



## **Surviving Economic Abuse-Gingerbread joint statement on the Child Support Collection (Domestic Abuse) Bill**

December 2022

### **The Bill**

We welcome the Child Support Collection (Domestic Abuse) Bill introduced by Sally-Ann Hart MP. We believe however that it does not go far enough in making the fundamental changes needed to the system of payment of child maintenance for domestic abuse survivors.

Withholding child maintenance or making payments unreliably is an all too common form of post-separation economic abuse and a tool for coercive control. This can have severe repercussions for victim-survivors, affecting their ability to provide for their children and build economic safety after leaving an abuser.

According to the current legislation Direct Pay is the default option for payment. Collect and Pay can be used where the paying parent agrees to do so OR the Child Maintenance Service (CMS) is satisfied that the paying parent is 'unlikely to pay' without the Collect and Pay arrangement.<sup>1</sup> Domestic abuse may well be a reason that the CMS considers that a parent is unlikely to pay, so that there is already the possibility for survivors to get on to Collect and Pay as the law currently stands, but the system needs better understanding of the dynamics of domestic abuse to ensure that this option is used properly in domestic abuse cases. The Bill enhances the position for survivors by directly referencing domestic abuse as a reason to use Collect and Pay, with this option being available where either the receiving or paying parent requests its use on the grounds of domestic abuse by either parent. The abuse will still need to be evidenced and training for staff will be essential to make sure that this new option is applied properly.

The CMS also currently has the power to take the payment directly from the paying parent's earnings (arranged with their employer), bank account (by Direct Debit) or benefits or pension, with the receiving parent not needing to have any contact with the paying parent.

Therefore, while this tweak to the legislation could help ensure better use of Collect and Pay for domestic abuse survivors, wider changes will be needed to make sure the option is applied effectively. Specifically **we call for a requirement for statutory guidance to set out the training that staff within the CMS will receive on domestic abuse, including economic abuse.** More widely, we believe further changes could be made to the system through this Bill to make sure the CMS works for domestic abuse advisors.

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<sup>1</sup> Direct Pay is where the receiving parent arranges payment with the other parent themselves; Collect and Pay is where the CMS collects the payment from the paying parent and passes it on to the receiving parent.

## **Collection charges**

During Second Reading of the Bill, welcome attention was drawn to the collection charges for the use of the Collect and Pay service,. **We call for these charges to be urgently reviewed and propose that an amendment should be made to the Bill to exempt domestic abuse survivors from the charges.** Currently the receiving parent is charged 4% of the maintenance received and the paying parent 20% on top of the maintenance liability. These charges clearly indicate that the current system is designed to penalise those who go on to Collect and Pay, suggesting that it is in some way incompetent or difficult parents who cannot manage their affairs between themselves that get on to this system. While it is accepted that Collect and Pay is more expensive for the state to administer than Direct Pay as it requires more state intervention to operate, receiving parents who are domestic abuse survivors should be exempt from this charge given that for them Direct Pay is either not a realistic option or is a dangerous one. It was heartening to hear DWP Minister Tom Pursglove say that consideration was being given to exempting domestic abuse survivors from collection charges, and we look forward to seeing this change being implemented without delay.

## **Minimum payments**

Lack of proper enforcement of child maintenance is an endemic problem, and stems from structural imbalances in power between receiving and paying parents. SEA's *The Cost of Covid-19 report* found that 84% of women were worried about their access to child maintenance payments as a result of the perpetrator's actions during the outbreak. 22% of women reported that the perpetrator had stopped paying during the outbreak, 20% said that the perpetrator had paid less, and 18% said that the perpetrator had paid unreliably. It was crucial that there be better support during the pandemic for victim-survivors who were missing out on child maintenance payments to which they were entitled. It is even more crucial during the current cost-of-living crisis.

**We repeat the call made in the report that the government must support victim-survivors of economic abuse by making minimum payments to them where the paying parent fails to pay,** in order to prevent them from sliding into (further) poverty as a result. These can then be recovered through enforcement action. Amending the Bill to introduce this change would further enhance the Bill's aim to support domestic abuse survivors.

## **Independent review**

Surviving Economic Abuse and Gingerbread both made submissions to the independent review of CMS processes for supporting victims-survivors of domestic abuse. These submissions along with others recommended that domestic abuse survivors be exempt from collection charges. They also made other important recommendations, including calling for clear and appropriate policies and procedures to be put in place, as well as increased training for CMS staff, in dealing with applicants who are survivors of domestic, including, economic abuse.

This review has been finalised, and **we call for its publication.** It is only right that the many survivors for whom the CMS offers a lifeline, are made aware of the proposals to reform it so that it provides a better, safer and more effective service.

## **Summary**

We support the principles of this Bill to improve the system for collecting payments through the CMS for domestic abuse survivors. However, we believe that without the following amendments, the Bill will not achieve its objectives:

- A requirement for statutory guidance to set out the training that staff within the CMS will receive on domestic abuse, including economic abuse
- Receiving parents who are domestic abuse survivors should be exempt from the Collect and Pay charges
- DWP to introduce a system of making minimum payments to the receiving parent, when the paying parent fails to pay

More widely, we call on DWP to urgently publish the independent review of the CMS processes for supporting victims-survivors of domestic abuse.