<u>Children to benefit from changes to</u> Child Maintenance Service

Press release

Children of separated parents are set to benefit from changes to the Child Maintenance Service announced today (14 March 2022) as new powers are revealed.



The new powers being introduced will expand the list of companies and organisations required to provide information to the Child Maintenance Service (CMS) which will help the service trace the paying parent, calculate maintenance and enforce arrears more effectively.

To make it easier for companies to respond quickly and securely, the process is now being simplified so information can be passed on by secure digital means instead of compulsory in-person visits from CMS inspectors.

The government is also bringing forward proposals to allow all communications to be digital, which will speed up the service and make sure information is passed on to parents quickly.

Following responses from children's charities, parents and interested organisations, the government has published the details of the new powers in its response to the <u>consultation on the Child Maintenance Service</u>.

DWP Lords Minister Baroness Stedman-Scott said:

At the heart of these changes is our commitment to making sure children get the financial support they need to have the best start in life.

We're bringing the service into the modern age, removing barriers that can slow down cases and prevent money reaching children.

The Child Maintenance Service collected or arranged £1 billion for children over the last 12 months, improving the lives of hundreds of thousands of children across the UK.

The CMS is set up for parents who have not been able to make a private arrangement about how their child's living costs will be paid. Child maintenance payments help lift around 120,000 children across the UK out of poverty each year.

Plans for future changes when the legislation timetable allows will:

- include unearned income in child maintenance calculations
- extinguish small volumes of very low value debt (£6.99 and under) where the maintenance calculation has ended but there remains an outstanding debt, and the value of the debt is substantially less than the cost of collecting it
- extinguish arrears where child maintenance has been deducted from a parent's earnings and their employer has gone into administration, and the outstanding arrears can no longer be recovered.

Further information: — The Child Maintenance Service was established in 2012 to replace the old Child Support Agency, to increase levels of cooperation between separated parents and encourage parents to meet their responsibilities to provide their children with the financial support they need to secure better outcomes in life. — The full consultation response can be found here. — Regulation for digital notifications and expanded information regulations will be laid and come into force as soon as parliamentary time allows. — Postal communications will still be available for all communications where parents prefer this.

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