details

90. If you have any questions on this equality impact assessment, would like further information on the future child maintenance scheme or if you would like a hard copy, Braille or large print version of this equality impact assessment please contact:

Via internet	http://www.dwp.gov.uk/ (click on contact us)
By post	Child Maintenance New Scheme Policy Team Department for Work and Pensions Caxton House London SW1H 9NA
By email	consultation.responses@childmaintenance.gsi.gov.uk

Annex A – Words and phrases used in this document

Non-resident parent	A parent living apart from their children and liable to make maintenance payments under the new scheme.
Parent with care	A person who provides a home and day to day care for a qualifying child. This covers persons who are not parents but who are the main day-to-day carer of the children. For example, this could be a grandparent or guardian.
The Commission	The Child Maintenance and Enforcement Commission.
Statutory system and statutory service	The statutory system is an umbrella term for the calculation, collection and enforcement of child maintenance and the supporting IT and processes, all of which together provide the service to clients.
Statutory scheme	The rules for the calculation, collection and enforcement of child maintenance.
CSA	Child Support Agency