Social Security Advisory Committee
Minutes of the meeting held on 14 February 2025

Chair:	Dr Stephen Brien
Members:	Les Allamby Bruce Calderwood Rachel Chiu Daphne Hall Philip Jones Jacob Meagher Dr Suzy Walton
Apologies:	Carl Emmerson Professor Stephen Hardy

1. Private Session

[RESERVED ITEM]

2. The Universal Credit, Personal Independence Payment, Jobseekers Allowance and Employment and Support Allowance (Claims and Payments) (Modification) Regulations 2025

2.1 The Chair welcomed the following officials to the meeting: Jenan Hasan (Director, Housing and Universal Credit), James Wolfe (Director, Poverty, Family & Disadvantage), Duncan Gilchrist (Deputy Director, Child Maintenance, Decision Making & Appeals, Poverty, Families and Disadvantage), Amy Morgan (Deputy Director, Universal Credit Analysis Division), James Snelling (Grade 6, Universal Credit, Health, Childcare, Initial Assessment Period, Advances and Deductions), Zaidah Chisty (Grade 7, Universal Credit Policy, Deduction from UC), Louise Goulding (Grade 7, Income, Families and Disadvantage Analysis, Families and Child Maintenance), Owen Magrath (Grade 7, Universal Credit Analysis Division), Leon Garfield (HEO, Universal Credit Policy, Deduction from UC), Edgar Craven (Government Legal Department, DWP Legal Advisor) and Issa Hussain (Government Legal Department, DWP Legal Advisor).

2.2 James Wolfe introduced the session by highlighting that on 7 April the Fair Repayment Rate will reduce the maximum deductions that can be taken from a claimant's Universal Credit (UC) personal allowance from 25 to 15 percent. This is a positive measure to ensure that people on the lowest incomes can keep more of their UC. This will have an impact on creditors as less money will be given to them through deductions in benefit. In particular, it will have an impact on debt owed to the Government, landlords and utility companies.

2.3 Ministers have agreed that it is important to protect parents with care as a result of the reduction in deduction rate and, while claimants should be able to keep more of their UC, it should not be at the expense of parents receiving Child Maintenance (CM). Therefore, this measure looks to move CM up the priority order of debt recovery to ensure that *[redacted]* payments are protected, as well as potentially increasing payments to be made by a further *[redacted]*. Other methods were considered; however, this was seen as the way of ensuring most payments were made which is positive in acting against child poverty.[1]

2.4 The Chair noted that there were a number of themes the Committee wished to explore during its scrutiny of the draft regulations as follows:

- the current sequence of deductions and clarity of how these currently work;
- the problems that are caused by the Fair Repayment Rate (FRR) and how the movement in priority of CM deductions mitigates against this;
- the mechanics of the measure and whether this was the only way to mitigate against the problems;
- the reasons for the sunset clause after one year;
- issues around the Equality Impact Assessment (EIA) and Poverty Analysis (PA);
- the degree to which consultation has taken place or is planned;
- communications to those affected, be it the recipients or those that will have deductions taken.

Current sequence of deductions

2.5 The current policy on deductions is that they are capped at 25 percent of the standard personal allowance of UC, and deductions can be taken for a number of reasons. The policy intent of the new measure is to reduce this to 15 percent to allow customers to have more money available to them. The impact will be that debt is recovered at a slower pace, but this will mainly have an impact on government debt, such as overpayments of benefit. Customers will have a choice to use this extra money available to them to help cover essentials or they could use this to repay debts themselves.

2.6 An unintended consequence of the FRR is that it would reduce the number of CM deductions being taken by *[redacted]*,[2] so by moving them higher in the priority order it will ensure the deductions are still made and it should benefit 1.2 million

[1] Unpublished data in this paragraph has been redacted at the request of DWP.

[2] Unpublished data has been redacted at the request of DWP.

people by £420 per year. The balance between extending the length of debt against the pressure felt by those on low incomes meeting their current cost of living was considered, resulting in this proposed measure. This has also been suggested by a number of DWP's stakeholders.

2.7 The Committee raised the following questions in discussion:

(a) Were there other concerns for the Department in implementing the FRR. What are the justifications of putting CM deductions above rent and fuel arrears? Is CM seen as more important and is that a policy choice or an artefact of protecting parents with care?

The greatest impact of this measure will be on the speed of recovery of debt owed to the Government. The Department has been working closely with stakeholders such as utility companies in respect of the impact on other debts. Because CM is currently seventh in the priority order of third-party deductions, this is the one at most risk it and would have the most impact on families.

Given the cost of living, the FRR is being brought in to allow people to have more money in their pocket. Although numbers losing out on CM would be small in comparison to the numbers involved with UC, these payments are very important for those that receive them. The same decisions may still have been made even if it was going to cause issues for landlords collecting rent arrears because in reality, this is not affecting the majority of people who have deductions taken.

(b) This could still be important for those who are having to pay back rent arrears and may lose their tenancy as a result of this change. There is a shift of risk. Is that a conscious shift as you deem the risk to parents with care as a priority?

Rent is part of the last resort deductions, so deductions can be taken for rent arrears over the new 15 percent cap. In such a scenario this would not result in a choice between CM deductions or rent arrears, both could be taken. Fuel arrears are the only aspect that could be at risk. However, if these deductions cease, the fuel company can contact the customer and try to set up another payment arrangement. On initial analysis the numbers that may be affected are very low; however, the tolerance on this could change and although there is currently protection should this arise, more can be assessed during the period of the sunset clause.

(c) Although the reduction in cap to 15 percent would slow down the recovery of Government debt, will advances still be recovered over two years and if so, what are the reasons for that? Other deductions are changing but the amount someone has to pay towards an advance is

not, despite the change in the cap. This could have a very significant impact.

Advances have not changed in priority order and would still be recoverable over two years. The repayment plan is agreed with customers when the advance is taken, so they are considered outside of the priority order. They are different to overpayments of benefit. However, the Department continues to review advances, and it did consider changing recovery of advances in this situation, but it did not alter the numbers to provide a significant advantage.

(d) How will this impact work coach discretion in how they decide on what is proportionate in taking deductions for CM or rent arrears? If someone has a problem meeting their CM payments, they are likely to have issues with rent arrears also. What consultation has been done regarding landlord tolerance? Is there an upper limit of what deduction can be taken?

Yes, there are limits on what can be taken for rent as a maximum cap. There is a set process of how the deductions are set and their limits. If a request is made for rent arrears, the deduction will be taken at a minimum of 10 percent, there will be no Work Coach discretion in this regard. If a customer has not met the 15 percent cap, there may be room to make a further deduction but otherwise it shall be set at 10 percent. The Department does not expect any concerns in this area as CM will be taken first, which will not reach the cap amount and then rent will be the second deduction taken.

(e) Where the cap is exceeded, what discussions will you have with customers? The 2023 Court of Appeal case, *Timson*, found that although it is not a requirement of the regulations, before a deduction is made, the Department should seek information from the customer to ensure it is affordable.[3]

The *Timson* judgement applied to Legacy benefits only. The Department is considering how to implement the judgement and allow customers to make representations with regards to the *Nathan Roberts* case for rent arrears.[4] Debt Management already have checks in place to ensure customers can afford their payments.

(f) Fuel Direct rarely takes an amount for current consumption as they now install pre-payment meters to ensure that they get the payment for current consumption. However, has this been factored in when considering if customers will have enough money to keep their energy

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[3] *SSWP v Timson [2023] EWCA Civ 656*
[4] *SSWP v Roberts [2025] EWHC 51*

connected? In addition, will the Department be indicating in the regulations the maximum deductions that can be taken for rent and water?

There are already prescribed elements for arrears and how much can be taken, for example five percent can be taken for fuel arrears. Fuel direct is treated differently as the Department does not want current usage to have priority over other debts and the energy companies to state what their priority is. This is why the fuel direct changes were brought into force.

This policy does not reduce the amount of debt that is owed, it only relates to the mechanism to be applied to recover and manage that debt. On the political side, reducing child poverty is a key objective of the Government. CM is seen as an effective method of doing this, as to stop this payment to low-income families would be very significant. This is a conscious choice.

(g) **It is important to know what is intentional and what is consequential. Some customers will have larger deductions and, although numbers may be small, the Committee needs assurance that the Department is aware of these impacts but are still happy with what the policy is trying to achieve.**

The Department is satisfied that this is a debt that is owed from an absent parent to the parent looking after their child. It is not a payment to be made to the Department and this is why it is being given the priority it is.

Mechanics of the measure and the sunset clause

(h) **The FRR is due to come into force on 7 April with the CM priority change taking effect from 30 April. The Department has indicated that this does not matter because it will only effect those whose Assessment Period (AP) for UC ends on 6 May. However, for someone who has their AP end on 3 May, only the FRR would have taken effect?**

Why was the date of coming into force not aligned at the start, this would make the Committee feel more comfortable?

Assurances have been given that there will be no impact as a result of the differences in the dates of the measures coming into force. The FRR will take effect from 7 April for any APs that start from that date onwards. The change in priority order will be applied as a change of circumstance, so as it comes into force this will apply to the full AP.

The Department has considered APs ending in that week and from the cases considered there were no negative impacts; however, the Department welcomed the committee flagging their concern with the scenario suggested and agreed to look again outside of the meeting. Alternatively, if an issue is found a change would be considered to ensure there was no adverse risk to customers.

(i) What will happen at the end of the 12 months when the sunset clause takes effect? Will it revert back to the status quo for the priority order while the change in the FRR continues?

It is not envisaged that nothing will be done during this period. In six months, the Department will present to the Committee the next stage the future permanent policy. If the CM deductions were to move back down the priority order the issues that are present today would remain the same. The Department will review whether the CM deductions have been given the correct priority and protection of CM deductions is effective.

(j) Can you explain the problem the FRR causes and how the priority change to CM solves this because it has not been clearly articulated?

The introduction of the FRR on its own would result in an estimated *[redacted]*[5] parents with care losing their CM and that will affect their income and impact child poverty. Alternatives have been considered but none of those apply to the parents that get CM. In dealing with this problem, it will slow down the collection of Government debt rather than having any major impact on the collection of rent or fuel arrears, except for a small number of cases where mitigation will be in place. This is what the analysis shows; however, the 12 months will allow the Department to review and make sure that the analysis is accurate. If CM payments go down or problems arise with making other deductions and the collection of rent or fuel arrears, alternatives can be considered.

(k) It does not appear that the full extent of the consequences or how these will be mitigated against are known.

The Department would not agree with that, the FRR measure in isolation would reduce CM deductions by *[redacted]*,[6] versus the current policy. Having CM as a last resort deduction will create solutions; however, there may be unintended consequences, and it may need to be moved higher in the priority order to deliver on the policy intent and this will be tested during the 12 months.

[5] Unpublished data has been redacted at the request of DWP.

[6] Unpublished data has been redacted at the request of DWP.

(l) **To clarify the plans, in six months the Department will return to the Committee with an evaluation. This will either involve continuing the proposed measure of introducing new plans. What will be the criteria to determine the success of the current measure and what research and analysis will be done over the upcoming six months to ensure measures and targets are met?**

Analysis will be done across CM and UC looking at the impact on other deductions. The Department will reach out to stakeholders to check on those impacts as well as reaching out to those who no longer have deductions made for their fuel arrears. This will also include looking at energy companies and their reaction to customers and any complaints that have been received by the Office of Gas and Electricity Markets (OFGEM). There are other areas that will be considered but those finer details need to be worked out.

The success criteria will be based on whether more CM is flowing through the system, which can be seen through DWP and internal measurement indicators. Consideration on the negative impacts on the paying parent and other creditors need to be considered as indicated. This will also be considering the impact of both the change in FRR and priority and reviewing this alongside what the Department anticipates as indicated in the SSAC Explanatory Memorandum.

(m) **If the desired effect has not been met, will the only measure to be considered for change be the mitigation measure (CM priority)?**

That is correct the FRR will be a permanent change. The Department will work closely with Citizens Advice and look at the impact from an independent perspective. But the only lever to change will be that relating to the priority order of CM.

Issues around the EIA and PA

(n) **Has the data collected by the Department been reviewed from the point of view of a serious case review panel?**

This policy is considered unlikely to have a significant impact on the type of cases normally looked at by the serious cases review panel. However, the Department indicated it would be happy to reflect and review this.

(o) **Just from the point of view of looking at harm indicators and thought about the policy changes at that level as the EIA could highlight such issues more effectively. What is the Department seeking to achieve with this policy?**

The FRR will support customers to retain more of their award to budget and spend towards their daily living costs. That is the rationale. Customers will still have debt, but they will have more choice what they can do with their money. It does not affect entitlement, but it affects how much they will have in their pocket. The debts will be repaid over a longer period. The CM deduction will be a flat rate deduction so those affected will know the effect that it will have on their level of deductions. The Department is confident that very few people will be negatively affected.

(p) **The idea of having choice is not a reality because the customer will not have the choice of whether they make these payments or not. This is not a debt; this is a payment for a child but what is the payment actually intended for?**

CM as a benefit and a flat rate deduction has been an ongoing discussion since 2003 when it was introduced as a deduction. For 20 years this has been considered to find the best way to ensure that CM is maintained without having an undue effect on the paying parent.

(q) **To clarify, the £36.40 is the flat rate payment. Would someone have to pay more than that if they had the responsibility to pay for multiple children in different families?**

It is one payment and if it is for more than one child then the payment would be split.

(r) **Currently, the Department only has limited information on the current and future paying parents. At the end of six months analysis, will there be a better understanding of the full effects on the paying parents' household, and not just on the amount that they will be paying, will there be an awareness of who is affected?**

This potentially could impact the relationship between the absent parent and the child because as a result of this change, they may not have money to be able to spend time with the child etc.

More information will be available over time about the characteristics of those affected as new data becomes available for analysis. The EIA will be enhanced once this is pulled together, so there will be more information on the paying parent.

The issue of the relationship of parent and child is a wider policy issue regarding CM. There is a counter argument that by not paying CM it is likely to have a negative impact on that relationship. There is a legal responsibility to pay CM, and it is quite a basic building block in the relationship between parent and child. For this to be collected through UC deductions then an approach has been made as a result of this payment not being met. These general questions on the impact of CM and its usefulness are outside of this policy discussion.

(s) As work is being done with energy companies and Citizens Advice to work out who is paying more through deductions and what the makeup of the receiving and paying parents and their households are, could the Department carry out interviews with those that may be affected and do some case studies to look at this at a granular level?

The Department agreed to take this away and consider as a possibility.

(t) Based on the information the Department currently has, it can indicate who the paying parents are, who have CM deductions being made and who will be affected? Therefore, the Department could answer questions on the impact on paying parents?

Once the reference has gone to the CM system, there is a range of knowledge about the paying parent where it is relevant to a child maintenance arrangement, but there are limitations to the data that is available for analysis.

(u) Between both systems there is a full knowledge of the current and future situation as well as the household of the paying parent. Therefore, the poverty impacts, net change and data analysis could be presented?

Data on gender and other protected characteristics has only recently become available, and we have now started using this data. Any poverty analysis is done using the Family Resources Survey. Given that the numbers that are affected by this measure are so small, it is not possible to robustly estimate the poverty impacts on this specific cohort from survey data.

(v) The Committee understands the sample problems; however, the Department could consider poverty impacts outside of the standard analysis by taking a general look at the type of households that are receiving and paying CM. There is a concern that the gender of claimants has only just been made available, as an example, as a database is not required to know that most payees will be male. It would be better to have some view based on a general knowledge of the makeup of these households than having no view.

Poverty has a specific definition so cannot be done in this way. The EIA is starting to be able to do this and identify males making payments and females receiving. The Department is looking to refine this and will take on board the Committee's comments.

(w) There is little analysis on the impacts on disabled people, apart from that is likely that they will retain more, or less under the proposed policy. What is the impact on disabled people?

Table 5 of the EIA shows that *[redacted]* percent of UC households that retain less include at least one disabled claimant. Similarly, *[redacted]* percent of UC households that retain more include a disabled claimant. Around *[redacted]* percent of the UC household population as a whole includes at least one disabled claimant, showing that these households are slightly more likely to be affected by the policy than non-disabled households. We will consider further how this policy would impact disabled people.[7]

(x) What characteristics do these disabled people have? Can you indicate out of those paying more under this policy who may have enhanced disability premiums and benefits? Have you looked at these aspects, and if not, are you able to?

The Department has not considered the characteristics relating to disability premiums or benefits.[8]

(y) Could a sample or case study be done to show how the policy may impact someone with an enhanced disability premium or benefit?

The EIA is a statement of fact that disabled people are slightly more impacted. It shows if the impact is significant and whether it is rational to take further mitigation.[9]

(z) Under an EIA, the impact on a disabled person should be considered but this analysis does not appear to go into that level of detail, how sure is the Department that it is aware of the impacts?

This EIA shows that the Department understands how the UC population is affected by the policy, and it highlights how disabled people will be affected compared to that population. The Department would need to consider the

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[7] Unpublished data in this paragraph has been redacted at the request of DWP.

[8] The Department subsequently confirmed that this would be considered as part of the equality impact assessment.

[9] The Department subsequently confirmed that it will consider how this policy impacts disabled people in receipt of disability benefits.

[redacted][10] who are due to be worse off and see if they are in receipt of a disability premium or benefit and see if they are worse off. However, the circumstances of each individual could be very different, as they could have multiple deductions for other payments, so the way it affects one could be very different to another, which is why this is looked at the affected population as a whole.[26]

(aa) This has been raised on a few occasions. There needs to be an acknowledgement that disabilities have been considered and that the Department has potentially considered a case study of a thousand people to look at the "winners and losers." Following that, it has ultimately decided to take the view it has on the implementation of the policy. This will help show the thought process of the Department.

It could be that this policy results in a disabled person relying on their disability income to meet their living costs, when this should be used for their disability, which will have obvious impacts

The Department agreed that they would take this issue away and give it more consideration outside of the meeting.

Consultation on the proposals

2.8 The Department indicated that it has a list of the groups with whom they have consulted but there are more that they wish to consult. They have engaged with OFGEM, the Water Services Regulation Authority (Ofwat), local authority leads, His Majesty's Court and Tribunal Service and landlord representatives on both the issues of the FRR and CM priority order. This was to inform them of the policy and its effect. No concerns were fed back. Once the measures come into force, the Department will work with stakeholders to get live data and evidence of the impacts that they will share with the Committee.

(bb) During previous scrutiny on the issue of Fuel Direct there had been consultation with OFGEM but not the energy companies. There is a concern that again only the regulator has been approached.

Since the Fuel Direct policy was introduced, a good relationship has been built with energy companies and there has been dialogue with them and a request for them to get in contact if deductions are cut.

(cc) Will this consultation be informing stakeholders of the policy or will the Department be genuinely soliciting their feedback. There needs to be a differentiation between the two. How will feedback be incorporated?

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[10] Unpublished data in this paragraph has been redacted at the request of DWP.

This is part of a big policy landscape. The Child Poverty unit and the Secretary of States for both DWP and Education have discussed energy poverty with energy companies at a strategic level. Although that is not about this specific policy. Communications are being developed on the measure that are being introduced, including testing for the communications for the receiving parents.

Communications to those affected

(dd) **Tell the Committee more about the communications to claimants, given the timeframe is short and this is dealing with delicate relationships between the receiving and paying parent. It needs to be clear where this change has come from so that the receiving parent is not blamed. Will there be communications before the measure takes effect and how will this be implemented?**

The message has yet to be formulated, we are considering the best way to communicate. There are a lot of change of circumstances involving CM; therefore, a lot of conversations are already happening with appropriate communication channels, which will help to deliver the message effectively. It is just a case of planning the specifics of that message and the order of when it should be delivered.

(ee) **What about communicating the ramifications of these changes, given they may have less money for their fuel or water? Will the Department consult with customers affected by this? What if they do not understand the impacts of these deductions being taken. The case law highlighted earlier implies that the Department needs to do more than just indicate what is going to happen.**

The messaging around FRR and how it affects each individual needs to be carefully considered and how it will drive the best behaviour; highlighting that debts will be recovered slower. Some communications may be relevant to one set of individuals and not others, so it is about making sure that the communications are accurate and relevant.

(ff) **There are other implications such as the impacts of deductions if someone moves back into work, or if someone is paying for their ongoing fuel consumption on a pre-payment meter. Surviving as a single person on UC is difficult and it is worth considering other aspects beyond whether someone is better or worse off in the long run. It is important that things are done on a proportionate basis. Could the Department ensure that it logs these issues?**

There is a need to ensure there are adequate mechanisms in place to deal with hard cases. The issue of not having money for a pre-payment meter could occur in a sizeable amount of cases.

The Department agreed to consider these issues and come back to the Committee on how it will connect with these hard cases.

2.9 In closing, the Chair agreed that connecting with the hard cases would give good background context for future scrutiny in this area and allow for a broader discussion. He also indicated that it would be good to arrange a further session with analysts on the art of the possible and propensity of modelling for poverty analysis.

2.10 The Chair thanked officials for attending and answering the Committee's questions. Following a private discussion, the Committee agreed to take the regulations on formal reference, while being conscious of timing pressures and the introduction of the FRR measure so as not to delay the laying of the regulations.[11]

3. Date of next meeting

3.1 The next meeting is scheduled to take place on 5 March 2025.

[11] Subsequent to the meeting, the Committee decided the Committee has decided that, under the powers conferred by Section 172(1) of the Social Security Administration Act 1992, it would take these regulations on formal reference. The Committee was not quorate at the point this decision was made; therefore, action was taken in accordance with its formal Rules of Procedure which states:(3) In the absence of a quorum, those Members present shall not make decisions on behalf of the Committee but may make recommendations for the subsequent approval of the Committee.

Annex A

Attendees

<u>*Item 2:*</u>	Jenan Hasan (Director, Housing and Universal Credit) James Wolfe (Director, Poverty, Family & Disadvantage) Duncan Gilchrist (Deputy Director, Child Maintenance, Decision Making & Appeals, Poverty, Families and Disadvantage) Amy Morgan (Deputy Director, Universal Credit Analysis Division) James Snelling (Grade 6, Universal Credit, Health, Childcare, Initial Assessment Period, Advances and Deductions) Zaidah Chisty (Grade 7, Universal Credit Policy, Deduction from UC) Louise Goulding (Grade 7, Income, Families and Disadvantage Analysis, Families and Child Maintenance) Owen Magrath (Grade 7, Universal Credit Analysis Division) Leon Garfield (HEO, Universal Credit Policy, Deduction from UC), Edgar Craven (Government Legal Department, DWP Legal Advisor) Issa Hussain (Government Legal Department, DWP Legal Advisor).
<u>*Secretariat*</u>*:*	Denise Whitehead (Committee Secretary) Dale Cullum (Secretariat) Kenneth Ashworth (Secretariat)

Annex B

Questions posed by the Committee, and responses received from the Department, in advance of the meeting on 14 February

1. **What evidence/data has informed the forecast that *[redacted]*[12] will be lifted out of poverty, and what is known about the characteristics of these households?**

   [Redacted],[13] we don't have analysis of these households specifically. We can only say what we know about receiving parents generally from the Separated Families Statistics. The percentage of children in receiving parent households who remain in relative low income after child maintenance payments is 38% for those receiving parents with statutory arrangements.

2. **To what degree is the Department able to quantify and provide details and/or case studies of who is likely to be:**

   - **below the poverty line already and may fall deeper**
   - **above the poverty line and fall into poverty, and**
   - **those that are lifted out of poverty.**

   The Committee is keen to understand the impact on both the families receiving child benefit maintenance, <u>and</u> those subject to the child maintenance deductions. For example, what is known about the impact on the households of those who have to pay child maintenance for children who do not live with them - how many have partners or children living with them, and whether this change has the potential to push children within their current household into poverty?

   An estimated *[redacted]*[14] paying parent households will be worse off than under the current policy. Due to the small numbers of cases, it is not possible to provide a robust estimate of the poverty impact on these households. However, we do know that these households will have no other earned income and are more likely to be single claimant households without children.

[12] Unpublished data has been redacted at the request of DWP.
[13] Information relating to unpublished data has been redacted at the request of DWP.
[14] Unpublished data has been redacted at the request of DWP.

We expect there to be around *[redacted]* receiving parents associated with the *[redacted]* additional payments expected from last resort deductions compared to current policy and all of them will have children in their households.[15]

3. **To what degree can you quantify the numbers of who will make increased maintenance payments and how much they would now be expected to be deducted for child maintenance. How many will start paying child maintenance, and how much?**

   Table 1 (in the SSAC memorandum) shows that under the current policy an estimated *[redacted]* CM deductions are taken from UC households per month, and under the proposed policy an estimated *[redacted]* UC households have a CM deduction, so approximately *[redacted]* households begin paying CM. CM deductions are always taken at a fixed amount of £36.40 per month or not at all.[15]

4. **What is the male/female impact of this measure broken down at a more granular level?**

   In June-24, 86% of paying parents receiving UC who had a deduction from benefit that wasn't paying were male. We also know that 89% of all paying parents receiving UC with Child Maintenance deduction from benefits are male. By contrast around *[redacted]*[16] of receiving parents with statutory arrangements are female.

5. **Can you provide a breakdown on the impact of FRR and child maintenance deductions as measures in isolation on an equality and poverty basis?**

   Table 2 (in the SSAC memorandum) shows that applying the 15% deductions cap and the CM deduction remaining as the 7th third party deduction in the regulated priority order reduces the number of CM deductions from *[redacted]*, to *[redacted]* – a reduction of *[redacted]*. Data shows almost all paying parents are males, so this will have a disproportionately positive effect on male claimants, who will no longer have a CM deduction. Conversely, data shows that almost all receiving parents are female, so applying the 15% cap only will have a disproportionately negative effect on females. This would be expected to affect around *[redacted]* receiving parents, all of whom would have children in their households. The 15% cap will still support a number of households to retain more income on a monthly basis (although their deduction repayment schedule will be extended). While we don't have the specific poverty modelling for this change

[15] Unpublished data in this paragraph has been redacted at the request of DWP.
[16] Unpublished data has been redacted at the request of DWP.

separately from the CM priority ordering we know that it will support a number of households, who are at risk of deep poverty.[17]

Table 2 (in the SSAC memorandum) also shows that applying the 15% cap and moving CM up the priority order increases the number of CM deductions from *[redacted]* to *[redacted]* an increase of *[redacted]*. As above this increase will disproportionately negatively affect males since most paying parents are male, and disproportionately positively affect females since most receiving parents are female. This would be expected to affect around *[redacted]* receiving parents, all of whom would have children in their households.[17]

It has not been possible to investigate the effect on other equality characteristics, in the time available.

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[17] Unpublished data in this paragraph has been redacted at the request of DWP.