



Department  
for Work &  
Pensions

# Changes to the Child Support Agency Quarterly Summary of Statistics

Consultation Response

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September 2013

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## Introduction

On 15<sup>th</sup> May 2013, the Department for Work and Pensions launched an external consultation on proposals for revising the Quarterly Summary of Statistics (QSS) relating to the CSA. The consultation document 'Changes to the Child Support Agency Quarterly Summary of Statistics' may be viewed at <https://www.gov.uk/government/consultations/changes-to-the-child-support-agency-quarterly-summary-of-statistics>

The consultation was available to view online from 15<sup>th</sup> May and was open to everyone. Stakeholders were also notified of the consultation by email and invited to attend a workshop with the producers of the statistics to discuss these proposals. This took place on 19<sup>th</sup> June 2013. As well as consulting externally, the views of internal users were also sought.

A list of the stakeholders notified of the consultation by email is at **Annex B**.

The closing date for responses was 9<sup>th</sup> July 2013. One written response was received. The Department would like to thank that respondent.

## Responses to the Consultation

Overall, the response to the proposed changes to the CSA QSS was positive. The changes were welcomed, and detailed comments were given proposing data refinements. Requests for additional tables or breakdowns were also given.

A table showing the full text of all the contributions and the Department's response is attached at **Annex A**.

The QSS will remain in its current format while work is under way to provide further assurances on the quality of the new information and to develop some of the additional information requested as part of the consultation.

We intend to release the QSS based on updated methodologies once we are satisfied with the quality of the new information and user feedback has been incorporated where appropriate and possible.

The exact dates for release of future QSS will be announced via the UK National Statistics Publication Hub ahead of publication.

# Conclusion

The results of this consultation set out the upcoming work programme for CSA's National Statistics. Future changes will be announced within each QSS. We aim to produce the QSS in its new format in early spring 2014.

## Annex A Response to Individual Comments

	Comments on Individual Tables	Table	Response
1	We see the “Key Measures” dashboard as important in providing a high level ‘snapshot’ by which to judge – at a glance - the success of the statutory scheme and CSA performance. It should reflect the measures the government considers central to driving improvement and creating the right culture inside the organisation.	Key measures	The Key Measures table will be reviewed to include additional measures, as appropriate.
2	We welcome this table, which we hope will show the number and percentage of cases within each band.	Table E	This table will show both percentages and figures.
3	This table is very useful, and will stand as an useful comparator to cases in the 2012 scheme if the same table is used for statistics on the latter. However, the bands of weekly liability value proposed seem very broad – given that we know there is likely to be a clustering at £7, and that many of those within the statutory scheme tend to be at the lower end of weekly liability value. Our suggestion would be to go up in £10 bands up to £50; then in bands of £25 up to £150; then have up to £250 in bands of £50, finishing with ‘over £250’ . This would have implications for Tables L and M.	Table F	The new bandings will be included within this table, and be consistent throughout the publication

4	<p>We welcome this table which will provide further detail on average weekly liabilities, broken down by the number of qualifying children. It would also be helpful to retain the overall 'average weekly liability' figure given at present, with and without 'nil liability' cases.</p>	Table G	<p>The average weekly liability will now be visible within the table; it will also be highlighted in the commentary around the tables.</p>
5	<p>This table reflects internal DWP priorities regarding arrears collection as set out in the Department's Compliance and Arrears Strategy for 2012-2017. Whilst the information contained is interesting in the light of that strategy, we question the extent to which the measures used will be produced using sound methods of assured quality. To outsiders, various terms remain opaque and questionable in terms of accuracy.</p>	Table P	<p>The information used within this table is sourced from the same management information as the majority of figures in the QSS, and will be assured to the same standards.</p> <p>The overall debt balances used throughout the publication have been subject to a reconciliation process with CSA's Client Fund Accounts, work in this area is ongoing, any differences will be fully explained in the publication.</p> <p>Terminology used will be fully explained within the footnotes on the table.</p>

6	<p>The definition of ‘uncollectable’ arrears used in Table P is unclear. Is this debt regarded by the Agency as permanently impossible to collect? Or will it include cases where debt has been temporarily suspended or is currently uncollectable (for example, because the ‘paying’ parent is abroad or has not been traced). And in either of these instances, how robust is the data, given that many of the cases in question have simply been ‘parked’ by the Agency over the years and have never been revisited? Or does the definition reflect the Agency’s forecast of collectability as used in the CSA Client Funds Account? If the latter, the ‘uncollectable’ amount is likely to be excessive – given that the Agency only count a payment as ‘likely to be collected’ or ‘potentially collectable’, if a non-resident parent is actually making arrears payments, or an arrears collection arrangement has been put in place over the last six months. As such, ‘collectable arrears’ are very much defined by what collection and enforcement action the Agency itself has chosen to take (and the resources made available for this) and how recently, rather than any objective measure.</p>	Table P	<p>Definitions will be made clear within the table, clarifying what is and is not included.</p> <p>The definition of ‘uncollectable’ within the table will be fully defined and explained where this differs from CSA’s Client Fund Accounts.</p>
7	<p>No definition is provided of ‘money flows.’ In a table concerned with arrears repayments, it would be logical for ‘money flowing’ to refer to regular arrears repayments. In the ‘Live PWC’ columns (which we take to mean ‘live PWC cases with arrears’) it is unclear whether ‘money flowing’ will include cases where no arrears repayments are being made (ie. just current liabilities) as well as cases where</p>	Table P	<p>Definitions will be included within the notes on the table, making clear what the table includes.</p> <p>We do not plan to split this table down by type of payment (i.e. regular or arrears), however the number of cases paying towards arrears, and the amounts being paid can be found elsewhere within the publication.</p>

	<p>current liabilities AND arrears repayments are being made. We consider it is important to distinguish between the two. Otherwise, it is impossible to tell from Table P whether, in live PWC cases where money is flowing, arrears are being collected or not; in other words, whether the Agency is doing an effective job in collecting the arrears it considers collectable.</p>	
<b>Use of Maintenance Direct</b>		
8	<p>We understand that the decision to automatically treat all maintenance direct (MD) cases as always paid in full and on time is a policy decision. We query whether this accords with the Code of Practice for Official Statistics. It has the effect of inflating the figures recording the proportion of cases where maintenance is being paid, and those being fully paid, in circumstances where, in our opinion, there is no solid or accurate evidence in MD cases that all payments are being made and in full. The overall result is to give a misleading picture the extent to which non-resident parents are meeting their statutory maintenance liabilities.</p>	<p>The decision to automatically treat all maintenance direct (MD) cases as paid in full and on time is DWP policy. Since Parents With Care can ask for maintenance to be collected, where it is not being paid regularly through MD, the department has always considered that the current assumption is the most logical approach. The current approach is also in line with international comparative measures. New information will be provided that clearly separates out MD cases, and all sections will be clearly footnoted to explain how and why Maintenance Direct is used within each of the tables. We will investigate the potential for providing information on the number of cases moving from Maintenance Direct to Collection Service, as a proxy for the number of cases where Maintenance Direct is not successful. Once a case has transferred to the Collection Service they will no longer be included within Maintenance Direct figures.</p>



9	<p>We query the fact that, within the proposed new measure “Cases contributing towards current liability”, same MD figure will be used within both the Denominator and Numerator. This also has implications for the ‘children benefiting from maintenance’ figure in Tables A and D.</p>	<p>Although the overall Children Benefiting figure will continue to include those on Maintenance Direct cases, we will now include an additional table within the publication to show of the total number of children benefiting, how many of these are on Maintenance Direct cases.</p>
10	<p>At the very least, it is important that MD statistics are disaggregated throughout the tables including the information in Table A, Table E, Table H, Table I, Table J, and Table N.</p>	<ul style="list-style-type: none"> <li>• Table A: 'Key Measures' This table will be reviewed as per the response to comment 1 above.</li>   <li>• Table E: 'Percentage of Liability Paid in Quarter' This table will not include Maintenance Direct cases. It will focus on the collection service and will be given a new title and footnoted accordingly.</li>   <li>• Table H: 'Collections v Liability' Maintenance Direct cases are not included within this table, the table considers the liabilities and receipts on the computer systems. Maintenance Direct cases do not have a liability amount on the computer systems. Since Maintenance Direct cases do not pay via the CSA, there is also no receipt amount on the system. An explanation will be added to the table.</li>   <li>• Table I: 'Cumulative liability and credits' Maintenance Direct cases will only be included in this table if they have arrears and are paying towards these arrears via the collection service. An explanation will be added to the table.</li>   <li>• Table J: 'Cases Contributing towards arrears' It is not planned to split out Maintenance Direct cases from this table.</li> </ul>

		<p>Maintenance Direct cases will only be included in this table if they have arrears and are paying towards these arrears via the collection service. An explanation will be added to the table.</p> <ul style="list-style-type: none"> <li>• Table N: 'Cases with Outstanding Arrears – By value of arrears and date NRP last paid'</li> </ul> <p>As per table I and J, Maintenance Direct cases are only included in this table if they have arrears, and are classed as paying towards these arrears if they have paid via the collection service. An explanation will be added to the table.</p>
11	<p>The reasoning behind the assumption that all MD cases are always paid in full and on time should be explained in a footnote attached to relevant tables, including Table D (columns headed “Contribution Towards Current Liability via Maintenance Direct’, ‘Full Liability Satisfied in Quarter’, and ‘% with Full Liability Satisfied in Quarter’).</p>	<p>Further footnotes and explanations will be added throughout the document explaining which measures include Maintenance Direct.</p>

12	<p>The treatment given to MD payments is particularly important, if we are to assume that the same methodology is to be carried forward when compiling the statistics in respect of the 2012 statutory scheme. This is because, when Section 137 of the Welfare Reform Act 2012 is introduced, the choice of a maintenance direct arrangement (to be known in future as ‘Direct Pay’) will be given solely to the paying parent. Paying parents will be incentivised to choose ‘Direct Pay’ by the imposition of hefty collection charges if the CMS collection service is used. DWP analysts have estimated that paying parents will opt for Direct Pay in 90% of cases; but that, after a year, only 40 per cent of cases will remain on a Direct Pay arrangement, the rest being dealt with by the Collection Service due to non-payment. Yet, of this ‘stable’ Direct Pay population, it is significant that the Department estimates that just under a third will – due to “a degree of apathy...not return [to the CMS collection service], despite not receiving all maintenance due.” In these circumstances, following the implementation of Section 137, there would clearly be major questions regarding the soundness of figures purporting to report cases where liabilities are fully paid, were which all MD cases to be included.</p>	<p>As PWCs can ask for maintenance to be collected where it is not being paid regularly through MD, the department considers that the current assumption is the most logical approach. The comments will however be considered alongside the 2012 publication strategy.</p>
<b>Consistent approach for the 2012 Scheme</b>		

13	<p>We understand that a separate consultation will take place regarding the collection and publication of data in respect of the 2012 statutory maintenance scheme. One comment at this stage, however, is the importance of having a consistent approach to the collection and presentation of statistics across the various statutory schemes, in order to be able to compare outcomes and performance – particularly between the 2012 scheme and the present two schemes.</p>	<p>We agree that it is important to be consistent where we are measuring the same concepts across schemes. It is important to note, however, that the strategic framework for the 2012 scheme as part of the overall programme of child maintenance reform is very different to that of the CSA schemes. The move away from treating statutory intervention as the default means that how we measure success in the 2012 scheme will be different from now due to the caseload of the 2012 scheme being very different to that of existing schemes.</p>	
<b>General Comments</b>			
14	<p>We make a general plea for more information showing trends over a longer time frame – for example, Table E, Table H, Table J and Table P – and more use of graphs. Visual information can give the picture at a glance.</p>	<p>We recognise the importance of visual information and therefore will continue to include graphs throughout the publication. However, due to the limitations in the data sources it is not possible to provide trends over a longer time frame for the new information. Existing information will be provided in an annex to the publication to allow for comparisons back to 2003.</p>	
<b>Request for Additional information</b>		<b>Topic</b>	

15	<p>We note that the methodology on an annual basis is still being developed, but would emphasise how useful it would be to have a table giving the percentage of liability paid over a 12 month period. This gives a more rounded picture of overall compliance – rather than just three-month segments. Given that the new system is itself to be based on annual assessments, a similar look at the extent of compliance over a twelve month period gives a better picture overall of the extent to which individual ‘paying’ parents are consistently paying their liabilities – and better reflects the reality for PWCs as to whether their arrangement is working or not.</p>	Annual Measures	<p>We are currently considering the development needed to include annual information. It is not planned to include this straight away, however it may be considered for future releases.</p>
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16	<p>Payments calculated under the statutory scheme are due either weekly or monthly. A key measure of the 'workingness' of an arrangement is the extent to which payments are made regularly, and on time. We know from single parents that it is when payments can be counted on that child maintenance really makes a difference in helping families budget and plan for the future. At present, the statistics do not give an idea of the timeliness or regularity of payment over each quarter, or over a longer period. We would like to see work done to measure the extent to which NRPs are paying on time as well as in full, in part or at all.</p>	<p>Timeliness and regularity of payments</p>	<p>There are no plans to include this measure at present, however we will review the development required and it may be considered for future releases.</p>
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17	<p>We suggest that figures should be given on number of cases each quarter transferring from Maintenance Direct into collection service and vice versa. Future government policy is to make maintenance direct/ direct pay arrangements the norm, with the collection service as a back-up for failure to pay. Ongoing collection charges are intended to drive parents back to MD arrangements, from the collection service. It would therefore also be useful for there to be a measure of the number of cases which have switched more than once either between Direct Pay and the Collection Service, or between the Collection Service and Direct Pay – perhaps over the course of a year. This information is relevant to the 30 month review on charging.</p>	Maintenance direct /direct pay	We will investigate the potential for producing this measure.
18	<p>Table 4 will continue to give information on initial clearance times, but there are other key processes where monitoring the speed at which tasks are completed would be useful to see. We suggest that there should be a table giving clearance times for annual reviews due to be carried out each quarter.</p>	More information on clearance times	At present this information is not available for the current systems, we will continue to review any new information that may allow for this to be reported in the future.
19	<p>The number of NRPs paying the nil rate, flat rate, the reduced rate, the basic rate etc (perhaps shown as a graph);</p>	Maintenance rates	This information is partly available in the table showing 'Weekly Liability'. There are no plans to include this measure at present, however we will review the development work that would be required and it may be considered for future releases.
20	<p>The number of applications for a variation a) by NRPs, b) by PWCs and the number of each granted;</p>	Variations	At present this information is not available for the current systems.

21	The number/proportion of cases where liability is reduced by one-seventh; or two sevenths or more to take account of a qualifying child's overnight stays.	Liability Reduction	At present this information is not available for the current systems.
22	The number/proportion of cases where liability is reduced to take account of a) children living with the NRP; and b) maintenance arrangements for other children where the NRP has a liability	Liability Reduction	At present this information is not available for the current systems.



## Annex B

The following Stakeholders were contacted as part of this consultation.

4Children	MoneySavingExpert.com
Action for Children	Mumsnet
AVA	NACSA
Barnardo's	National Family Mediation
British Association of Social Workers	Netmums
Care for the Family	One Plus One
Centre for Separated Families	Policy Exchange
Child Poverty Action Group	Refuge
Church of England	Relate
Citizens Advice	Relationships Scotland
Citizens Advice Scotland	Resolution
Civitas	Rights of Women
Durham Legal Services Ltd	Save the Children
Families Need Fathers	Scoop Aid
Families Need Fathers Scotland	Scottish Child Law Centre
Family and Childcare Trust	Scottish Women's Aid
Family Links	The Centre for Social Justice
Family Lives	The Children's Society
Family Matters Institute	The Fatherhood Institute
Fife Gingerbread	The Law Society
Gingerbread	The Law Society of Scotland
Grandparents Plus	The Low Income Tax Reform Group
Healthwatch England	The Mother's Union
ManKind	The Tavistock Centre for Couple Relationships
Match	Women's Aid
Maypole Women	Working with Men
Money Advice Service	