Child Maintenance

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Introduction

The key principle of Universal Credit is that work will always pay and that all parents should financially contribute to support their children.

Child_Maintenance is money paid towards a child's everyday living costs when their parents have separated. When parents make their own arrangements DWP does not need to get involved.

Payments of Child Maintenance to the parent with the main day-to-day care of the child will be fully disregarded in Universal Credit.

Child Maintenance deductions are made from the Universal Credit of an absent parent who is not paying towards their child's everyday living costs.

Why Child Maintenance deductions are made

DWP makes a deduction from the Universal Credit of a parent who does not have the main day-to-day care of their child and who isn't paying towards their child's everyday living costs. The money is given to the parent with the main day-to-day care of the child.

DWP does this when parents do not make their own arrangements to cover these costs. The terms used by DWP are the 'paying parent' and the 'receiving parent'.

The Child Maintenance Service

Parents who are separated are encouraged to make arrangements between themselves to support their child. <u>Child Maintenance Options</u> is a free service that helps them do this, if both parents agree. This is called a family-based arrangement.

If parents can't agree a family-based arrangement, they can apply to the Child Maintenance Service, to arrange Child Maintenance. Parents must contact Child Maintenance Options first.

The Child Maintenance Service has replaced the Child Support Agency.

Child Maintenance schemes

There are three Child Maintenance schemes:

- Child Maintenance Service cases known as '2012 scheme' cases
- Child Support Agency cases opened after March 2003 known as '2003 scheme' cases
- Child Support Agency cases opened before March 2003 known as '1993 scheme' cases

The Child Support Agency no longer takes on new cases but will still handle cases opened before 25 November 2013.

Making deductions from Universal Credit

The Child Maintenance Service notifies Universal Credit to make Child Maintenance deductions from a claimant's Universal Credit (CSF221). This includes which Child Maintenance scheme the claimant comes under. Deductions are only made from the effective date of the request.

Child Maintenance payments are deducted from the monthly Universal Credit payment if the paying parent has no earned income. If the claimant has any earnings in the assessment period no Child Maintenance deductions are made.

The amount deducted depends on which scheme applies to the case. It also depends on whether the paying parent has joint responsibility for the child.

The Child Maintenance Service advises DWP which Flat Rate Deduction to make if the paying parent is on the 2003 or 2012 Child Maintenance scheme.

Payments under the 1993 scheme are treated as Third Party deductions. They are taken from the paying parent's Universal Credit at the appropriate Third Party deduction rate depending on its priority against other deductions.

Disregarding Child Maintenance payments for a receiving parent's Universal Credit

For receiving parents, Child Maintenance is disregarded so their Universal Credit is not affected by the amount received. This is so that the child can receive the full benefit of the support paid by the absent parent.