

FACTSHEET No 3:

Child Support Information



Increasingly the government wishes to reduce its role in calculating and collecting the Child Maintenance owed by one parent to another. They are trying to encourage ex-partners to make their own child maintenance arrangements – these are called ‘family-based arrangements’.

If parents cannot agree on maintenance arrangements they can take their cases to the Child Maintenance Service (<https://www.gov.uk/child-maintenance/overview>) but they will be charged to do this.

Before going to the Child Maintenance Service couples need to talk to Child Maintenance Options (<http://www.cmoptions.org>) – a free government service which can give help and advice to separating couples.

Between 2014 and 2017 cases managed by the CSA (Child Support Agency) will be closed or transferred to the Child Maintenance Service.

There are two different ways in which the Child Maintenance Service can help parents who can't reach family based arrangements. The first is Direct Pay. This is where they work out the amount of payment due. They will not however get involved in the collection of monies or enforcement. This can be a good option for parents who are unable to agree payment amounts.

The second is Collect and Pay for which fees are charged. The Collect & Pay service is when the CMS works out the amount of child maintenance to be paid and collects payments from the paying parent and passes them on to the receiving parent.

Fees charged by the Child Maintenance Service

- A £20 application fee for applying to the scheme
- A 20% collection fee on top of their usual child maintenance amount for paying parents using the Collect & Pay service
- A 4% collection fee deducted from their usual child maintenance amount for receiving parents using the Collect & Pay service
- A range of enforcement charges for paying parents who don't pay child maintenance in full and on time

Child Maintenance Calculator

The CM Options website has a child maintenance calculator to help parents calculate how much they can expect to receive or pay in child maintenance – <http://www.cmoptions.org/en/calculator/>

Formula for Calculating Payments

Gross* weekly income up to £800

BASIC RATE applies

One child	12%
Two children	16%
Three more children	19%

Gross* weekly income between £800 and £3000**

Basic Plus applies to the excess over £800

One child	9%
Two Children	12%
Three or more children	15%

*Gross income is before Tax and NI but after pension deductions

**£3000 is the highest gross income that will be taken into account

Example:

Peter earns gross £500 a week, after deduction of pension. He has 2 children not living with him by his ex wife plus 1 child by his new partner.

He would deduct £55 (11% of gross) = £445.

For 2 children not living with him he would pay £71.20 (16% of balance)

Default Maintenance

Where parents cannot agree on the amount of maintenance to be paid, a default rate based on the number of children may be paid until the CMS has the information required:

One child	£39 a week
Two children	£51 a week
Three or more children	£64 a week

Note: The age limit of the child has increased to 20 provided the child is eligible for child benefit.

Second Family Children

Second family children living with the non-resident parent (NRP) Are referred to as the 'relevant other children'.

The number of 'relevant other children' in the household reduces the gross weekly income of the NRP by a percentage as follows:

1 'relevant other child'	11%
2 'relevant other children'	14%
3+ 'relevant other children'	16%

Reduced Rate for Incomes between £100 and £200 per week

Maintenance is calculated at a flat rate of £10 in the first £100 of gross income, plus a percentage of the gross weekly income over £100. The percentage varies depending on the number of qualifying and relevant other children. Parents on benefits will pay a flat rate of £10 a week.

Example:

Chris has 1 child with his ex wife who does not live with him. He earns £450 gross per week. His daughter Amy spends 1 night a week with him.

He is liable to pay 12%, £54 per week less 1/7th (£7.70) so his final payment is £46.30.

maintenance to be paid by the non-resident parent can be reduced to reflect this. The formula is calculated based on the number of nights that that non-resident parent has the children so 1 night would mean a 1/7th deduction and so on.

Shared Care

Where care is shared, the amount of

Example:

Andy has three children and has a gross weekly income of £1200 after deduction of pension.

To calculate child support he would have to use the basic plus rate.

Andy will pay 19% of £800 = £152.

He will also have to pay 15% of £400 = £60.

Total £212