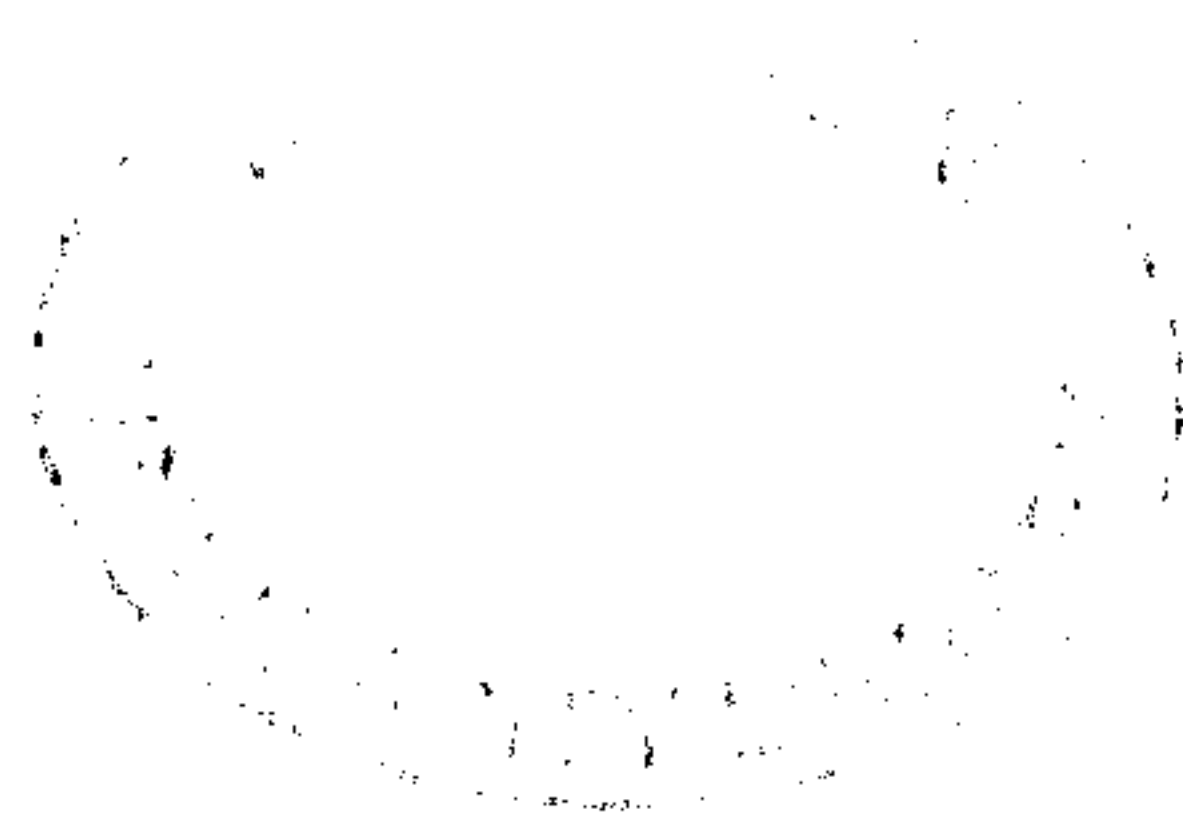


**“ANOTHER DISASTER FORETOLD?
The Case of the Child Support Agency”**

By

Colette M Roberts BA

**Thesis submitted to the University of Nottingham
for the degree of Doctor of Philosophy**



Volume I

May, 1998

Another Disaster Foretold?¹
The Case of the Child Support Agency

ABSTRACT

The Child Support Agency became operational in April 1993. The government hoped to introduce a system which would be clear and consistent and would deliver realistic amounts of child maintenance from more absent parents than under the old court and Department of Social Security systems. In so doing, the new system would reduce animosity between parents by removing child maintenance from any other divorce or separation negotiations and applying a fixed formula.

However, it quickly became obvious that the new system for the assessment, collection and enforcement of maintenance for children was failing. This study adds to the debate about why the system failed by looking at what influenced government policy, both in the setting up of the Agency and in the changes introduced between April 1993 and April 1996.

The study draws on evidence from politicians and political parties, the civil service, the voluntary sector and protest groups set up specifically to oppose the Agency. By outlining the attempts made by these various groups to influence the government and by closely examining the detail of the legislation and the formula used by the Agency, the study shows where the government responded positively to lobbying and whose influence was effectively ignored. The study also shows how the government managed to retain its commitment to reducing public expenditure and promoting “family values” as the basis of child support policy, but in practice failed to deliver on the main aims of the policy.

Having analysed the failings of the system, the study concludes with some positive suggestions for improvement.

¹ Waine, 1995

ACKNOWLEDGEMENTS

Grateful thanks go to the Economic and Social Research Council who sponsored this study and without whose backing the work would not have been possible.

I would also like to acknowledge the advice and support offered throughout by my supervisors, Robert Page and Bill Silburn.

The time given by individuals – politicians and their staff, those working within the voluntary sector, members of the protest groups and academics in the field - has been invaluable and is very much appreciated.

ANOTHER DISASTER FORETOLD?¹
The Case of the Child Support Agency

CONTENTS

| | |
|---|--------|
| List of Tables | 12 |
| List of Figures | 13 |
| List of Terms | 15 |
| Chapter One – Introduction | 18 |
| Chapter Two – Lone Parenthood – A Problem? | 22 |
| 2.1 Introduction | 22 |
| 2.2 Statistics tell the story | 22 |
| 2.3 “Lone parent families are a problem” | 53 |
| 2.4 Commentary | 70 |
| Chapter Three – The Evolution of government policy towards lone parenthood | 72 |
| 3.1 Introduction | 72 |

¹ Waite, B., 1995

| | | |
|-------|--|------------|
| 3.2 | Benefits and the Liability to Maintain 1940-1988 ... | 73 |
| 3.2.1 | The Influence of the Second World War | 73 |
| 3.2.2 | The Beveridge Proposals | 80 |
| 3.2.3 | Family Allowances | 86 |
| 3.2.4 | Supplementary Benefit and Family Income Supplement 1966-1988 | 89 |
| 3.2.5 | Calculating and Enforcing Maintenance Liability under Supplementary Benefit Regulations | 93 |
| 3.2.6 | Finer Recommendations | 97 |
| 3.3 | Benefits and the Liability to Maintain 1988-1997 | 101 |
| 3.3.1 | Income Support and Family Credit | 101 |
| 3.3.2 | Calculating and Enforcing Maintenance Liability under Income Support Regulations and the Child Support Act . | 107 |
| 3.4 | Commentary | 117 |
| | Chapter Four – About this study | 121 |
| 4.1 | Introduction | 121 |
| 4.2 | Data Collection Strategy and Fieldwork | 126 |
| 4.2.1 | Interest groups studied | 126 |
| 4.2.2 | Political debate | 131 |
| 4.2.3 | The civil service | 135 |
| 4.2.4 | Contemporary literature | 135 |
| 4.3 | Telling the story | 136 |
| | Chapter Five - The Child Support Agency in an evolving Civil Service | 142 |

| | | |
|---|--|---------|
| 5.1 | Introduction | 142 |
| 5.2 | The Next Steps Agencies - Pressure for Reform of the Civil Service | 142 |
| 5.3 | The Department of Social Security | 151 |
| 5.4 | The Child Support Agency | 152 |
| 5.5 | Summary | 155 |
| Chapter Six – The Need for Change? - Pressure for Reform Of Maintenance Assessments, Collection and Enforcement Arrangements | | 156 |
| 6.1 | Changes to liable relatives units | 156 |
| 6.2 | Justifying the Child Support Agency? | 162 |
| 6.3 | Ideology Rules OK? | 163 |
| 6.4 | Summary | 171 |
| Chapter Seven - Designing a Child Support Formula to Support Government Ideology | | 172 |
| 7.1 | Reducing government expenditure: | 172 |
| 7.1.1 | Putting the Treasury first | 172 |
| 7.1.2 | The benefit penalty | 173 |
| 7.1.3 | Encouraging paid employment | 175 |
| 7.2 | Family values: | 177 |
| 7.2.1 | Shifting the emphasis from “second to “first” families | 178 |
| 7.2.2 | Property settlements / clean breaks | 180 |
| 7.2.3 | Contribution by absent parents on IS | 182 |
| 7.2.4 | Access | 183 |

| | | |
|---|--|-----|
| 7.3 | Summary | 184 |
| | | |
| Chapter Eight – Early Warnings | | 187 |
| 8.1 | Introduction | 187 |
| 8.2 | The voluntary organisations examined in the study | 188 |
| 8.2.1 | National Council for One Parent Families | 188 |
| 8.2.2 | Child Poverty Action Group | 192 |
| 8.2.3 | National Association of Citizens’ Advice Bureaux | 194 |
| 8.2.4 | Gingerbread | 197 |
| 8.2.5 | Families Need Fathers | 198 |
| 8.3 | The voluntary sector’s view: is an agency the answer? | 199 |
| 8.3.1 | Before the White Paper | 199 |
| 8.3.2 | Between the White Paper and the Act | 210 |
| 8.4 | Commentary | 218 |
| | | |
| Chapter Nine – The Voluntary Sector grapples with the detail | | 221 |
| 9.1 | Introduction | 221 |
| 9.2 | Reducing government expenditure: | 222 |
| 9.2.1 | Putting the Treasury first | 222 |
| 9.2.2 | Guaranteed amount of maintenance | 226 |
| 9.2.3 | The benefit penalty | 228 |
| 9.3 | Family values: | 231 |
| 9.3.1 | Shifting the emphasis from “second” to “first” families | 231 |

| | | |
|-------|---|-----|
| 9.3.2 | Property settlements / clean breaks | 236 |
| 9.3.3 | Minimum Payments | 239 |
| 9.3.4 | Access | 240 |
| 9.4 | Summary | 243 |

Chapter Ten – The Unfolding Disaster – A Management Problem?

| | | |
|-----------------|--|-----|
| Problem? | | 246 |
| 10.1 | Introduction | 246 |
| 10.2 | Framework Document and Business Plan 1993/94 | 247 |
| 10.2.1 | Aims and Objectives | 247 |
| 10.2.2 | Targets for 1993/94 | 249 |
| 10.3 | Phased take-on of cases | 253 |
| 10.4 | Annual Report 1993/94 and Business Plan 1994/95 . | 256 |
| 10.4.1 | Targets for 1994/95 | 258 |
| 10.5 | Annual Report 1994/95 and Business Plan 1995/96 . | 259 |
| 10.5.1 | Targets for 1995/96 | 260 |
| 10.6 | Operational Matters | 263 |
| 10.7 | Achievements of the Agency, April 1993 - April 1997 .. | 265 |
| 10.8 | Commentary | 269 |

Chapter Eleven – The Unfolding Disaster – A Political Dilemma?

| | | |
|-----------------|-------------------------------|-----|
| Dilemma? | | 272 |
| 11.1 | Introduction | 273 |
| 11.2 | Backbench MPs | 273 |
| 11.2.1 | Shooting the messenger? | 278 |

| | | |
|--|--|-----|
| 11.2.2 | Dealing with the rising tide | 280 |
| 11.3 | The Social Security Select Committee | 283 |
| 11.4 | The Main Opposition Parties – Calling for change? | 287 |
| 11.5 | Commentary | 289 |
| Chapter Twelve – Averting the disaster or muddling through? | | 291 |
| 12.1 | Introduction | 291 |
| 12.2 | For the benefit of the absent parent: | 292 |
| 12.2.1 | Protected income | 292 |
| 12.2.2 | Property / capital settlements | 294 |
| 12.2.3 | Travel to work costs | 296 |
| 12.2.4 | Carer element | 297 |
| 12.2.5 | Step-children | 299 |
| 12.2.6 | Transitional arrangements and reducing maximum payments | 300 |
| 12.2.7 | Arrears | 302 |
| 12.3 | For the benefit of the parent with care: A maintenance disregard to Income Support and the maintenance credit scheme | 309 |
| 12.4 | Discussion – continuing to muddle through? | 312 |
| 12.4.1 | Ideology still rules OK? | 314 |
| Chapter Thirteen – The Protests Begin | | 318 |
| 13.1 | Introduction | 318 |

| | | |
|---|---|---------|
| 13.2 | Getting together | 320 |
| 13.2.1 | Network Against the Child Support Agency .. | 320 |
| 13.2.2 | All Parents Asking for Reasonable Treatment | 322 |
| 13.3 | Working together – Nationally | 324 |
| 13.3.1 | Going to press | 324 |
| 13.3.2 | Thinking it through | 337 |
| 13.4 | Working together – Locally | 348 |
| 13.4.1 | The Purpose of the Group | 348 |
| 13.4.2 | Meetings | 352 |
| 13.4.3 | Advice | 352 |
| 13.4.4 | Sharing Their Stories | 354 |
| 13.4.5 | Guest Speakers | 361 |
| 13.4.6 | Lobbying / Protesting | 362 |
| 13.4.7 | Links to other groups | 364 |
| 13.5 | Involvement of Protest Groups in the Policy Process . | 365 |
| 13.5.1 | The Agency | 365 |
| 13.5.2 | Ministers, MPs and Political Parties | 366 |
| 13.5.3 | The Media | 367 |
| Chapter Fourteen – The voluntary sector still grappling with the details | | 370 |
| 14.1 | Introduction | 370 |
| 14.2 | NCOPF | 371 |
| 14.2.1 | Initial Position | 371 |

| | | |
|--------|---|-----|
| 14.2.2 | Monitoring the Reality of the Act and the Agency | 373 |
| 14.2.3 | “The CSA’s First Year: the Lone Parent Case” | 374 |
| 14.2.4 | Evidence to the Social Security Select Committee, June 1994 | 375 |
| 14.3 | CPAG | 378 |
| 14.3.1 | Initial Position | 378 |
| 14.3.2 | Monitoring the Reality of the Act and the Agency | 380 |
| 14.3.3 | “Putting the Treasury First” | 381 |
| 14.3.4 | CPAG Proposed Formula | 383 |
| 14.3.5 | Evidence to the Social Security Select Committee, June 1994 | 385 |
| 14.4 | NACAB | 390 |
| 14.4.1 | Initial Position | 390 |
| 14.4.2 | Monitoring the Reality of the Act and the Agency | 390 |
| 14.4.3 | “Child support: one year on” | 391 |
| 14.4.4 | Evidence to the Social Security Select Committee, June 1994 | 396 |
| 14.5 | Gingerbread | 399 |
| 14.5.1 | Initial Position | 399 |
| 14.5.2 | Monitoring the Reality of the Act and the Agency | 400 |
| 14.5.3 | The Developing Picture | 400 |

| | | |
|--|--|------------|
| 14.5.4 | Evidence to the Social Security Select Committee, June 1994 | 401 |
| 14.6 | The Monitoring Group Forum | 402 |
| 14.7 | Involvement of the Voluntary Organisations in the Policy Process | 403 |
| 14.7.1 | The Agency | 403 |
| 14.7.2 | Ministers, MPs and Political Parties | 404 |
| 14.7.3 | The Media | 406 |
| 14.8 | Discussion | 409 |
| Chapter Fifteen – Analysis of the changes | | 412 |
| 15.1 | Introduction | 412 |
| 15.2 | For the benefit of the absent parent | 414 |
| 15.3 | For the benefit of the parent with care | 416 |
| 15.4 | Discussion | 417 |
| 15.4.1 | The Benefit Penalty | 421 |
| 15.4.2 | A Maintenance Disregard | 423 |
| 15.4.3 | Guaranteed Maintenance for the Low Paid | 424 |
| 15.4.4 | Minimum Payments by Absent Parents | 425 |
| 15.5 | Children Come First? | 426 |
| Chapter Sixteen – October 1995 – April 1996 | | 430 |
| 16.1 | Introduction | 430 |
| 16.2 | Evidence to the Social Security Select Committee, October 1995 | 430 |

| | | |
|--|--|------------|
| 16.2.1 | NCOPF Written Submission | 431 |
| 16.2.2 | CPAG Written Submission | 434 |
| 16.2.3 | NACAB Written Submission | 435 |
| 16.2.4 | Oral Evidence to the Committee 25 October 1995 | 437 |
| 16.2.5 | Further Evidence to the Committee | 439 |
| 16.3 | Social Security Select Committee report, January 1996 | 442 |
| 16.3.1 | Agency Objectives | 442 |
| 16.3.2 | Criticisms of the Suggested Objectives . | 442 |
| 16.3.3 | Recommendations of the Select Committee Report | 446 |
| 16.4 | The Government Response April 1996 | 449 |
| 16.5 | Discussion | 452 |
| Chapter Seventeen - 1997 and Beyond | | 455 |
| 17.1 | Introduction | 455 |
| 17.2 | The Effects of the Child Support Acts | 456 |
| 17.2.1 | Numbers receiving maintenance | 456 |
| 17.2.2 | Relieving poverty | 457 |
| 17.2.3 | Increasing incentives to work | 458 |
| 17.2.4 | Damaging relationships | 459 |
| 17.2.5 | Ideology still rules OK? | 462 |
| 17.3 | The General Election of 1997 | 465 |
| 17.3.1 | The Liberal Democratic Party | 465 |

| | | |
|--|--|------------|
| 17.3.2 | The Conservative Party | 466 |
| 17.3.3 | The Labour Party | 469 |
| 17.4 | The First Months of the Labour Government | 470 |
| 17.5 | How do the priorities of the Labour government compare with the previous administration? | 473 |
| 17.6 | How could the Child Support Scheme be Improved in the Future? | 480 |
| 17.6.1 | Introduction | 480 |
| 17.6.2 | Identifying the Problems and Suggesting Areas for Improvement | 481 |
| Chapter Eighteen – Conclusions | | 493 |
| Bibliography | | 500 |
| Government documents in chronological order | | 508 |
| Appendix One – Studies presented in <i>Children Come First</i> (Cm 1264, Oct 90) | | 511 |
| Appendix Two – Examples of NACSA News | | 514 |

LIST OF TABLES

| | | |
|---|---|---------|
| 1 | Economic status of women with dependent children by family type | page 25 |
| 2 | Lone mothers and married women with dependent children: percentage working full time and part time by age of youngest child and marital status: 1992-1994 . | page 27 |
| 3 | Lone mothers and married women with dependent children: percentages working full time and part time by marital status: 1977 to 1994 | page 28 |
| 4 | Married women and lone mothers with dependent children: percentages working full time and part time by youngest dependent child: 1977 to 1994 | page 37 |
| 5 | Economic activity status of mother: by age of youngest child, Spring 1994 | page 38 |
| 6 | Children: by family type and economic activity status of head of family, August 1993 | page 42 |
| 7 | Age of youngest dependent child by family type, 1993-94 | page 47 |
| 8 | Average gross weekly earnings, by gender, April 1994 | page 49 |
| 9 | Highest qualification of family head by family type: lone parent families compared with other families, 1993-94 | page 51 |

LIST OF FIGURES

- 1 Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994:
Lone mothers single page 29
- 2 Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994:
Lone mothers widowed page 30
- 3 Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994:
Lone mothers divorced page 31
- 4 Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994:
Lone mothers separated page 32
- 5 Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994:
All lone mothers page 33
- 6 Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994:
Married women with dependent children page 34
- 7 Economic activity status of mother: by age of youngest child, 0 – 4 years, Spring 1994 page 39
- 8 Economic activity status of mother: by age of youngest child, 5 – 10 years, Spring 1994 page 40
- 9 Economic activity status of mother: by age of youngest child, 11 – 15 years, Spring 1994 page 41
- 10 Children: by family type and economic activity status of head of family, August 1993: Male head married / cohabiting page 43
- 11 Children: by family type and economic activity status of head of family, August 1993: Male lone parent page 44

12 Children: by family type and economic activity status of head of family, August 1993: Female lone parent page 45

13 Children: by family type and economic activity status of head of family, August 1993: All families page 46

14 Age of youngest dependent child by family type, 1994 page 48

LIST OF TERMS

Absent parent - this term refers to the natural parent who does *not* have day to day care of the child or children. The term has been criticised in many respects and is used here for simplicity only. It is acknowledged that the term can be offensive and does not take proper account of the amount of involvement the parent may in fact have. This term applies equally to natural fathers, natural mothers and adoptive parents, but does not extend to step parents.

Agency – this term is used for the Child Support Agency.

DSS – Department of Social Security.

FC – Family Credit.

First family - this term is used in government papers to mean the household containing the child/children for whom maintenance is sought. This is also the household containing the person/parent with care. It should be acknowledged that this is a simplistic term and does not recognise the reality of many people's lives.

IS – Income Support

Mother, father, he, she - throughout this work the author refers to the parent with care as the mother / she, etc and the absent parent as the father / he, etc. This is for simplicity only and it should be recognised that both terms can apply equally to mothers and fathers. The use of he and she etc in this way follows the convention adopted in all government papers on the subject of child maintenance. However, regulations apply equally to mothers as absent parents and fathers as parents with care.

Parent with care - this term refers to the person or parent who has day to day care of the child or children. This is the term used throughout government documents and replaced the term “caring parent” used in the White Paper *Children Come First* (Cm 1264, Oct 90). This term applies equally to mothers and fathers. Although referred to throughout this thesis as “parent” with care, it is possible to have a “person” with care who is not a parent.

Protest group - this term is used to refer to the organisations specifically created to fight the **Child Support Act** and the Child Support Agency. The funding and structure of the organisations are included within the thesis. Organisations included in this category are:

NACSA - Network Against the Child Support Agency

APART - All Parents Asking for Reasonable Treatment

Second family - this term is used in government papers to mean the household containing the absent parent. This term can be misleading. For example, if a man fathers a child in a relationship outside his marriage, the child's household would be the "first" family. The established marriage household of the absent parent would be called the "second" family.

Voluntary organisation - this term is used in this thesis to refer to organisations in the voluntary sector. However, the workers are often not voluntary. Funding and structure of the various organisations are included within the thesis.

Organisations in this group are:

NCOPF - National Council for One Parent Families

CPAG - Child Poverty Action Group

NACAB - National Association of Citizens' Advice Bureaux

Gingerbread

CHAPTER ONE

Introduction

The question of who should support parents bringing up children single-handedly has taxed governments for hundreds of years. The dilemma of offering sufficient financial assistance whilst not wishing to encourage lone parenthood nor discourage employment is not new. However, the dramatic rise in the number of lone parents since the 1970s and the increasing dependence of lone parent households on state welfare programmes forced a rethink of government policy towards the end of the 1980s.

The result of this rethink was the Child Support Agency, operational from April 1993. The Agency was set up under the **Child Support Act 1991** to deliver a child support scheme which would collect larger amounts, more regularly and reliably, from more absent parents than had been achieved under the old court and Department of Social Security systems. This was to be done using a strict formula, to be applied by the new Agency with virtually no discretion, to produce

consistent, clear and predictable assessments and effective collection and enforcement.

The reality was somewhat different. Within months of the start of operations, it was clear that the Agency was failing, the system was in disrepute and there was growing resistance from absent parents. The Agency had to tackle persistent, deliberate non-cooperation and faced criticism from all sides. Often the Agency was blamed for what was in fact flawed policy and the government had to take action to try to alleviate the many difficulties being seen.

Action was taken in the form of further legislation and a change of emphasis by the Agency. Nevertheless, the system failed to improve and as the general election of 1997 approached it was clear that radical action was required.

This study looks at how government policy has evolved in this area, specifically considering the two White Papers *Children Come First* (October 1990) and *Improving Child Support* (January 1995). The aim is to present evidence to show what factors influenced the creation of the

Agency in its chosen form and subsequently what influenced change between April 1993 and April 1996. How this evidence was collected and analysed is set out in chapter 4.

Throughout the work, reference is made to Hall (1975) and Waine (1995). Chapter 4 gives details of how this piece of work incorporates methods and ideas taken from these two studies.

To place the current child support system in context, chapter 2 provides statistics relating to contemporary lone parenthood, including labour market participation and benefit dependency. Chapter 3 examines government policy towards child support since the Second World War.

The government's declared aims in setting up the new system were to increase the amount of maintenance paid and to increase the numbers of absent parents paying towards the upkeep of their children, thus decreasing government expenditure on benefits. As part of this, the

aim was to have a clear and consistent formula. It was also suggested that by removing negotiation over child maintenance from the parents themselves and from any other issues of divorce or separation, the new system would reduce animosity between ex-partners and improve relations between parents and children. Given the indisputable failings of the system introduced in 1993 and the limited evidence of improvement since, this study may help to explain why the policy failed so decisively to deliver the government's declared aims.

CHAPTER TWO

Lone Parenthood – A Problem?

2.1 Introduction

This chapter sets out to provide the backcloth to the study. The following section outlines statistics relating to lone parenthood in the years before the introduction of the Agency. As well as numbers of lone parents, there are details of employment patterns amongst lone parents and how these compare with married couples.

The third section provides insights into the opinions expressed by a range of contemporary commentators into the state of lone parenthood in the 1980s and early 1990s.

2.2 Statistics tell the story

Social Trends 26 shows how the number of lone parents rose during the 1970s and 1980s. The proportion of dependent children living in lone parent families tripled between 1972 and 1994-95 with 20 per cent of children living with just one of their parents by 1994-95. This was said to reflect the increasing

number of births outside marriage and increasing levels of divorce during this period.

The proportion of families in Great Britain headed by a lone parent increased from nearly 8 per cent in 1971 to 22 per cent in 1993. By 1993, one in five mothers with dependent children was a lone mother. Although the proportion of lone fathers doubled between 1971 and 1993, it remained small at two per cent of families with dependent children.

Nearly two-fifths of lone mothers were “single” in Great Britain in 1994-95 while almost the same proportion were divorced. Social Trends concluded that the gradual increase in the proportion of lone mothers until the mid 1980s was caused mainly by increasing numbers of divorced mothers. However, since then the proportion of divorced lone mothers had stabilised whilst the proportion of single never married mothers had more than doubled. There were also marked regional variations in the level of lone parenthood (Social Trends 26, pp 54-55).

The cost of benefits paid to lone parents rose sharply during the 1980s. In 1980/81, the government had paid £856 million in benefits to lone parents. This had risen to £9,148 million in

1994/95. This far outstripped the rise in total benefit expenditure, which rose from £22,658 million in 1980/81 to £85,221 million in 1994/95 (DSS, 1995, p. 3)

Lone mothers on Income Support in May 1994 numbered 1,028,000. Lone mothers on Family Credit at the same time numbered 239,800. This added up to over one and a quarter million lone mothers relying on some form of means tested benefits (DSS, 1995, Table A2.15 and A1.03).

The extent of labour market participation by lone mothers

The General Household Survey details the extent of women's participation in the labour market, and sets out figures for different categories of lone parent. These figures show interesting differences. Table 1 below shows that in 1994 a higher percentage of married women were working than any category of lone parent, and this applied to both full time and part time employment. The table also shows that divorced and separated lone mothers are much more likely to work part time than those classed as "single" lone mothers. This could be due to more maintenance being provided by the absent parent, although it could also reflect the picture before the break-up of the marriage. "Single" lone mothers may never have worked, or

may have worked full time and been unable to sustain that employment once they became lone mothers. Separated and divorced mothers could well be continuing part time employment taken on during their marriage. The "inactivity" of widows is likely to be a result of the fact that this group tends to contain a higher proportion of older women. The effect of age of the children being cared for is looked at below.

TABLE 1

Economic status of women with dependent children by family type

(Great Britain; 1994)

| Family type | Working full time | Working part time | Total working | Unemp-loyed | Inactive |
|----------------|-------------------|-------------------|---------------|-------------|----------|
| | % | | | | |
| Married mother | 24 | 42 | 66 | 3 | 31 |
| Lone mother | 17 | 23 | 40 | 10 | 50 |
| Single | 16 | 14 | 31 | 12 | 57 |
| Widowed | [10] | [27] | [37] | [0] | [63] |
| Divorced | 19 | 31 | 50 | 8 | 41 |
| Separated | 16 | 25 | 41 | 10 | 49 |

(Table 2.18, page 31 of General Household Survey, 1994)

Further tables show different rates of employment with varying age of child. Table 2 below shows that whilst 16% of married women with a youngest child under 5 work full time, only 8% of lone mothers do. 36% of married women

with under 5s work part time, whilst only 15% of lone mothers do, and this figure is particularly low for "single" lone mothers.

For those with children aged 5 or over: 47% of married women work part time, but only 30% of lone mothers work part time.

Indeed, the extent of lone mothers' employment shows a different trend over time to that of married mothers. Whereas married mothers' participation in the labour market has increased since 1977-79, from 15% to 22% full time in 1992-1994, and from 37% to 42% part time, the figures for lone mothers show a different trend, at least for full time employment and overall. Those classified as "single" are much less likely to work full time than they were in 1977-79 (25% down to 13%), although their participation in part time work has risen from 11% to 16%, more of an increase than other categories of lone mothers (see Table 3 overleaf). The statistics from Table 3 are represented in Figures 1 – 6 following.

TABLE 2

**Lone mothers and married women with dependent children:
percentage working full time and part time by age of
youngest child and marital status**

(Great Britain; 1992-94 combined)

| Age of youngest dependent child & whether woman working full or part time % | Lone mothers Single Widowed Divorced Separated | | | | All lone mothers | Married women with dependent children |
|---|---|----|----|----|------------------------|---|
| Under 5 years: | | | | | | |
| full time | 9 | - | 5 | 8 | 8 | 16 |
| part time | 11 | - | 20 | 20 | 15 | 36 |
| All working | 20 | - | 25 | 28 | 23 | 51 |
| 5 years and over: | | | | | | |
| full time | 22 | 16 | 23 | 26 | 23 | 27 |
| part time | 27 | 24 | 32 | 29 | 30 | 47 |
| All working | 49 | 41 | 55 | 56 | 53 | 74 |
| All ages: | | | | | | |
| full time | 13 | 17 | 19 | 18 | 16 | 22 |
| part time | 16 | 24 | 29 | 25 | 23 | 42 |
| All working | 30 | 40 | 49 | 43 | 40 | 64 |

(Table 2.19, page 31, of General Household Survey, 1994)

TABLE 3 -Lone mothers and married women with dependent children: percentages working full time and part time by marital status: 1977 to 1994
(Great Britain)

| | 77-79 | 79-81 | 81-83 | 83-85 | 85-87 | 87-89 | 89-91 | 91-93 | 93-94 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Marital status & whether working full or part time % | | | | | | | | | |
| Lone mothers | | | | | | | | | |
| Single | | | | | | | | | |
| full | 25 | 27 | 18 | 9 | 14 | 12 | 11 | 11 | 13 |
| part | 11 | 11 | 12 | 11 | 13 | 14 | 16 | 18 | 16 |
| All working | 36 | 38 | 30 | 20 | 27 | 27 | 29 | 30 | 29 |
| Widowed | | | | | | | | | |
| full | 16 | 17 | 14 | 15 | 13 | 20 | 24 | 20 | 16 |
| part | 34 | 32 | 29 | 37 | 35 | 38 | 31 | 26 | 24 |
| All working | 50 | 49 | 44 | 52 | 48 | 58 | 55 | 46 | 40 |
| Divorced | | | | | | | | | |
| full | 26 | 27 | 21 | 23 | 22 | 20 | 24 | 20 | 19 |
| part | 26 | 29 | 27 | 24 | 29 | 26 | 30 | 29 | 29 |
| All working | 52 | 56 | 48 | 47 | 50 | 46 | 55 | 50 | 49 |
| Separated | | | | | | | | | |
| full | 19 | 18 | 18 | 15 | 16 | 15 | 18 | 20 | 18 |
| part | 24 | 26 | 23 | 22 | 23 | 24 | 25 | 25 | 25 |
| All working | 44 | 45 | 41 | 37 | 39 | 40 | 44 | 46 | 43 |
| All lone mothers | | | | | | | | | |
| full | 22 | 23 | 19 | 17 | 18 | 17 | 18 | 17 | 16 |
| part | 24 | 25 | 23 | 22 | 24 | 23 | 24 | 24 | 23 |
| All working | 47 | 49 | 42 | 39 | 42 | 40 | 43 | 41 | 40 |
| Married women with dependent children | | | | | | | | | |
| full | 15 | 15 | 14 | 15 | 17 | 19 | 21 | 22 | 22 |
| part | 37 | 36 | 35 | 35 | 37 | 40 | 40 | 40 | 42 |
| All working | 52 | 52 | 49 | 50 | 54 | 59 | 62 | 63 | 64 |
| (Table 7.9, page 200, General Household Survey, 1994) | | | | | | | | | |

FIGURE 1 – LONE MOTHERS SINGLE

Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994 (Great Britain). From Table 7.9, page 200, General Household Survey, 1994)

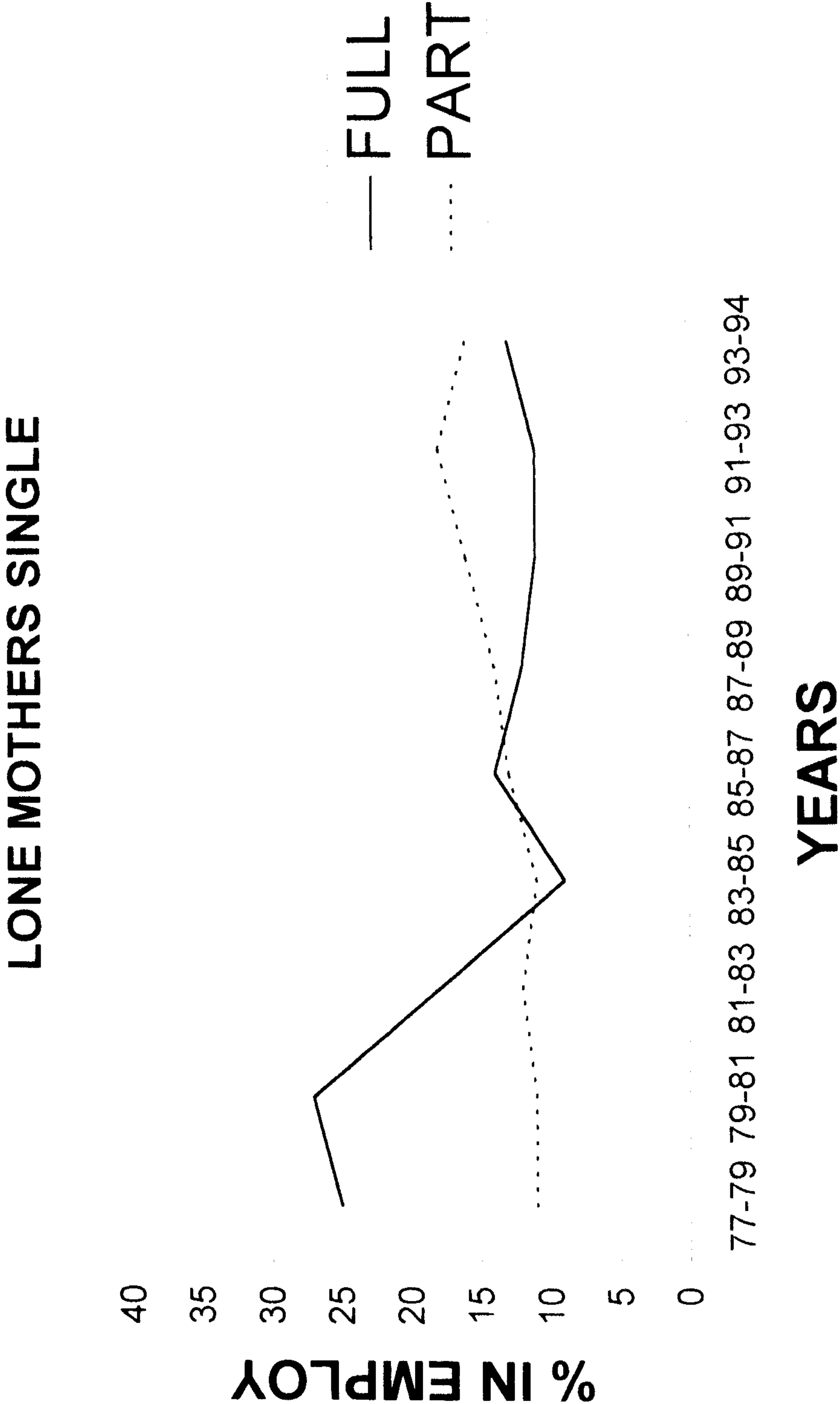


FIGURE 2 – LONE MOTHERS WIDOWED

Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994 (Great Britain). From Table 7.9, page 200, General Household Survey, 1994)

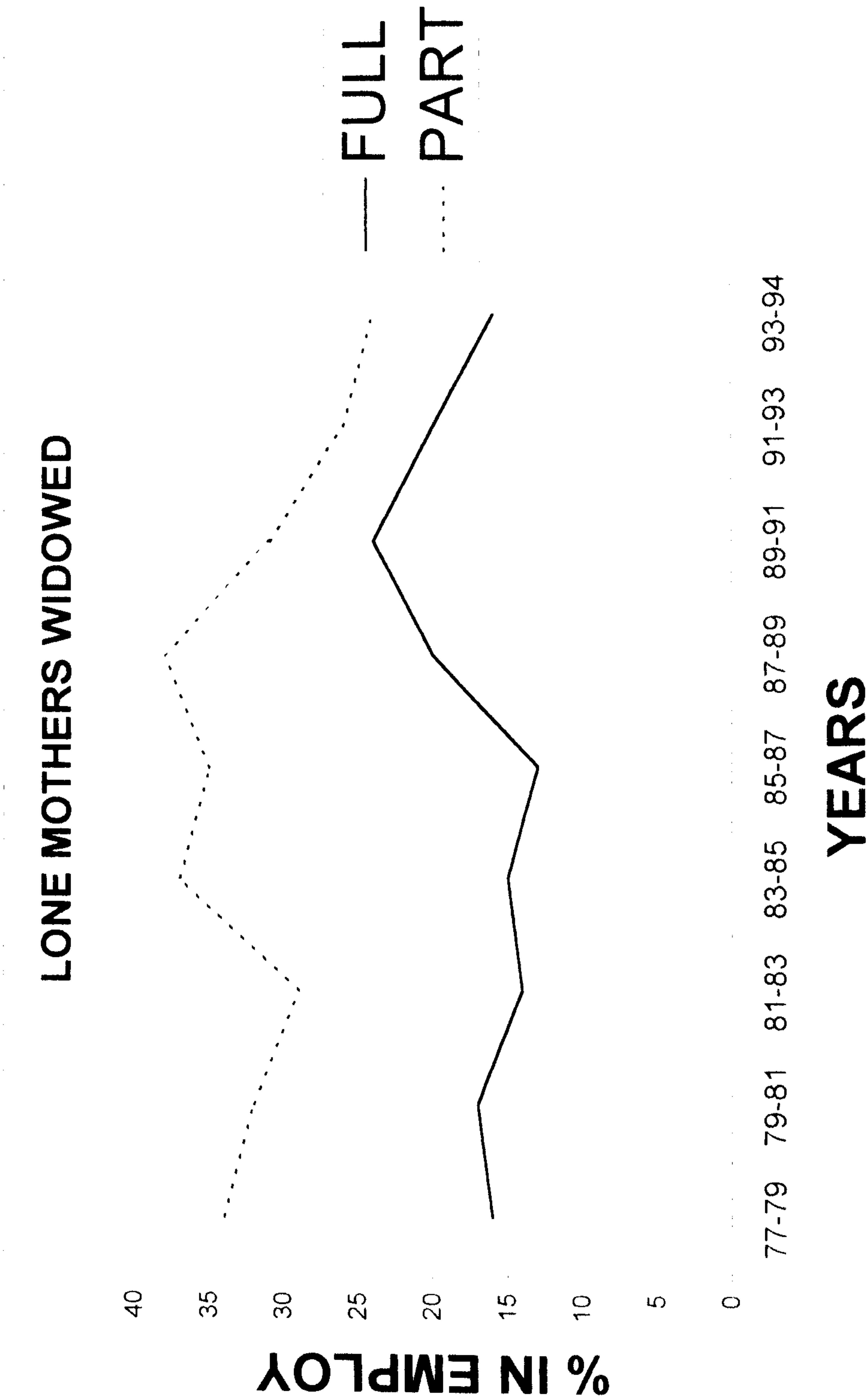


FIGURE 3 – LONE MOTHERS DIVORCED

Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994 (Great Britain). From Table 7.9, page 200, General Household Survey, 1994)

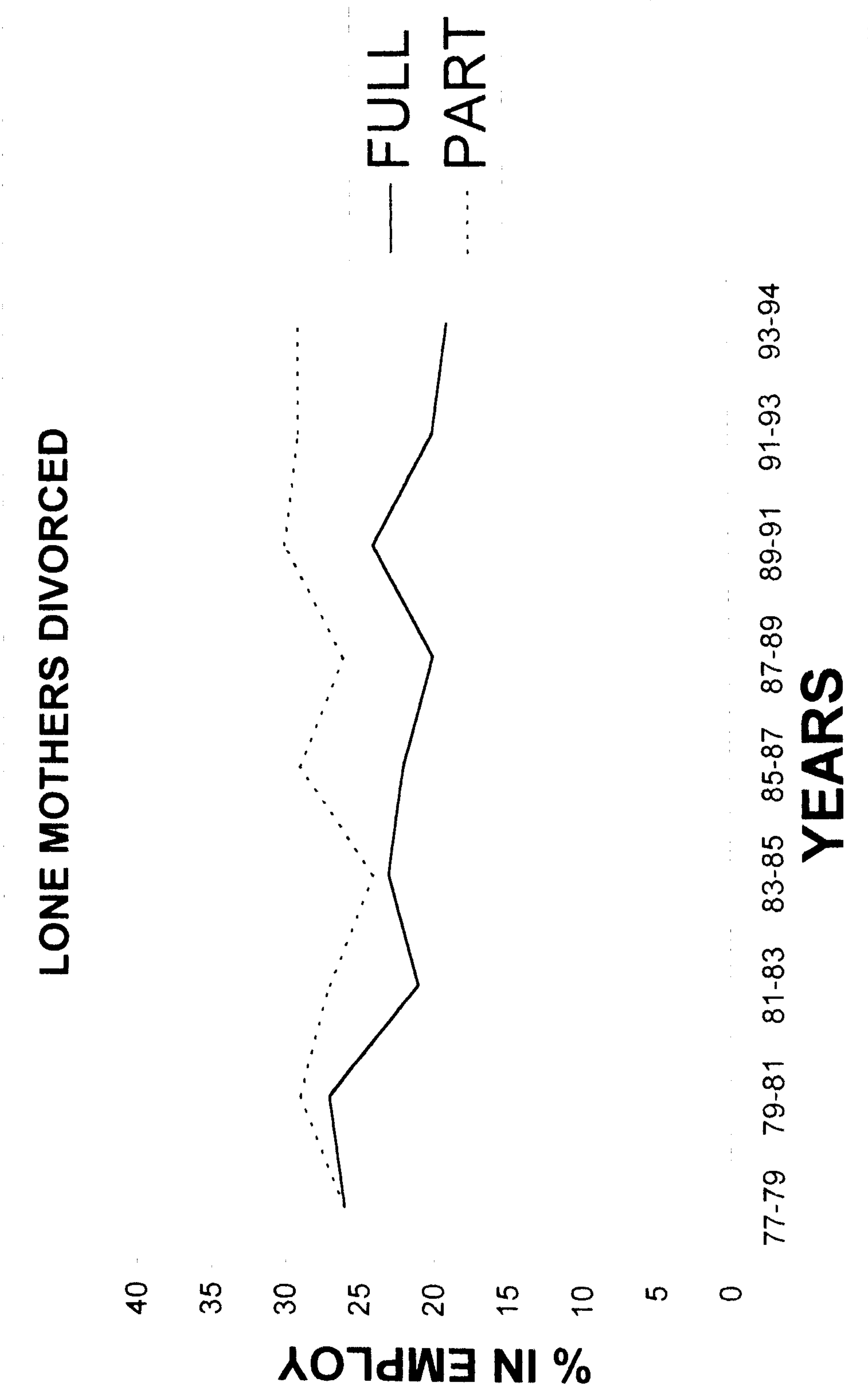


FIGURE 4 – LONE MOTHERS SEPARATED

Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994 (Great Britain). From Table 7.9, page 200, General Household Survey, 1994)

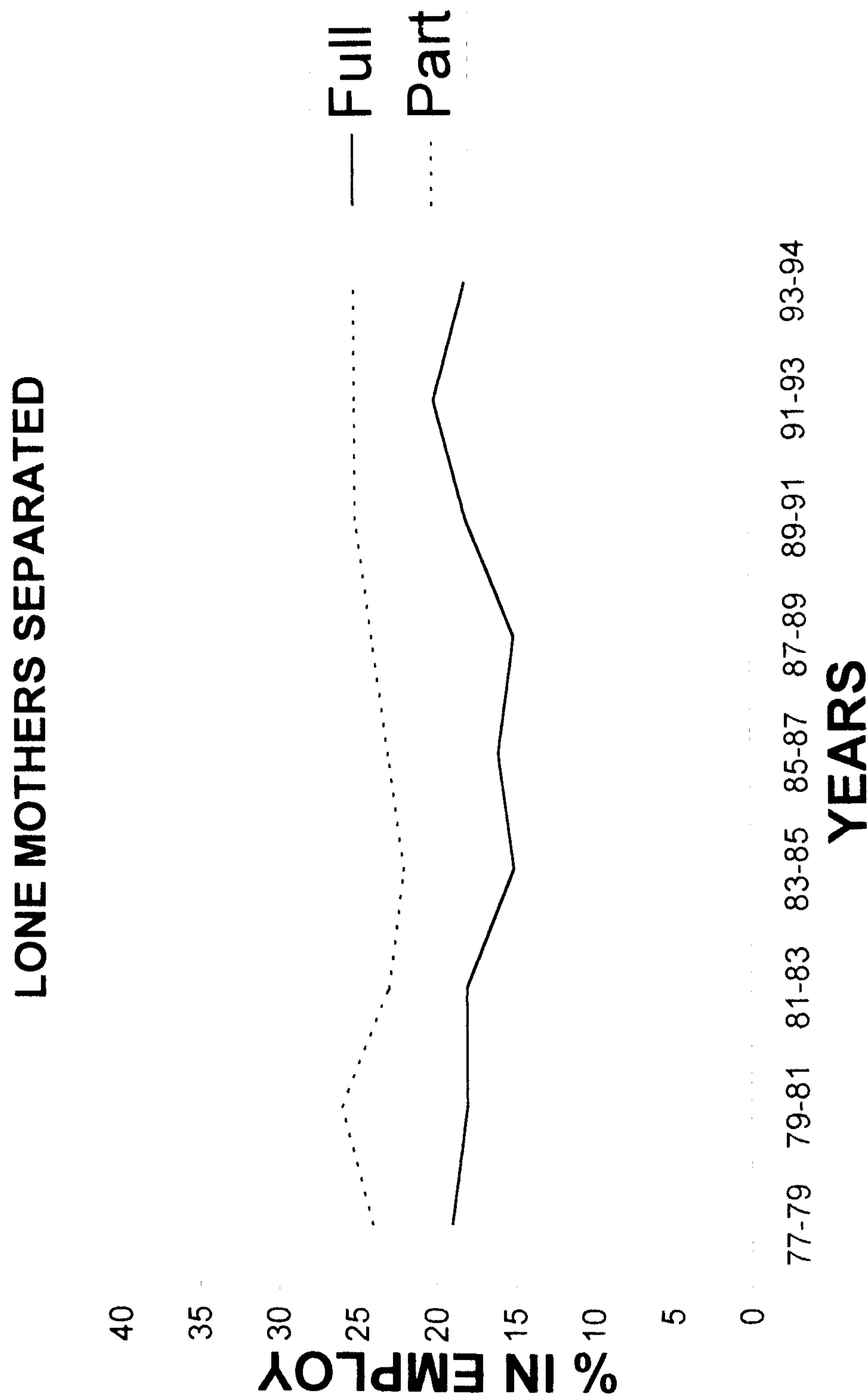


FIGURE 5 – ALL LONE MOTHERS

Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994 (Great Britain). From Table 7.9, page 200, General Household Survey, 1994)

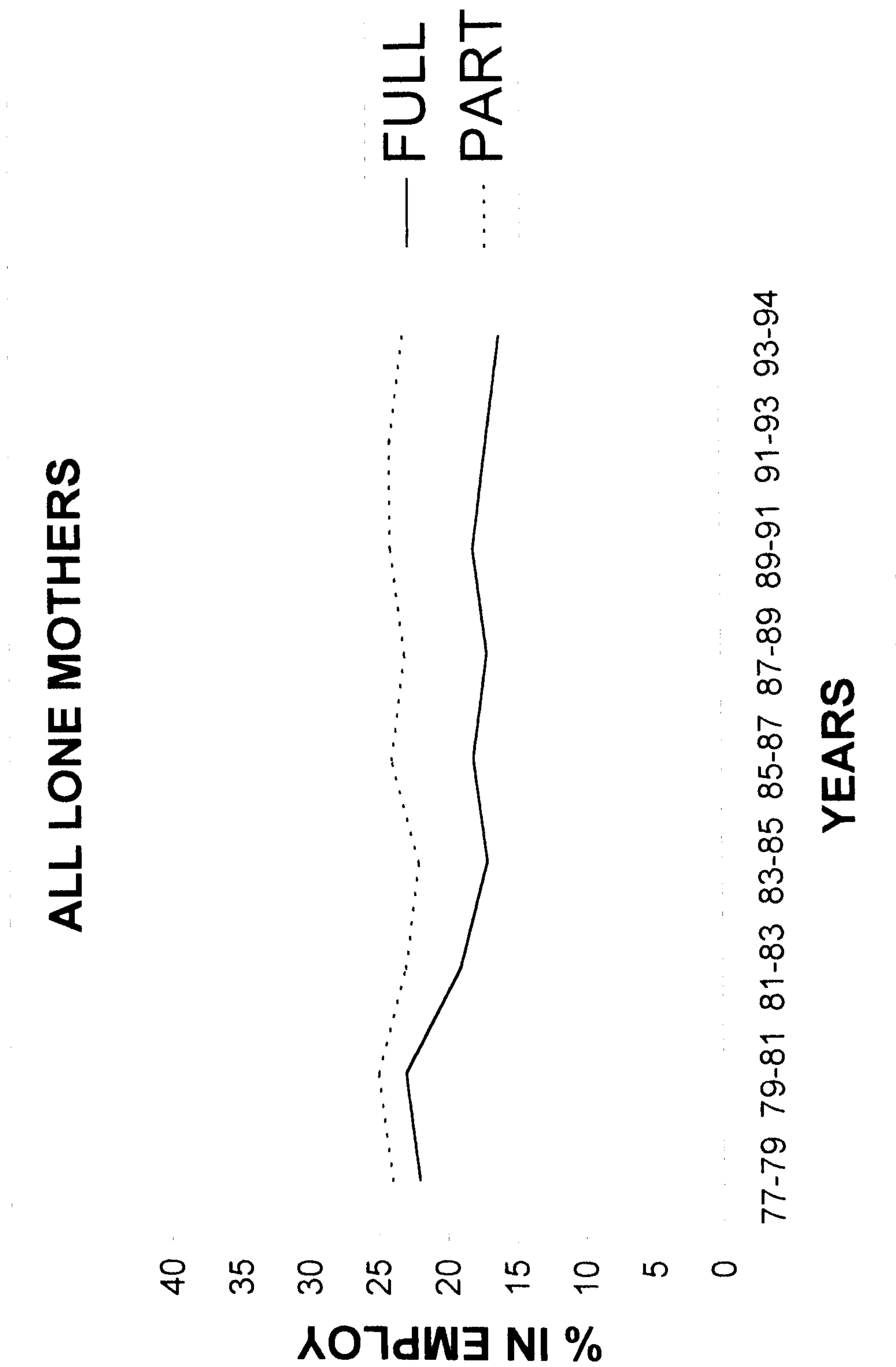
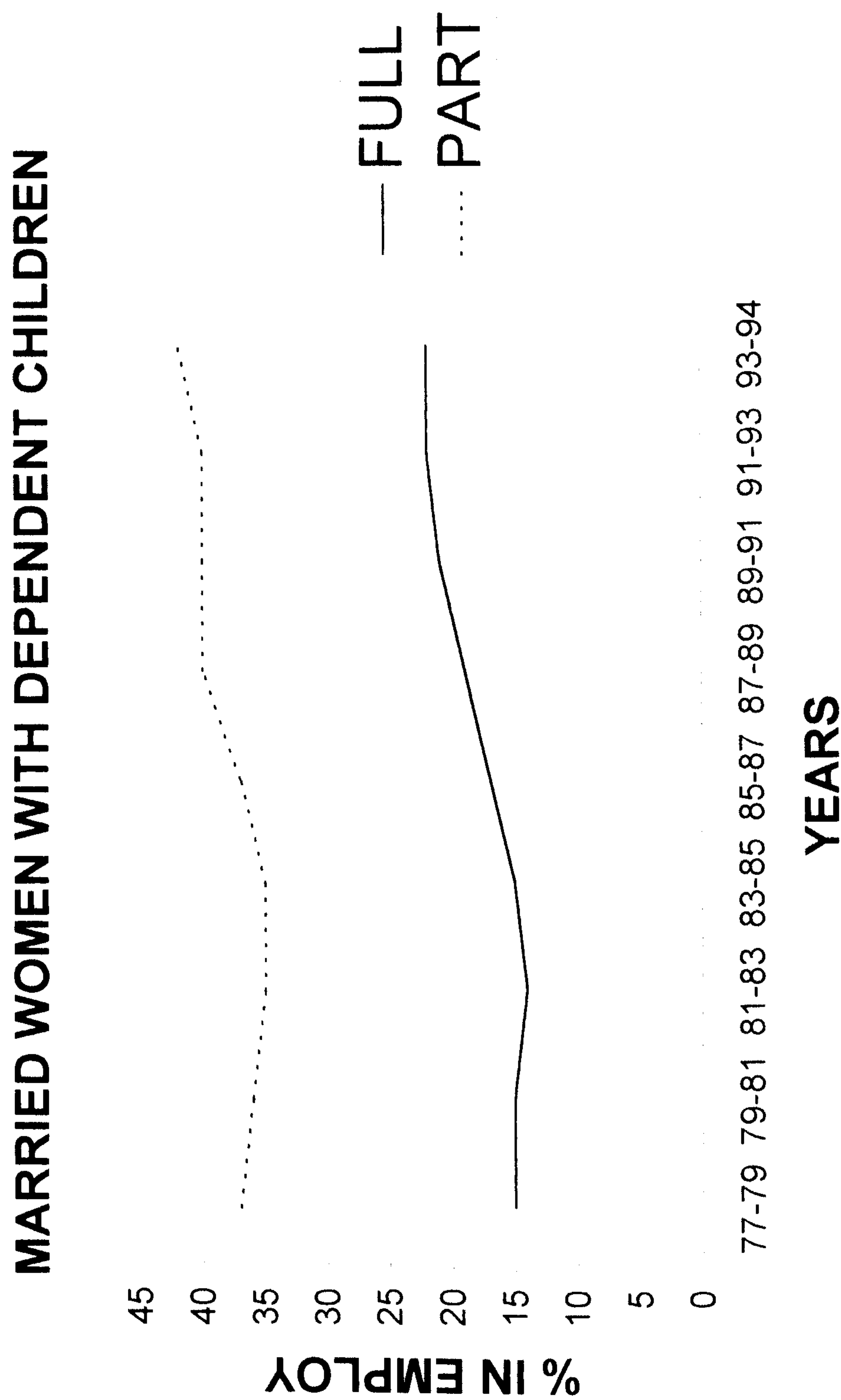


FIGURE 6 – MARRIED WOMEN WITH DEPENDENT CHILDREN

Lone mothers and married women with dependent children: percentages working full time and part time by marital status 1977 to 1994 (Great Britain). From Table 7.9, page 200, General Household Survey, 1994)



Age of children and likelihood of paid employment

Looking at changes over time as well as age of youngest child, there has been a significant change in employment rates for married women. Whereas 5% of married women with a youngest child under 5 worked full time in 1977-79, 16% did so in 1992-94. In contrast, lone mothers in this category were withdrawing from full time paid employment (13% to 8%). For part time work, married women with their youngest child under 5 increased participation from 22% to 35%, while lone mothers increased from 13% to 15% (see Table 4 following).

For those with children over 5, the change since 1977 has not been so marked, but still shows an increase (from 21% to 27%) for married mothers, but a decrease (from 26% to 23%) for lone mothers in full time employment. (See Table 4 following).

These figures should also be looked at in comparison with the situation for women as a whole, that is including those without dependent children. In 1984, 57% of those aged 16-59 and married were in work. By 1994, this had risen to 71%, compared with earlier figures quoted of 53% for lone parents with children 5 or over (23% full time + 30% part time) and 74% for married mothers with children 5 or over (27% full time + 47% part time). Figures for all women, regardless of marital

status or children but aged 16-59, were 57% in 1984 and 67% in 1994 (see Table 7.13, page 204, General Household Survey, 1994).

Social Focus on Women further analyses the participation of lone mothers in the labour market, calculating the percentage in work relative to the age of the child, including categories of 0-4 years, 5-10 years and 11-15 years. This more detailed breakdown shows that although lone mothers start from a lower base, they are more inclined to take on full time work as the child gets older, until for the 11-15 years of age of child category, the figures for lone and married mothers in full time employment are comparable at 32% and 34%.

Similarly, for part time workers, lone mothers, from a low base, become more inclined to take on part time work as the age of the child increases, and the percentage doubled when comparing 0-4 years with 5-10 years. (See Table 5 below.) These statistics are also displayed in Figures 7 – 9 below.

TABLE 4
**Married women and lone mothers with dependent children:
percentages working full time and part time by youngest
dependent child: 1977 to 1994** (Great Britain)

| Age of youngest dependent child and whether women working full or part time % | 77 79 | 79 81 | 81 83 | 83 85 | 85 87 | 87 89 | 89 91 | 91 93 | 92 94 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Married women with dependent children | | | | | | | | | |
| Under 5 years | | | | | | | | | |
| full time | 5 | 6 | 6 | 6 | 9 | 12 | 14 | 14 | 16 |
| part time | 22 | 22 | 19 | 22 | 25 | 28 | 32 | 34 | 35 |
| All working | 27 | 28 | 25 | 28 | 34 | 40 | 46 | 49 | 51 |
| 5 years or over | | | | | | | | | |
| full time | 21 | 21 | 20 | 21 | 22 | 24 | 27 | 27 | 27 |
| part time | 45 | 45 | 44 | 44 | 46 | 48 | 47 | 45 | 47 |
| All working | 66 | 66 | 64 | 65 | 68 | 73 | 74 | 73 | 74 |
| All ages | | | | | | | | | |
| full time | 15 | 15 | 14 | 15 | 17 | 19 | 21 | 22 | 22 |
| part time | 37 | 36 | 35 | 35 | 37 | 40 | 40 | 40 | 42 |
| All working | 52 | 52 | 49 | 50 | 54 | 59 | 62 | 63 | 64 |
| Lone mothers | | | | | | | | | |
| Under 5 years | | | | | | | | | |
| full time | 13 | 12 | 7 | 7 | 9 | 8 | 8 | 7 | 8 |
| part time | 13 | 12 | 11 | 9 | 11 | 13 | 14 | 15 | 15 |
| All working | 26 | 24 | 18 | 16 | 20 | 21 | 23 | 23 | 23 |
| 5 years or over | | | | | | | | | |
| full time | 26 | 28 | 25 | 23 | 23 | 23 | 27 | 24 | 23 |
| part time | 29 | 31 | 29 | 29 | 32 | 29 | 32 | 31 | 30 |
| All working | 56 | 59 | 54 | 52 | 55 | 53 | 60 | 56 | 53 |
| All ages | | | | | | | | | |
| full time | 22 | 23 | 19 | 17 | 18 | 17 | 18 | 17 | 16 |
| part time | 24 | 25 | 23 | 22 | 24 | 23 | 24 | 24 | 23 |
| All working | 47 | 49 | 42 | 39 | 42 | 40 | 43 | 41 | 40 |
| (Table 7.10, p. 201, General Household Survey, 1994) | | | | | | | | | |

TABLE 5

**Economic activity status of mother: by age of youngest child,
Spring 1994**

(United Kingdom, percentages)

| | Lone mothers | Married mothers | All mothers |
|-------------------|--------------|-----------------|-------------|
| 0-4 years | | | |
| Working full time | 9 | 18 | 16 |
| Working part time | 14 | 33 | 29 |
| Unemployed | 8 | 5 | 6 |
| Inactive | 69 | 44 | 49 |
| 5-10 years | | | |
| Working full time | 16 | 21 | 20 |
| Working part time | 28 | 49 | 44 |
| Unemployed | 10 | 5 | 6 |
| Inactive | 46 | 25 | 30 |
| 11-15 years | | | |
| Working full time | 32 | 34 | 34 |
| Working part time | 29 | 42 | 40 |
| Unemployed | 9 | 3 | 4 |
| Inactive | 30 | 20 | 22 |

(Table 2.12, page 26, Social Focus on Women, 1995)

FIGURE 7 – 0 – 4 YEARS

Economic activity status of mother: by age of youngest child, Spring 1994 (UK)

(Table 2.12, page 26, Social Focus on Women, 1995)

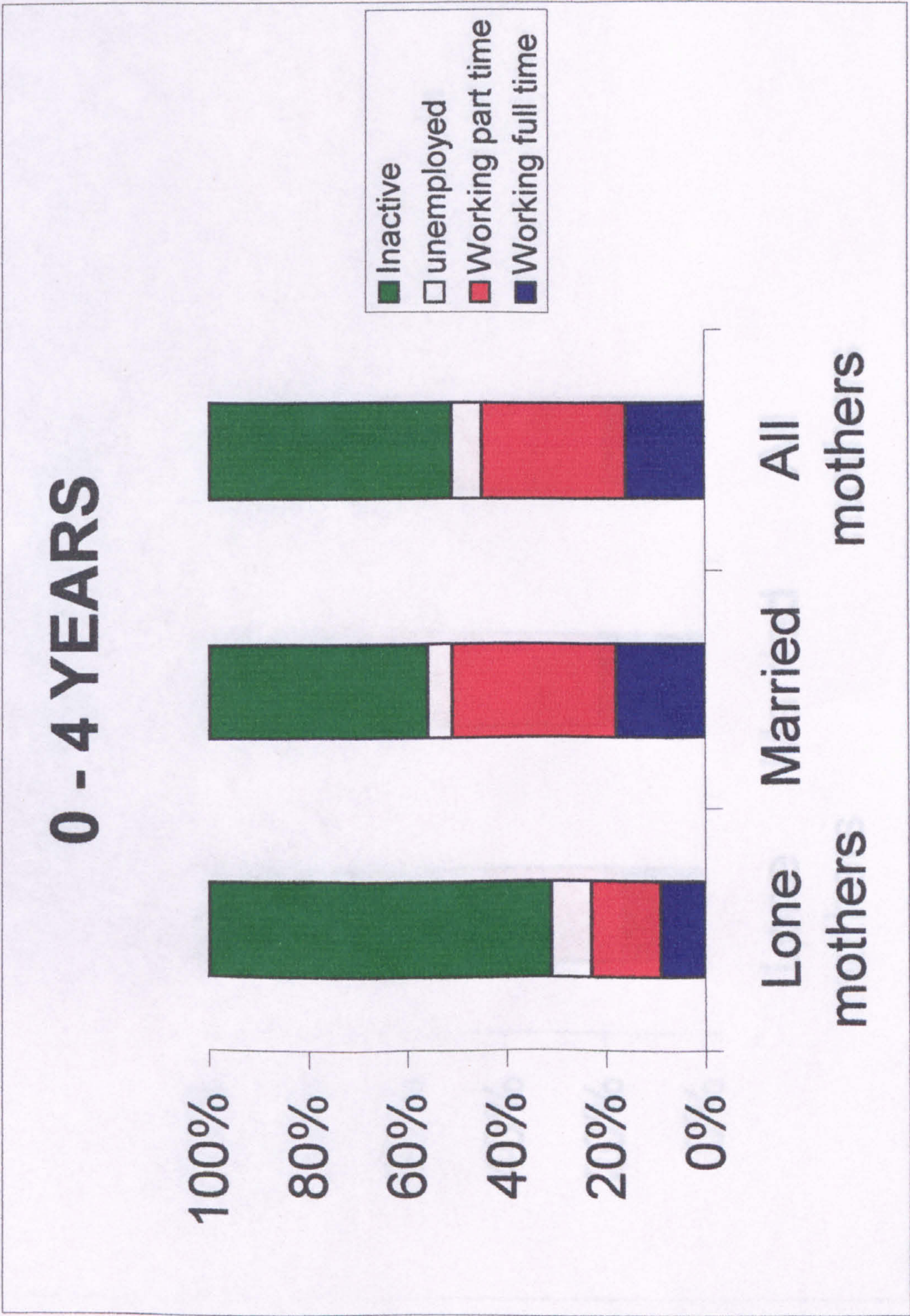


FIGURE 8 – 5 - 10 YEARS

Economic activity status of mother: by age of youngest child, Spring 1994 (UK)

(Table 2.12, page 26, Social Focus on Women, 1995)

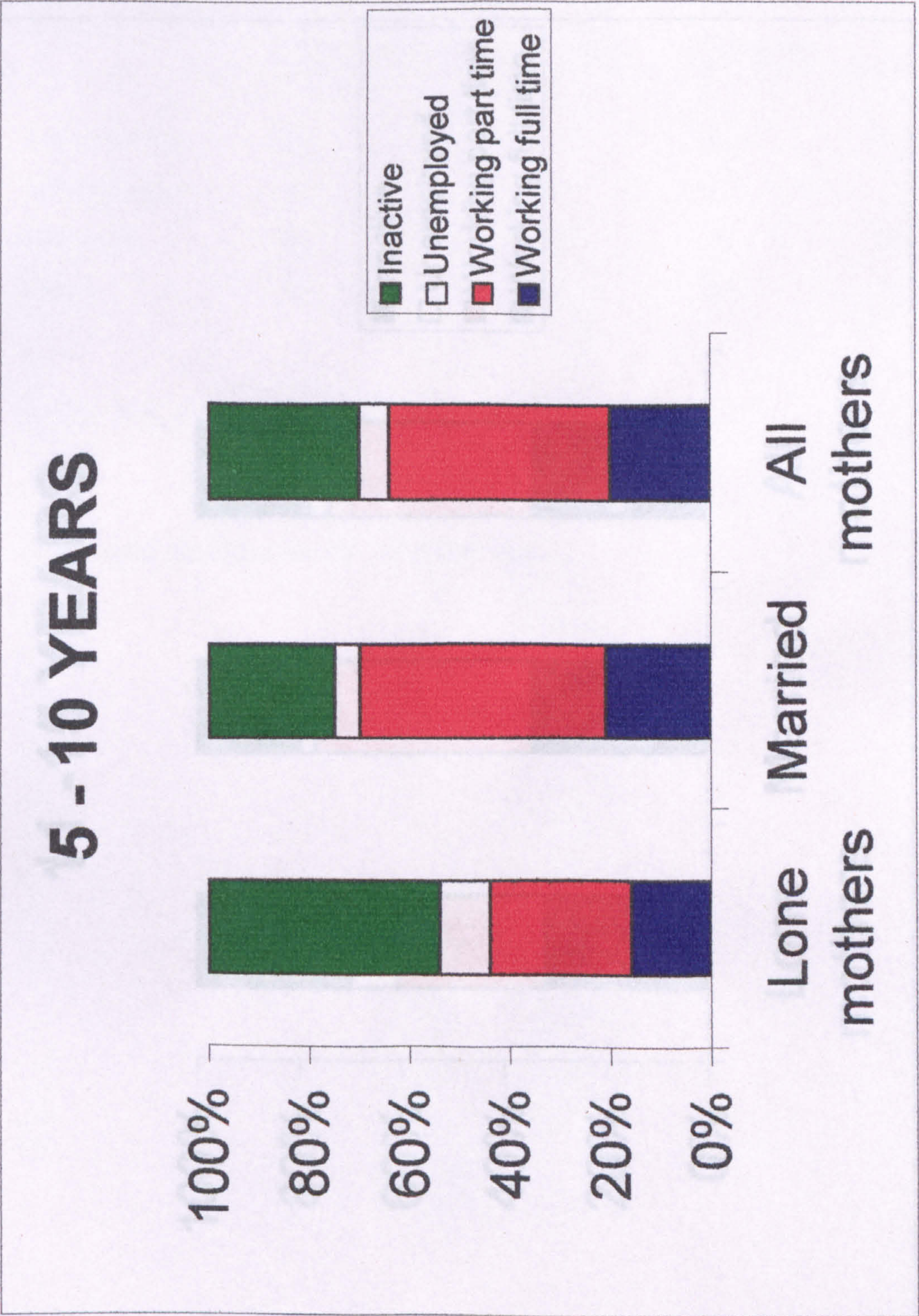


FIGURE 9 – 11 – 15 YEARS

Economic activity status of mother: by age of youngest child, Spring 1994 (UK)

(Table 2.12, page 26, Social Focus on Women, 1995)

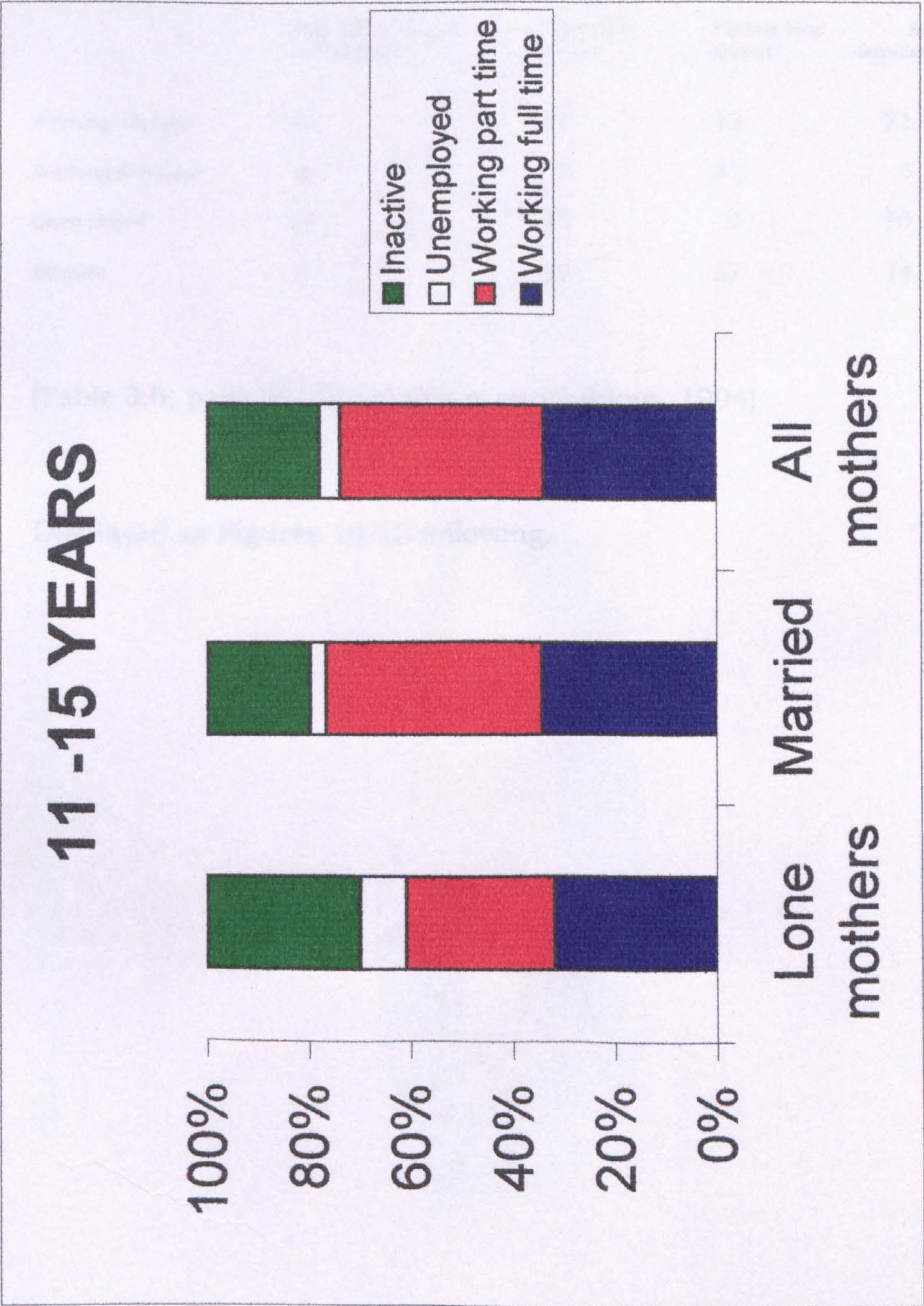


TABLE 6

Children: by family type and economic activity status of head of family, August 1993

(Great Britain, percentages)

| | Male head married /cohabiting | Male lone parent | Female lone parent | All families |
|-------------------|----------------------------------|---------------------|-----------------------|-----------------|
| Working full time | 82 | 47 | 13 | 71 |
| Working part time | 2 | 6 | 21 | 5 |
| Unemployed | 10 | 15 | 9 | 10 |
| Inactive | 6 | 32 | 57 | 14 |

(Table 3.6, page 39, Social Focus on Children, 1994)

Displayed as Figures 10-13 following.

FIGURE 11 - MALE LONE PARENT

FIGURE 10 - MALE HEAD MARRIED / COHABITING

Children: by family type and economic activity status of head of family, August 1993

(Great Britain, percentages)

(Table 3.6, page 39, Social Focus on Children, 1994)

MALE HEAD MARRIED / COHABITING

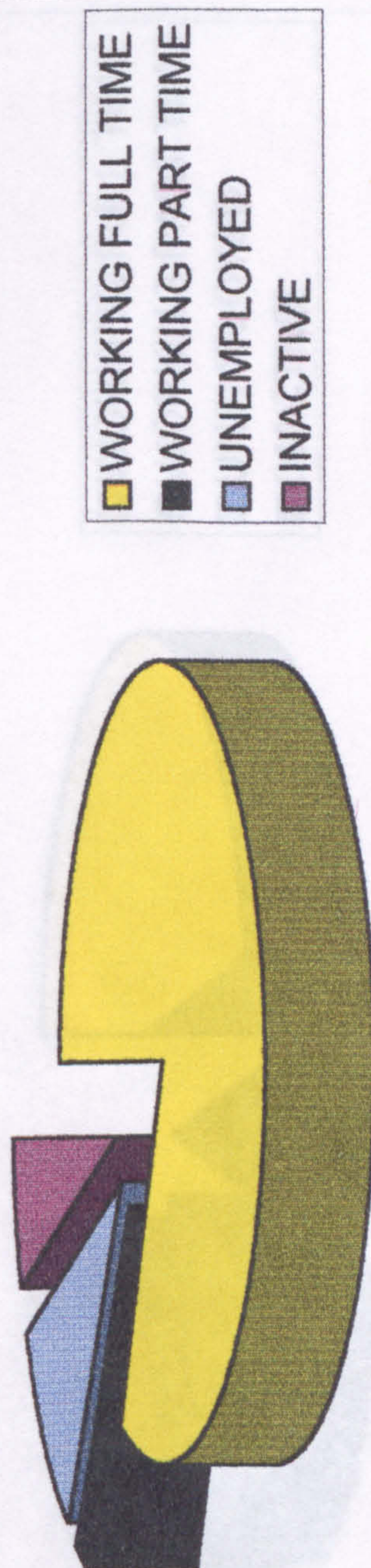


FIGURE 11 – MALE LONE PARENT

Children: by family type and economic activity status of head of family, August 1993

(Great Britain, percentages)

(Table 3.6, page 39, Social Focus on Children, 1994)

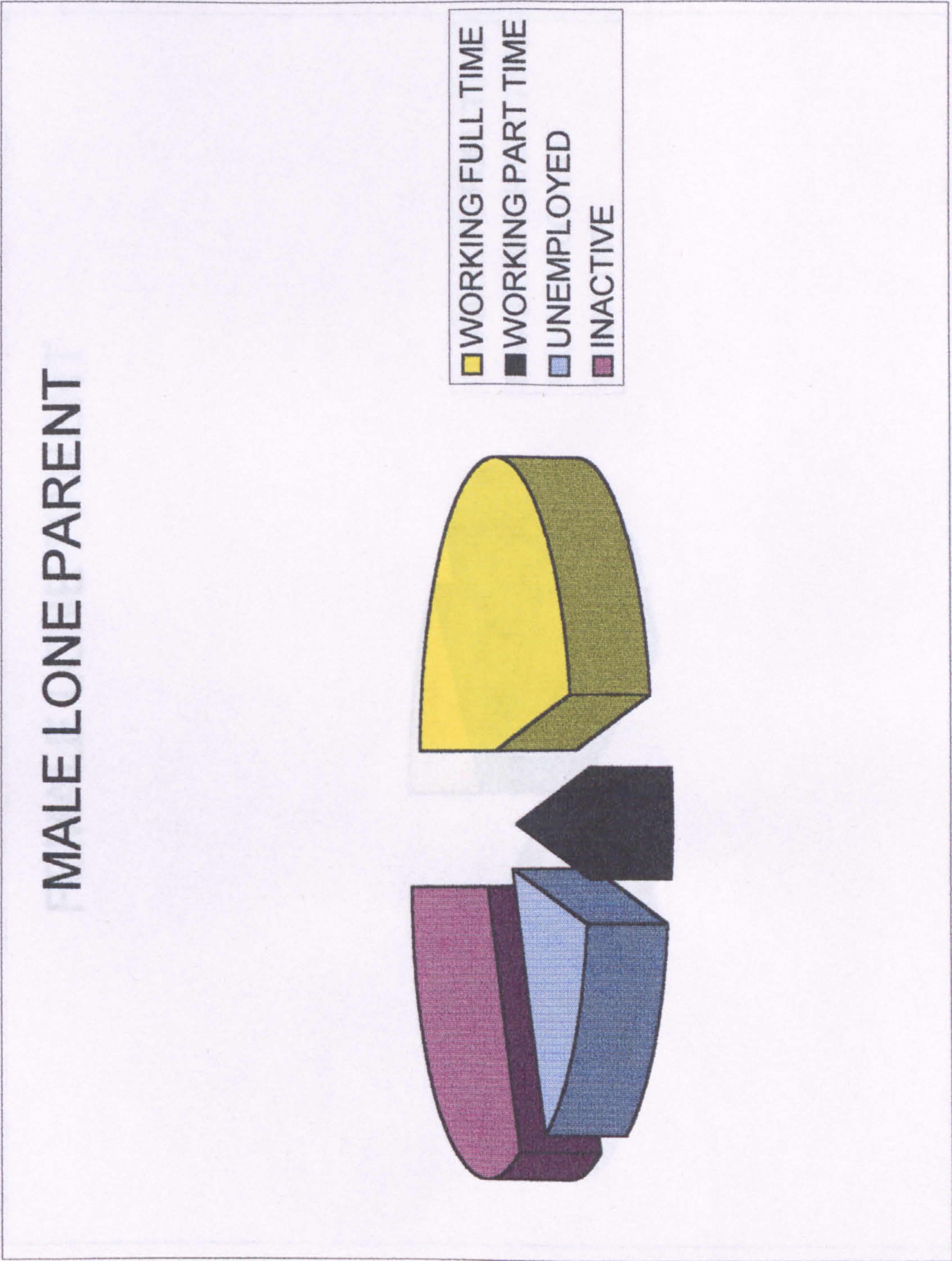


FIGURE 12 – FEMALE LONE PARENT

Children: by family type and economic activity status of head of family, August 1993

(Great Britain, percentages)

(Table 3.6, page 39, Social Focus on Children, 1994)

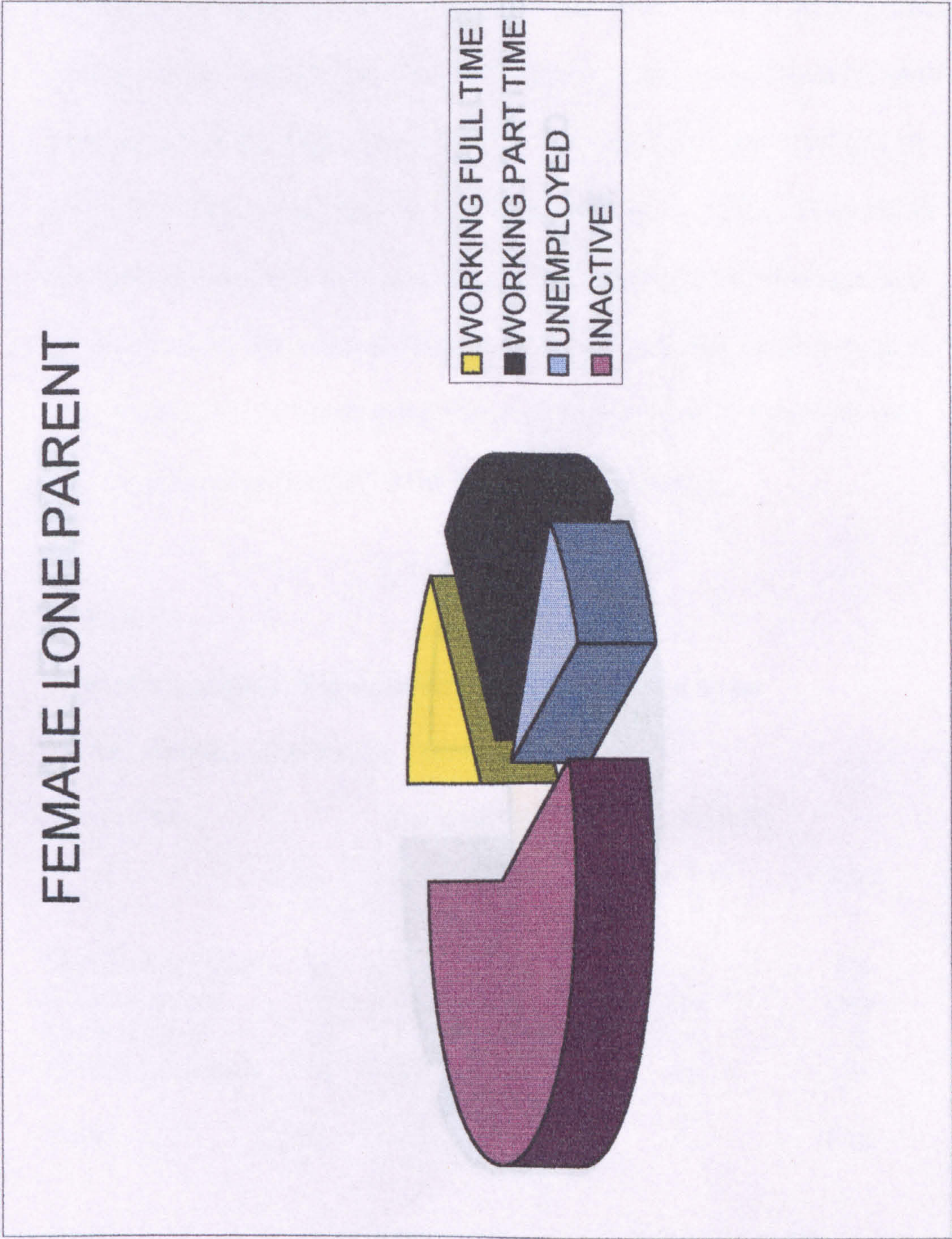
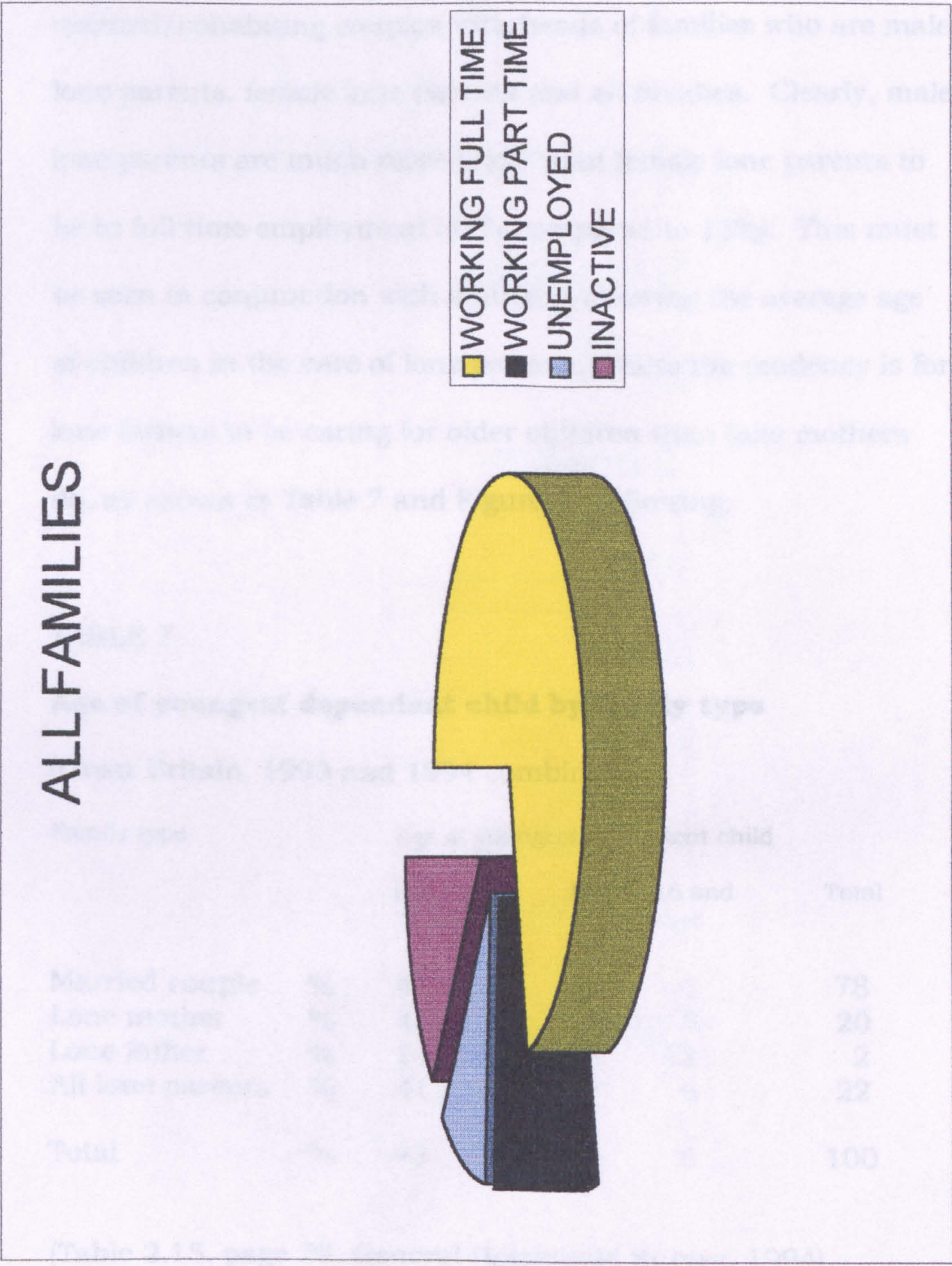


FIGURE 13 – ALL FAMILIES

Children: by family type and economic activity status of head of family, August 1993

(Great Britain, percentages)

(Table 3.6, page 39, Social Focus on Children, 1994)



The figures for married mothers and lone parent mothers should also be compared with the situation for fathers. These comparisons are available in Social Focus on Children (and reproduced here as Table 6 and Figures 10 – 13 above) and compare employment rates of male head of family in married/cohabiting couples with heads of families who are male lone parents, female lone parents and all families. Clearly, male lone parents are much more likely than female lone parents to be in full time employment (47% compared to 13%). This must be seen in conjunction with statistics showing the average age of children in the care of lone parents, where the tendency is for lone fathers to be caring for older children than lone mothers do, as shown in Table 7 and Figure 14 following.

TABLE 7

Age of youngest dependent child by family type

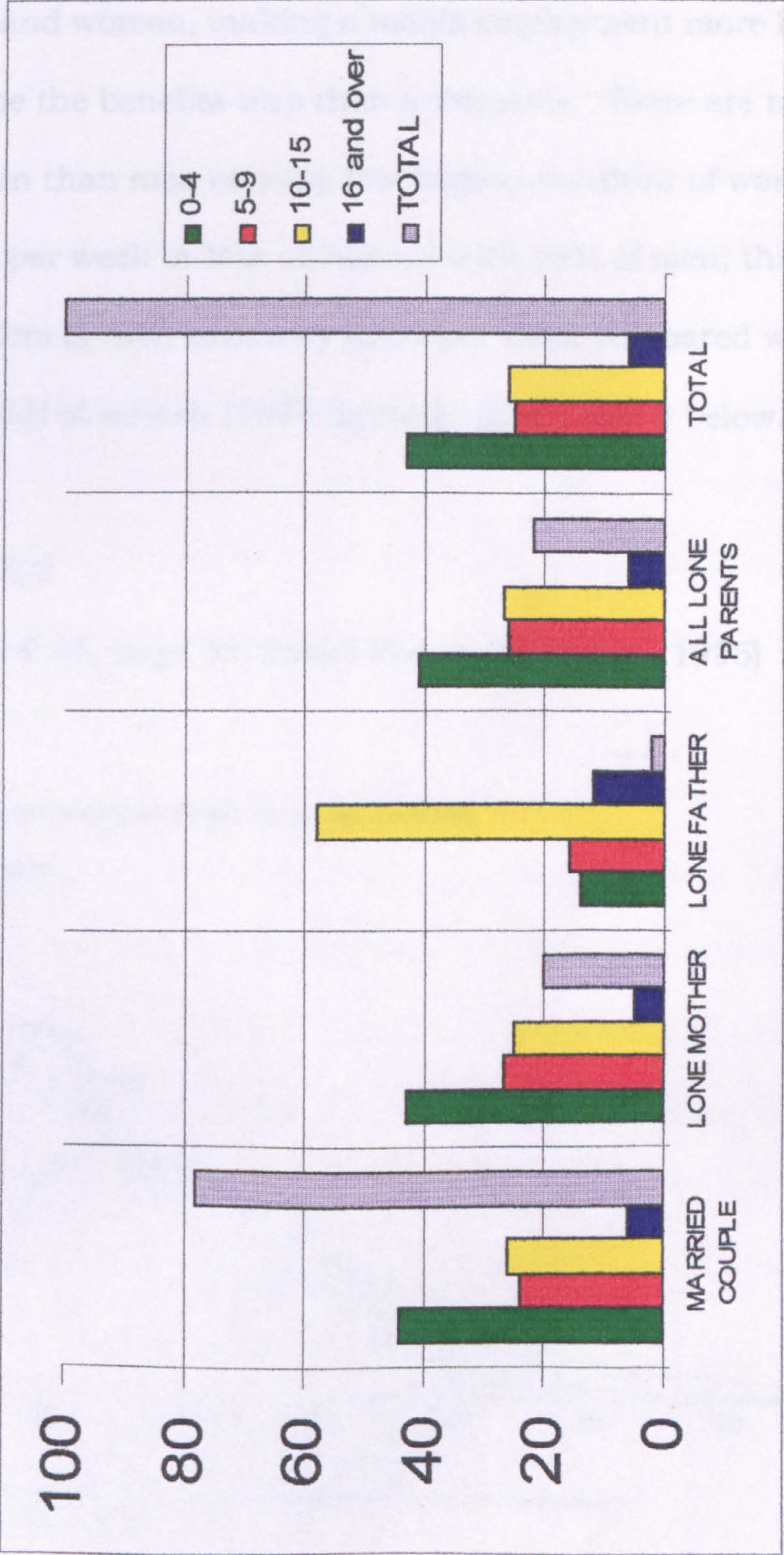
(Great Britain, 1993 and 1994 combined)

| Family type | | Age of youngest dependent child | | | | Total |
|------------------|---|---------------------------------|-----|-------|-------------|-------|
| | | 0-4 | 5-9 | 10-15 | 16 and over | |
| Married couple | % | 44 | 24 | 26 | 6 | 78 |
| Lone mother | % | 43 | 27 | 25 | 5 | 20 |
| Lone father | % | 14 | 16 | 58 | 12 | 2 |
| All lone parents | % | 41 | 26 | 27 | 6 | 22 |
| Total | % | 43 | 25 | 26 | 6 | 100 |

(Table 2.15, page 29, General Household Survey, 1994)

FIGURE 14 – AGE OF YOUNGEST DEPENDENT CHILD BY
FAMILY TYPE

Table 2.14, page 29, General Household Survey, 1994)

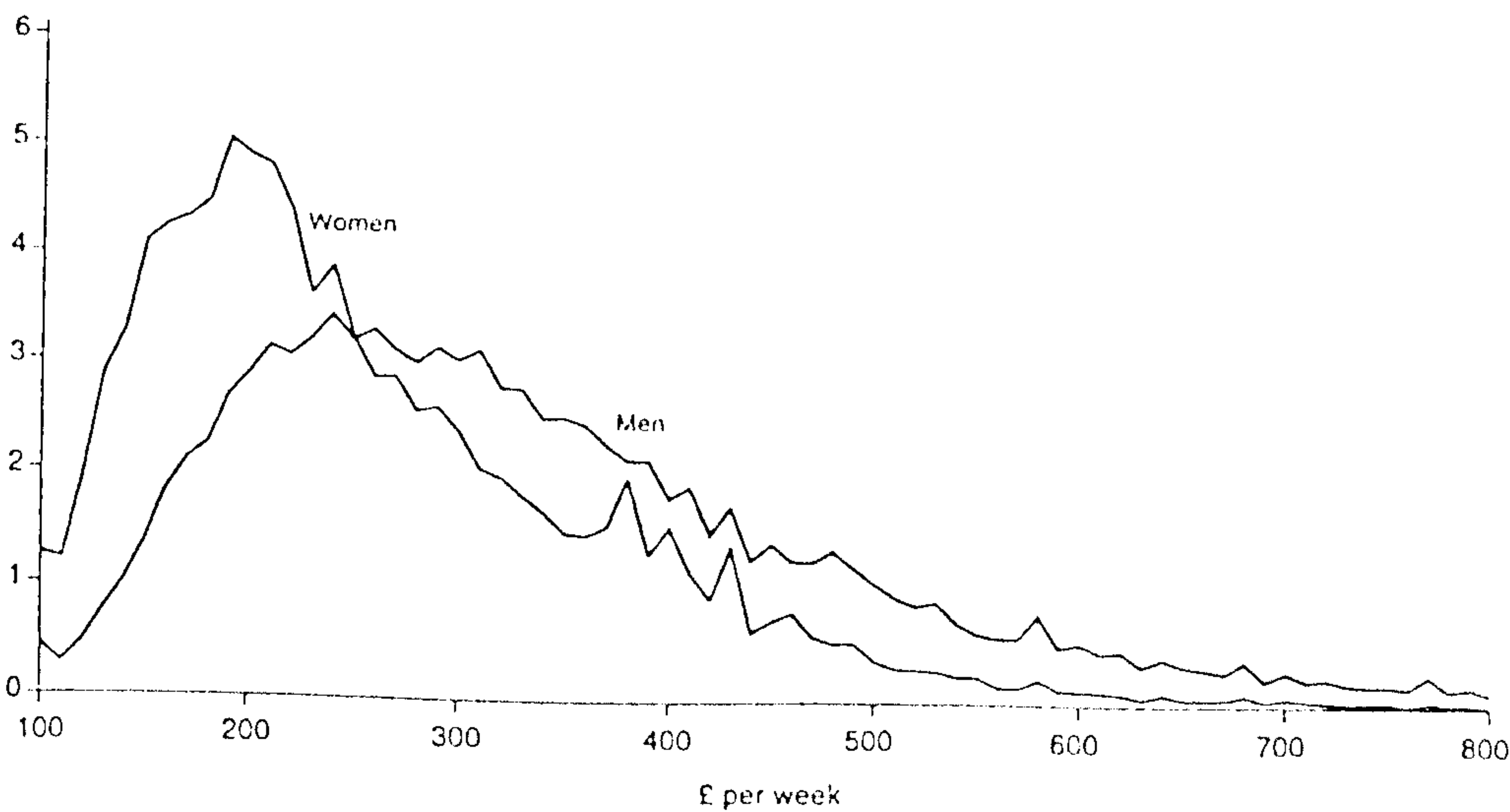


The fact that more lone fathers work full time than lone mothers could also be due to the differential between rates of pay for men and women, making a man's employment more likely to escape the benefits trap than a woman's. There are more women than men earning low wages; one-third of women earn £190 per week or less compared with 13% of men; three-quarters of men earn over £230 per week compared with only one-half of women (1994 figures). (See Table 8 below.)

TABLE 8
(Table 2.25, page 33, Social Focus on Women, 1995)

Average gross weekly earnings¹: by gender, April 1994

United Kingdom
Percentages



¹ Full-time employees on adult rates who pay was not affected for the survey period by absence.
Source: Employment Department

These differences may be the result of a number of factors. The benefit system is designed in such a way that employment may be particularly difficult for lone mothers compared with married mothers. The system currently operating means that someone taking up employment having been on means tested benefits will almost certainly have their benefit reduced, or even removed altogether. This means lone mothers often have to earn a substantial wage to warrant giving up the relative security, if low level, of benefits. This contrasts with the position for married women whose partner's earnings are likely to already remove the family from the means tested system, with the result that any earned income obtained by the mother is a total gain to the household.

The poverty trap created by the benefits system is particularly unfortunate given the likelihood of low level qualifications amongst lone mothers. The General Household Survey shows that 35% of lone parents in 1994 had no qualifications whatsoever. This compared with 22% of other family heads, and is likely to make it even more difficult for lone parents to gain employment paying a high enough salary to counter the benefits trap. (See Table 9 below.)

TABLE 9

Highest qualification of family head by family type: lone parent families compared with other families

(Great Britain, 1993 and 1994 combined)

| Highest qualification level attained | Lone parent families % | Other families % |
|--------------------------------------|------------------------|------------------|
| Degree or equivalent | 4 | 14 |
| Higher education below degree | 8 | 14 |
| GCE 'A' level or equivalent | 10 | 16 |
| GCSE grades A-C or " | 28 | 22 |
| GCSE grades D-G or " [...] | 12 | 9 |
| Foreign or other | 2 | 3 |
| No qualifications | 35 | 22 |

(Table 2.17, page 30, General Household Survey, 1994)

Childcare is also likely to be a particular problem for lone parents. Given the poor provision of pre-school childcare by the state, and the rather slow growth in after-school and holiday schemes for over 5s, finding affordable and quality childcare is difficult. Family Credit allows for childcare costs (to a relatively low extent) but only with registered childcare providers. This excludes the family and friends provision which is likely to be more useful. Income Support makes no allowance for childcare costs at all, and with an earned income disregard of only £15 per week, this is a clear disincentive to lone parents to take employment of less than 16 hours per week. (But see later

details of Labour's "New Deal" for lone parents launched in 1997.)

Women still tend to work in particular types of job; men still tend to work mainly with other men and women with other women. What has been termed 'horizontal' segregation means that equal pay legislation continues to have only limited success in bringing together the level of men's and women's wages. Added to this, the career break taken by many women to have children continues to exacerbate 'vertical' segregation, with women returning after a break taking work for which they may be over-qualified in order to obtain suitable hours, conditions or location of employment.

Post-war employment legislation continued to work against all women, in that it tended to discriminate against part time employees, the majority of whom are women. Restricted rights to benefits such as maternity pay, redundancy packages, holiday and sick pay, continued to apply to those working part time until very recently, particularly for those working less than 8 hours a week for one employer. The signing of the Social Chapter by the Labour government in 1997 will make significant changes in this respect, introducing European legislation to protect workers.

Although many workers will have improved rights under changes expected in the late 1990s, changes in the employment market, with increased use of casual labour, short term contracts, zero-hour contracts, etc. have generally acted against the employee by reducing security and rights. Whilst flexibility may be essential for a lone parent to return to work, the flexibility offered has tended to benefit the employer rather than the employee, and has made giving up the relative security of benefits even harder.

2.3 “Lone parent families are a problem”

This section looks at recent attitudes to lone parenthood as expressed by commentators on the left and the right, those who are not themselves in government, but who are members of "think tanks" and pressure groups. The period examined here is the late 1980s and early 1990s. More specific comments by voluntary organisations closely involved with child support issues are covered in later chapters.

Lone parent families are not new. As Jane Millar points out:

“Marital breakdown rates in the nineteenth century were probably not very different from those found today, the difference being that divorce rather than death is now the main cause of lone parenthood.”

(Millar, 1992, p. 152)

Whether lone parent status was the result of death of a spouse, divorce, or illegitimacy has invariably affected the treatment meted out by government and by society at large. The debate continues today; the moral rights and wrongs of policies which could be said to assist or deter lone parenthood are high on the political agenda. This part of the chapter lays out conflicting opinions expressed in the late 1980s and early 1990s on whether lone parenthood per se is a problem and, if it is, how best the status can be discouraged, or how best the families can be helped. More specific policy solutions put forward following announcement of the **Child Support Act** proposals are looked at in later chapters.

Commentators on the right (for example Butler and Pirie) feel strongly that lone parenthood is a problem and is therefore to be discouraged. They believe that to give benefits to those bringing up children alone is to encourage 'bad' behaviour and will therefore be damaging to society in the long term.

Pirie writes:

“Anything you do to relieve distress will instigate more of the behaviour which caused the distress ... By relieving distress we make it more tolerable, and we make it less necessary to avoid the condition ... If we give money to unmarried mothers to relieve the poverty in which their children are brought up, we make unmarried motherhood more acceptable than it was, and we will get more of it.”

(Pirie, 1994, p. 25)

Butler goes on to assert that by cushioning the effects of lone parenthood, at the expense of the general tax payer, we are in danger of 'strangling the opposite values by taxing people who save, people who maintain stable relationships, and people who do everything they can to keep themselves in work' (Butler, 1994, p. 17).

This seems very similar to the arguments supporting the Poor Law - the fear of supporting the feckless or 'undeserving' who could have acted to avoid their situation, but will not whilst some other provision is made for them.

Green argues that stigma attached to claiming benefits can act in a positive way. He writes:

“.. but if we criticise a person who has fallen on hard times due to their own inappropriate behaviour ... we spend our time criticising them because we believe them capable of more. Failure never hurt anyone because it is

through our failures as well as our successes that we grow. To criticise a person is to treat him as a dignified individual capable of functioning as a morally-responsible citizen. To refrain from criticising individuals whose conduct may be self-injuring as well as harmful to others is ... to write them off as not worth bothering with. It is to treat them as the powerless victims of circumstance and thus to fail to acknowledge the very capacity that makes us all human, our ability to act as thinking, valuing, choosing individuals."

(Green, 1990, p. ix)

Clearly this presumes that we would all agree on the definition of 'inappropriate behaviour' and 'failure'. If being unable to financially support yourself is 'failure' then Green's argument is clearly reminiscent of principles of deserving and undeserving underpinning the Poor Law.

Murray, in describing the 'underclass' is quite open in his comparison with the 'feckless' and 'undeserving poor' (see Murray, 1990). He believes that the problems of the underclass will not be solved with benefits, or even jobs, but that the underclass is made up of people who live and bring up their children according to different values, values which can contaminate others in society (Murray, 1990, p. 4).

Again reminiscent of some judgemental aspects of the Poor Law, Murray draws a distinction between illegitimacy and other forms

of lone parenthood. He asserts that illegitimacy denotes a different mindset - one which sees marriage as unnecessary for having children (Murray, 1990, p. 5). He further asserts that 'Communities need families. Communities need fathers' (p. 7). He bases this argument on his belief that boys need to know what a 'good father' is if they are to be good fathers themselves in the future, and a belief that there is a greater tendency for children to 'run wild' if there is no father around (pp. 11 and 12). This is disputed by David Utting's study which concluded:

“the widely held assumption that two parents are automatically a better safeguard against delinquency is not, however, supported by the evidence.”

(in Hewitt & Leach, 1993, p. 13)

Murray is convinced that it is the benefits paid to women bringing up children alone that encourages them to be lone parents. He claims that it is the rise in the level of benefits (even though they are still low) which has made the raising of children alone an economic possibility, and that in the past the use of severe economic punishment meant single parenthood would be actively avoided. At the same time, the pressure on men to marry has diminished (Murray, 1990, pp. 28-31). Murray fails to address the structural difficulties faced by women in the employment market, and does not address the

dilemma faced by those lone parents who are attempting to be involved in paid work whilst bringing up children with little support from elsewhere, eg poor childcare facilities and inflexible work practices.

Looking at cohabitation rates and divorce, Brown argues that it cannot be said to be 'better' to have a father and lose him through divorce, than to start fatherless but acquire one (Brown, 1990, p. 46). This contrasts with Murray's assertion that to bring an illegitimate child into the world signifies a lack of acceptable values on the part of the mother which is not only damaging to the child but potentially to wider society as well.

Brown contends that it is not the removal of benefits which will solve the problems of lone parents, (according to Murray by discouraging their formation in the first place). Brown believes it is policies which bring about the removal of obstacles currently preventing lone parents from working as well as raising children, and the proper pursuit of maintenance from fathers, that will solve problems in a positive way, without the need for a return to the more morally judgemental aspects of the Poor Law (Brown, 1990, p. 48).

Walker counters Murray's arguments by pointing out that countries with high illegitimacy rates such as Denmark, do not have any more problems than in the UK. He concludes that Murray's thesis simply lifts the guilt from governments (and others in society) by blaming the victims (Walker, 1990,. pp. 52-58).

Deakin argues that children classed as illegitimate today are quite likely to be living with both their natural parents, many of whom will later marry, or are equally likely to become part of a family with a man in the future. Deakin points out that Murray fails to mention step-families or 'reconstituted' families, although the reality is that lone parenthood is only a stage in the life cycle and is usually temporary. Deakin therefore concludes that illegitimacy should not be seen as a threat (Deakin, 1990, p. 60). Murray's ideas for local solutions are compared with the Elizabethan Poor Law parishes 'prodding those whose occupations or morals did not square with local values' (Deakin, 1990, p. 64).

There are, however, many commentators in support of Murray's ideas, for example, Harris writing for the Institute of Economic Affairs who states that:

“the dramatic increase in unmarried mothers owes a good deal to the special payments and subsidised housing priority won by the pressure group for that biological curiosity of 'single-parent' families.”

(Harris, 1988, p. 23)

Harris believes that all benefits have a dual effect - an 'income' effect of increasing spending power of the recipient; and a 'price' effect, which raises the incentive to qualify for the subsidy or benefit, thus encouraging becoming or remaining unemployed or poor or homeless (or presumably a lone parent). He advocates counselling and pastoral care and a stress on morals, wherever possible to be delivered in the local community by voluntary action (Harris, 1988, pp. 23 and 26).

The emphasis on morals is not restricted to right-wing commentators. Frank Field, Labour MP for Birkenhead and Chairman of the Social Security Select Committee (and later appointed to the Department of Social Security in the Labour government from May 1997), clearly believes a large number of lone parents, particularly those who are still young themselves and have never married, are likely to behave in a manner which others in society may judge immoral.

“The likelihood is that among this group mothers will have a number of sexual partners in succession. A series of half siblings results.”

(Field, 1995, p. 12)

“What does it mean for hundreds of thousands and possibly, by now, millions of young people that their mother has had a number of other partners, most of whom gave her children - their step-brothers and sisters? What message is being put across to children when much of family life is spent eating in front of a TV screen while a succession of different boyfriends occupy the seats behind them?”

(Field, 1995, p. 13)

“... these mothers are overwhelmingly young and are therefore likely to become part of a growing group of single parents who have a series of children by different partners.”

(Field, 1995, p. 111)

Field offers no evidence for such assertions yet this belief clearly colours his view on the appropriateness of benefits:

“We also need to confront the values which are taught by our social security system. No system of welfare can be independent of values. These values need to be brought to the fore. Is it right, for example, that young, never-married mothers, should gain additional income support premiums when few if any voters think that such behaviour is acceptable, let alone rewardable?”

(Field, 1995, pp. 21-22)

Field relents a little by accepting that mothers should not be pressurised into unsatisfactory relationships, and, contradicting his earlier condemnation, speaks of "the heroic endeavours of most single parents to bring up their children to the very best of their abilities" (pp. 113-114). Nevertheless, one moral message is clear throughout his book, that is his concern at the rising number of never-married lone parents. Yet he fails to address the increase in cohabiting relationships or the fact that many children of lone parents were conceived and born into relationships which at the time were considered permanent. A study by Bradshaw and Millar in 1991 found that about 17 per cent of the single mothers in their sample had lived with their former partners before becoming a lone parent (in Millar, 1992, p. 153). The marriage licence seems to be central to Field's moral message which could be said to be rather out of touch with the reality of today's society.

Work by Marsh et al (1997) showed that the vast majority of lone parents had had all their children by one partner alone. This applied to 8 out of 10 of the never-married lone parents interviewed in the study and 9 out of 10 of the formerly married (880 lone parents were chosen as a nationally representative sample). Fewer than three in every one hundred had had children with three different partners.

Krause (1994), taking a contrasting view to Murray and to some extent Field, believes that we cannot continue treating lone parent child rearing as deviant. He claims that the emphasis on culpability of the absent father, on immorality, irresponsibility and fault, has over-ridden the genuine needs of children, and taken away any sense of public responsibility for children. Krause argues that the state does owe some responsibility to children as future workers and supporters of others. He goes on to express the belief that in the future more government financial support to children may be necessary, as birth rates fall and potential parents find that the 'opportunity cost of child rearing becomes prohibitive'. DINKYS' (dual-income, no kids yet) futures could be in jeopardy if the society of tomorrow is made up of a high proportion of social outcasts - or those made to feel outcasts by little regard for social and education needs and the extent and impact of poverty. Krause believes that only a healthy, educated and willing working generation will generate the income necessary to provide retirement for their predecessors and that therefore having children (or not having them) is not just a private matter (Krause, 1994, pp. 220-229).

The Report of the Commission on Social Justice similarly concludes that:

“... the unpaid work of parents and other carers must be recognised in family-friendly policies at the workplace and in the organisation of the welfare state”

(Social Justice, 1994, p. 104).

The report stresses the importance of education, training and employment for all and concludes that it is up to government to ensure that services and policies are in place to allow access for all. These services and policies should include the provision of good childcare facilities with particular help for lone parents (Social Justice, 1994, p. 178).

In exchange for better educational opportunities, the provision of good childcare and more protection for part-time workers, the report concludes that mothers of school-age children should be available for work, for at least part-time work, if they (or their partners) wish to claim benefit. Those with children under 5 or with a disabled child would be allowed to claim benefits without being available for work, and there would be a period of adjustment allowed on separation, divorce or widowhood (Social Justice, 1994, p. 240).

As part of a policy of redesigning the welfare state and encouraging work, the report recognises the shortfalls of the

current system which so often traps lone parents on benefit and in poverty (Social Justice, 1994, p. 239). Changes to the disregard are suggested to encourage employment and maintenance from absent parents (p. 251).

Lone parents and their children are not seen as a 'problem' by the report, which stresses that all families need measures to help them earn their own living. In summary, the report advocates:

- a national strategy for under-fives, including nursery education and childcare
- jobs, education and training
- family-friendly employment policies
- income support disregard on childcare expenses
- reform of child benefit
- reform of the Child Support Act

(Social Justice, 1994, p. 252)

The need to value all children is stressed as is the need to value the work of bringing up children. Children, in whatever family-form they live, must be respected and treated well if they are to have self-respect and respect for others (Social Justice, 1994, p. 311). This of course contrasts sharply with the Right's ideas of

discouragement and penalties to be applied to lone parent families regardless of the effects on the children involved.

The report goes on to assert that communities must also play their part in the upbringing of children and providing a good environment (Social Justice, 1994, p. 313 and pp. 325-331). However, the report acknowledges that communities can be racial, discriminatory and exclusionary (Social Justice, 1994, p. 326). Local people should be assisted by government to provide political, institutional and financial frameworks by which families can be assisted in their nurturing role (Social Justice, 1994, p. 370). At the same time, parents' own responsibilities should be clearly set out in a 'statement of parents' responsibilities' (Social Justice, 1994, pp. 320-321). Throughout the report it is stressed that parents are not the only people involved in a child's upbringing.

One member of the Social Justice Commission, Dr. Penelope Leach, in a separate publication, calls for even more recognition of the value of parenting and the need for the support of society as a whole to put children and parents first. She highlights the steps other countries have taken in this direction, for example the establishment of a Children's Ombudsperson in Norway.

The discussion of the British Labour Party in 1992 around the

creation of a Cabinet-level post of Minister for Children needs further developing, Leach believes, even to the extent of introducing 'child impact statements' required for any planning or licensing application, any policy proposal, any new regulation or addition to case law (Leach, 1994, p. 194).

Another avid supporter of family responsibility and strong communities is Etzioni. However, unlike Krause, Leach, and the Social Justice Commission, Etzioni does not stress a need for state support for all kinds of families and declares a clear preference for the traditional family form. The 'communitarianism' put forward by Etzioni includes a need for communities to 'discipline' themselves and to police the social behaviour of individual members for the common good. Of paramount importance is a moral foundation, with fathers and mothers having the same duties and rights and being encouraged to stay together until the children are grown. This is, according to Etzioni, the way to raise children responsibly, and ultimately in the best interests of society as a whole. As Suzanne Moore writes in the Guardian, this cannot always be said to be 'for the good of the children' (for discussion see the Guardian: John Gray 8 March, 1995; Suzanne Moore 9 March, 1995; Martin Walker 13 March 1995).

Etzioni believes support in the form of child care provision should come firstly from parents themselves through co-operative schemes. Employers and government should give additional support only if parents cannot themselves spend more (financially and in terms of time) on child care (Etzioni, 1993, p. 11). He stresses the need for parental commitment, particularly time, and acknowledges that a lone parent may be better than what he terms 'two-career absentee parents' (Etzioni, 1993, p. 9). However, he argues that there are several compelling reasons why two-parent families are the most suitable form for children, not least of which is the heavy demands on time and energy. He goes on to identify two 'modes of parents' - supporting and achievement oriented - which he feels makes two parents preferable:

“One parent may be more supportive, the source of emotional security that all children require if they dare to grow up in a threatening world. The other parent may be more achievement oriented, pushing children to extend themselves beyond the comfortable cradle of love. In many countries mothers have historically often fulfilled the former role, while fathers have typically adopted the latter. What matters most is the two parent mode.”

(Etzioni, 1993, p. 15).

In support of two-parent families Etzioni declares a preference for pre-marriage counselling, for example by religious bodies, as

well as the teaching of effective communication skills in schools. He also believes that harder and less socially acceptable divorce, particularly where children are involved, is essential, with restrictive laws being used to “communicate and symbolise those values that the community holds dear”.

If the conclusion is, therefore, that lone parent families are a problem for themselves and for the larger community, if they are seen as in some way 'deviant', there will also be perceived a need for this form of family to be discouraged in whatever way possible. For the Right this may mean a reduction or even removal of benefits, to act as a deterrent to others, and to make the state of lone-parenthood as undesirable as possible. For some, discouragement may be through moral pressure and disapproval, perhaps with the re-emphasis on adoption as a way of prevention of lone parent family formation, coupled with the provision of hostels for single mothers. In 1995, an Institute of Economic Affairs paper discussed 'the ultimate privatisation' - the privatisation of the family - with the encouragement of adoption of babies born to poor single parents by wealthy childless couples (Henderson, 1995, pp. 4-5).

On the other hand, lone parent families could be treated as simply another family-form, possibly with some acknowledged

extra difficulties to overcome when compared with two-parent families, but with no stigma attached and no need for discouragement. Recognising the value of children to society and the need to help all families, whatever form they take, can remove the 'problem' of lone parenthood altogether. The issues then become family policy, poverty, housing, employment, etc., not lone parenthood as such (see Letts, 1983, p. 7). Hewitt and Leach conclude:

“We cannot continue to scapegoat lone mothers ... with talk of 'cycles of deprivation' or an 'underclass' that sounds as if these misfortunes had a will and an existence beyond our understanding or control ... the undervaluing .. of both mothers and fathers [is] profoundly damaging not only to children and their immediate families, but to the whole of our society”

(Hewitt and Leach, 1993, p. 43).

2.4 Commentary

This chapter has “set the scene” within which the **Child Support Act** was born. Rising government expenditure on benefits to lone parents, low levels of paid employment by lone parents, often hostile and judgemental “think tank” publications, all contributed to the conclusion that lone parenthood is indeed a problem. Sadly, these views were strikingly similar to those expressed decades and even centuries earlier.

Chapter 3 examines government policy towards lone parenthood, looking at the development of the post-war benefits system and specifically how lone parent families were included in that system.

CHAPTER THREE

The Evolution of Government Policy

Towards Lone Parenthood

3.1 Introduction

The preceding chapter provided a brief overview of lone parenthood in the UK after the Second World War. Statistics were provided which showed rising numbers of lone parent families and how this affected levels of benefit expenditure by government through the 1970s and 1980s. This chapter looks at how the post-war benefit system developed, specifically in relation to its treatment of lone parent households.

The exceptional circumstances of the Second World War brought about a change in attitude by central government. The policies for maintaining children involved in the evacuation programmes are detailed. These show a significant shift in the government's attitude towards parental liability to maintain from that demonstrated under the Poor Law. The government was prepared during the Second World War to contribute much more towards the cost of bringing up children.

The Beveridge proposals in relation to lone parents are examined in this chapter. Although not all his proposals were adopted, and some were introduced in an amended form, the Report could be said to illustrate the political mood developing during the war. The report also illustrates the prevailing view at that time that a woman's place was in the home.

Government assistance in the form of Family Allowance and tax relief is detailed, followed by an overview of means-tested benefits, Supplementary Benefit and Family Income Supplement, and later Income Support and Family Credit.

Section 3.3 describes benefits and the liability to maintain since 1988. Details of arrangements for the collection and enforcement of maintenance are given in more detail, including a brief explanation of the current Agency formula.

3.2 Benefits and the Liability to Maintain 1940-1988

3.2.1 The Influence of the Second World War

Ferguson and Fitzgerald in 'Studies in the Social Services' (1954) detail the treatment of unmarried mothers in the period 1939-1945. They show that even before the war the average size of family was decreasing, with women bearing fewer

children. Although infant mortality figures improved greatly, there was still a definite change in the formation of families, with smaller family circles and relatives who could be turned to for help - brothers, sisters, aunties, etc. reduced in number (Ferguson & Fitzgerald, 1954, pp. 1-2).

During the war years there was also a need to maintain as much as possible the morale of servicemen who were away from home. To hear that the state was failing to properly provide for their families in their absence would have added to servicemen's distress and the pre-war assistance services, which amounted to the Poor Law authorities and the workhouse, were seen as unacceptable (Ferguson & Fitzgerald, 1954, pp. 8-9). As Titmuss put it:

“... soldiers could hardly be expected to fight with spirit when they knew that their families were breaking down under insupportable strain.”

(Titmuss, 1950, p. 209)

Evacuation procedures were necessarily elaborate, and the government set up very complex administrative procedures for the recovery of costs incurred in evacuation. The authorities of the original place of residence of the evacuee were deemed responsible for costs incurred by the reception area, if such

services would have been provided in the evacuee's home town. The evacuating area would then, as in peace-time, be responsible for recovering, in appropriate cases, from parents and responsible relatives. Any extra costs incurred, over and above peace-time provision, could be recouped from the Treasury. Thus, there was an attempt to split the 'costs of peace' from the 'costs of war' (Titmuss, 1950, pp. 206-208).

As far as the liability to maintain children was concerned, the government took on a new role. Parents of evacuated children were expected to contribute towards the costs of the maintenance of their children, if they could afford to. When this means test was introduced it was noted that the extent of poverty amongst those living in the cities was great and the actual amount recovered from parents was relatively small (Titmuss, 1950, pp. 159-161).

The amount paid by parents who could afford it was set at 6s a week for the duration of the war (Titmuss, 1950, p. 399).

However, the amounts paid to the billeting families were much more than this. In June 1940 the rates paid out by the Treasury were:

5-14 year olds 10s 6d

14-16 year olds 12s 6d

16 years or over 15s (from Titmuss, 1950, p. 397).

Thus, the government could be said to be taking on responsibility for the costs of maintenance of children. It must be remembered though that these amounts, even though considerably higher than the contribution being made by the parents, were still considered inadequate by many. For poorer reception families, the amount was a major consideration; for better-off families, it was difficult to maintain the same standard of living as the rest of the family using this payment alone (Titmuss, 1950, p. 161).

Local authorities were reluctant to provide services, at the expense of local ratepayers, which they considered were the result of the war and which they would not have provided (for some groups of people) during peacetime. Similarly, central government was keen to ensure that the evacuation scheme should not be used to solve social problems not directly connected to the war effort, for example lack of nursery provision by local authorities, or lack of services for unmarried mothers. There were inevitably huge amounts of inter-authority paperwork (Titmuss, 1950, pp. 210-212). As Crosby puts it, the

government thought in terms of war production rather than an extension of social services for the future. But, if temporarily, the government was forced towards creating a climate of opinion willing to accept an extension of state machinery (Crosby, 1986, p. 153).

Children were thus labelled 'evacuee' or 'public assistance' and sometimes provision varied accordingly, depending on assumptions reached about the behaviour of the parents rather than according to need. Decisions were then taken as to where costs should be apportioned - to the parents, to the ratepayers or to the Exchequer (Titmuss, 1950, p. 213). Remnants of Poor Law administrative procedures were evident, with services sometimes delivered according to the behaviour of the parent rather than the needs of the child, it was clear that there was still a 'deserving' and 'undeserving' division with respect to some services.

The number of illegitimate births rose during war-time, although it should be noted that the proportion of births outside marriage only reached one in ten in 1945 (see Social Trends 26, 1996, p. 61). Arrangements were made to accommodate pregnant unmarried women in hospitals and hostels in the country wherever possible. Mother and baby would then be

billeted if a suitable family could be found. Voluntary bodies were utilised as much as possible, and inevitably services varied greatly from area to area.

Problems of finance for unsupported women who were pregnant, which had been seen under the Poor Law, continued. Local authority boundaries were still in operation and battles of 'settlement' remained, with country districts feeling 'burdened' by city destitutes. There were two cases reported of London 'girls' and their babies being given the fare home (Ferguson & Fitzgerald, 1954, pp. 104-108).

The government paid towards the hospital and post-natal care of unmarried mothers, but this was limited and not taken up in any large amount. Voluntary agencies were always seen as preferable to local authority provision, but hostels for unmarried mothers were established as part of the evacuation arrangements. The Treasury paid for these hostels, and they were particularly used by servicewomen who would otherwise have had to rely on the Poor Law authorities. The women using the hostels were expected to contribute towards their keep if they could afford to, but in reality such contributions were few (Ferguson & Fitzgerald, 1954, pp. 112-123). It would appear

that no effort was made to chase payment from fathers or other family members.

Thus, a change of attitude came about because of the war. No longer was it assumed that the Poor Law was the right public service for unmarried mothers and illegitimate children (Ferguson & Fitzgerald, 1954, p. 128). Problems of finance undoubtedly continued but:

“It was one of the social consequences of the war that the government accepted new responsibilities for the welfare of unmarried mothers and their babies.”

(Ferguson & Fitzgerald, 1954, p. 138)

No longer were poor unmarried mothers and their children entirely dependent on extended family, voluntary bodies or the Poor Law.

Although change did occur, publicly provided homes for unmarried mothers still only accounted for 10 per cent of homes by 1949 and the emphasis remained on voluntary provision. However, social workers were provided and voluntary homes were subsidised and inspected to a greater degree than had occurred before the war (Ferguson & Fitzgerald, 1954, p. 139).

Post-war benefits introduced meant that reliance on the Poor Law was replaced by payment of maternity allowance and if necessary National Assistance. Unmarried mothers were no longer the same burden on their families and this enabled more to remain at home. Where unmarried mothers became homeless they became the responsibility of the local welfare authority and were guaranteed a place in a public or voluntary home at the authority's expense (Ferguson & Fitzgerald, 1954, p. 140). This was obviously a great improvement on the workhouse, and an improvement on "outdoor relief" available under previous legislation.

3.2.2 The Beveridge Proposals

Beveridge recognised the problems of maintaining a family and his proposals (in the Beveridge Report of 1942) included payment of benefits according to the size and age of your family. Payments suggested included funeral grants, maternity benefits and grants, marriage grants, guardian's benefit (see de Schweinitz, 1961, pp 232-237).

Beveridge would have preferred inclusion of a child allowance under the insurance principle:

“It can be argued that .. children are a contingency for which all men should prepare by contributing to an insurance fund”

(Beveridge quoted in Cutler, 1986, p. 16).

But he recognised the limitations of funding and also the importance of maintaining personal responsibility:

“When the responsible parent is earning, there is no need to aim at allowances relieving the parent of the whole cost of the children ... it would be wrong to do so - an unnecessary and undesirable inroad on the responsibilities of parents”

(Beveridge in Cutler, 1986, p. 16).

Beveridge assumed that the country was, and would continue to be, made up of two-parent households with the wife engaged in the 'vital but unpaid labour' of child-rearing while the husband held a full-time job at wages adequate to maintain a couple and at least one child. Married women were assumed to be supported by their husband, and therefore in need of different treatment under the insurance system. Thus, a wife's dependency on her husband was built into the system (Finer (II), 1974, 137-138).

This led to the assumption that second and subsequent children would require a child allowance in any event, and the

first child would need inclusion in benefit entitlement when employment was interrupted (Williams, 1987, p. 51).

As the abolition of 'want' was one of Beveridge's aims, it was clear that some adjustment of incomes was necessary if family needs were to be met adequately. It was clear that child allowances were essential if benefits payable during interruptions in earnings were to be adequate. It was also clear, therefore, that such allowances had to be paid when earning, otherwise: (a) substantial amounts of 'want' would remain for low-paid workers with large families; and (b) income could be greater during unemployment than during employment (Williams, 1987, p. 54).

The Beveridge Report did, however, endeavour to keep a balance between state and parental responsibility. It was seen as important that:

“the principle of social policy should not be to remove all responsibilities from the parents, but to help them to understand and to meet their responsibilities”

(Beveridge quoted in George, 1968, p. 190).

Beveridge saw the position of divorced women as being similar to widows:

“In divorce, legal or voluntary separation, and desertion, the general principle is that the termination of marriage should result for the wife in the same insurance arrangements as those that accompany widowhood, unless the marriage maintenance has ended through her fault or voluntary action without just cause.”

(de Schweinitz, 1961, p. 237)

Although Beveridge felt that women who were separated should be entitled to financial help from the government, this was limited to those who were 'blameless'. Thus, the old 'undeserving' principles of the Poor Law were continued in Beveridge's proposals. However, in the event this particular proposal was not taken up.

Beveridge's proposals for the support of separated women came after much debate. It was finally concluded that to treat separation as an insurable event would be inappropriate, and that benefit should be under National Assistance. The insurance/assistance debate hinged largely on fault. Although it was felt that women should be able to insure against loss of maintenance where it was not their fault, the over-riding conclusion was that husbands should not be able to insure against a contingency for which they may be responsible. This therefore led to the conclusion that any separation benefit paid must be temporary only, and should only be paid if the wife was

not at fault. 'Guilty' wives, however, should not be able to claim maintenance from 'innocent' husbands. It was also stressed that such payment should not displace the husband's liability to maintain and that the Ministry would have the right to proceed against him, even without the wife's consent. The difficulties of such a scheme were acknowledged in the Beveridge Report and further examination of the problem was recommended. The findings were particularly inconclusive where unmarried mothers were concerned (Finer (II), 1974, pp. 137-141).

As stated above, a further recommendation of the Beveridge Report was for a universal child allowance, paid by the Treasury regardless of need (though not for the first child). This was in recognition of the market's inability to set wages according to family size, and also as a measure aimed at preventing population decline. Beveridge felt it necessary to signal a national interest in children (de Schweinitz, 1961, p. 239).

In the event, provision for lone parent families after the introduction of National Assistance in 1948 remained as it had been before the Beveridge Report, in that such families unable to earn their own living would be dependent on National Assistance (formerly the Poor Law) or on the support of

(ex)husbands. There were some changes in that the 'liable relatives' definition was restricted to husbands and wives, and parents and children. Thus, children were relieved of their duty under the Poor Law to support their parents, following the **National Assistance Act 1948** (Finer (II), 1974 p. 148).

However, the bulk of the benefits introduced by Beveridge were based on contributions whilst in full time paid employment, making them largely unavailable to lone mothers. Nevertheless, under National Assistance, lone parents would be entitled to payments from central funds, through the National Assistance Board, and no longer came under the jurisdiction of local officialdom.

Under National Assistance Board regulations lone mothers had the right not to seek paid employment. However, Marsden's study of lone mothers in 1965-66 showed that Board officials could be judgemental in their approach and full information on rights was not readily available (Marsden, 1973, pp 247-251).

The Marsden study concluded that in spite of statutory provisions for assistance for lone parent families, officials had not fully accepted that the mothers were entitled not to work (Marsden, 1973, p 307).

3.2.3 Family Allowances

Family allowances were discussed in parliament for 25 years before their eventual introduction in 1945. There was concern at the declining birth rate, particularly amongst middle and upper classes. There was also concern at the high levels of poverty amongst the lower classes, especially those with large families (George, 1968, pp. 187-188). Thus it could be said that the burden of the liability to maintain which fell heavily on parents was seen as a contributory factor in preventing births amongst the upper and middle classes and in increasing poverty amongst the lower classes. (It has subsequently been disputed that payment of child allowances has any effect on reproduction rates - George, 1973, p. 126.)

Beveridge felt that child allowances were necessary to ensure that the level of a worker's income was sufficient to support a family. It was acknowledged that market forces could not be relied upon to take into account the number of dependants the worker was supporting. It was further acknowledged that the whole community, through general taxation, should share in the maintenance of children, but not to the extent that parents were relieved entirely of their responsibility. This led to the

conclusion that the first child should be entirely the financial responsibility of the parents (Ogus & Barendt, 1982, p. 421).

Family allowances were introduced for the second and subsequent children under the **Family Allowances Act 1945**. The allowances were graded from 1956, i.e. differing amounts for the second or third child, etc. Family allowances were universal but taxable (George, 1968, p. 191).

Prior to payment of a universal family allowance, tax allowances had been granted for some from 1909, and extended to all taxpayers from 1920 (Cutler, 1986, p. 49). These applied for all dependent children, including the first, were of more benefit to higher rate taxpayers, and continued alongside family allowances. From 1957 these became graduated according to the age of the child.

The **Child Benefit Act 1975** integrated the tax allowance and the family allowance into one payment, made to the main carer, usually the mother (Ogus & Barendt, 1982, p. 420). The advantages of this change were that:

- it extended the whole benefit to poorer families who previously could not take advantage of tax allowances;
- it was payable for all children, including the first;

- the benefit was tax free;
- the whole of the benefit was paid directly to the main carer (Ogus & Barendt, 1982, p. 424).

Pascall describes the change from a combination of family allowances and child tax reliefs to a single payment of child benefit as a redistribution from 'wallet to purse', but acknowledges that the continued low level of payment reflected women's poor bargaining position and government reluctance to undermine the male 'breadwinner' principle (Pascall, 1986, p. 220).

Extra child benefit was introduced for lone-parents in 1976, but this was at a very low amount and payable for the first child only (Ogus & Barendt, 1982, p. 443). The particular difficulties experienced by lone-parents were detailed in 1974 by the Finer Report, the main recommendations of which were not adopted by government, but which are detailed later in this chapter.

From 1988 the previous link between child benefit and prices or incomes was broken, and child benefit was no longer automatically uprated annually (see Hill, 1990, p. 57 and p. 69). However, by 1992 the Conservative government had restated its

commitment to index-linking of child benefit (Lister, 1992, p. 38).

Child benefit continues in 1998 to be a universal benefit which is not means-tested. As a result, take-up levels are very high and administration costs are kept to a minimum. There has been a tendency since 1979 towards 'targeting' of benefits with increased use of means-testing. Even at its relatively low level, child benefit has perhaps done well to survive in its current form.

The extra child benefit for lone parents available from 1976 was the subject of a controversial government Bill, before the House of Commons on 10th December 1997. In spite of a number of Labour MPs voting against the government, the Bill became law and this extra payment for all lone parents was stopped for new claimants from April 1998. This measure is discussed further in Chapter 17 of this work.

3.2.4 Supplementary Benefit and Family Income

Supplement 1966 - 1988

The National Assistance scheme set up in 1948 was replaced by Supplementary Benefit in 1966. It was hoped that the new

scheme would simplify claims for means-tested benefit by reducing the number of additional payments for special needs, but this aim was not achieved (DSS, 1993, p. 27). Those paying sufficient contributions into the National Insurance scheme and meeting qualifying criteria, continued to be eligible for other benefits which were generally less stigmatising and often more generous. Lone parents, however, were still more likely to rely on means-tested, non-contributory benefits, which were from 1966 known as Supplementary Benefit and Family Income Supplement.

The Ministry of Social Security Act 1966 set down the principle that a claim for Supplementary Benefit should be from a family as a unit, whether married or not. The claim for a two-adult household would normally come from the man, and only when he was not in full-time employment. Liable relative rules were clearly laid out: a man would be liable to maintain his wife and his children, and a woman would be liable to maintain her husband and her children. 'Children' were under 16 and included illegitimate children (although a separated mother did not become dependent on the father of her children except through marriage). It was also laid out that the Supplementary Benefits Commission could proceed against a liable relative for

the cost of any benefit paid out to his dependants (Finer (I), 1974, p. 133).

As had been the case under the Poor Law and National Assistance, those living as a household were usually taken to be inter-dependent, whether the adults in the household were actually married or not. Pascall argues that the cohabitation rule, whereby women living with men were deemed to be their dependants, whether married or not, was particularly harsh for lone parents. She maintains that enforcement of cohabitation principles put lone parents "at risk of instant social insecurity" (Pascall, 1986, p. 216).

The Supplementary Benefits Commission established criteria for cohabitation which in practice, Pascall argues, made it difficult for women living normal lives to avoid being suspected of cohabiting. An example given is taking in male lodgers. Women could thus be threatened with withdrawal of their benefit. Research suggested that in fact it was sexual relations with a man which were most likely to lead to withdrawal of benefits, rather than his financial support (Pascall, 1986, pp. 217-218 and later Pascall, 1997, pp 216-218).

For those lone parents who did not work (or earned £6 a week or less at 1978 figures) and who genuinely lived without a partner, Supplementary Benefit was available for the woman and her children, with no necessity to seek employment. (The right to not work outside the home was established under National Assistance legislation but this was not clearly recognised – see Marsden 1973.) There was also no obligation to institute divorce or maintenance proceedings against her ex-partner (see below).

The payments were means-tested, with amounts for each member of the household, varying with age. Rent and rates in full, or mortgage interest and an allowance for repairs and insurance, were added (see Heyes, 1978, p. 219). Additional weekly amounts could be obtained for special needs, such as extra laundry or heating requirements. Extra, one-off payments could be obtained for purchases such as beds and cookers, or to cover emergencies such as theft.

Working parents could claim Family Income Supplement (FIS) - a means-tested benefit available to all families in full-time or nearly full-time employment with low wages. There were problems of low take-up of this benefit, and whilst making an important contribution for some lone parents, there were

significant difficulties. Importantly, F.I.S. exacerbated the poverty trap, with benefits being reduced as wages rose, but tax also being paid on earnings, meaning that increases in earnings were in effect of little financial advantage (Pascall, 1986, p. 221).

3.2.5 Calculating and Enforcing Maintenance Liability

Under Supplementary Benefit Regulations

The Finer Report published in 1974, looked closely at the levels of maintenance available to lone parents. In examining the system which had been in operation since 1966, it was obvious to the Committee that the Supplementary Benefits system, upon which many lone parents relied, was inadequate.

The levels of maintenance fixed by magistrates courts were still rooted in the matrimonial offence, even though 'irretrievable breakdown' had become the basis of all divorce in 1969. There were two procedures for fixing amounts of maintenance - one through court assessment and one through the Supplementary Benefits Commission - both were based on separate statutory principles but with administrative discretion and case law also playing a part. It was also found that only about half of all maintenance orders made were paid regularly and in full (Finer (I), 1974, pp. 10-11).

Although women were nearly always better off on benefits than on maintenance alone, they were often 'encouraged' by Supplementary Benefit officials (Liable Relatives Officers) to take proceedings against their (ex)husband or the father of their children. It has been said that women were put under some pressure to do this, although such action was officially denied (see Finer (I), 1974, pp. 138-139 and Stevenson, 1973, pp. 137-138). It was possible for the Commission to take action on its own behalf, but supporting evidence would be required from the mother. However, from 1975 it was official policy that the Supplementary Benefit Commission would leave the decision to seek maintenance to the woman herself (see Heyes, 1978, p. 216).

Stevenson maintains that Liable Relatives Officers could avoid awkward confrontations by accepting statements by the mother declaring that the whereabouts (or indeed the identity) of the father was unknown, but this was at the Liable Relatives Officer's discretion (Stevenson, 1973, p. 138). However, Ogus & Barendt point out the increased likelihood of pressure being brought to bear, considering the increase in numbers of Liable Relatives Officers and strenuous attempts being made to control

what the Department considered to be an abuse of the system (Ogus & Barendt, 1982, p. 511).

The Supplementary Benefits Commission allowed some discretion by its officers in the fixing of amounts of maintenance. Guidelines were available and a loose formula could be applied including allowances for any new family of the absent parent. This formula (set out in Finer (I) p. 137) was not available to courts and their assessments were made using different criteria. Courts could reduce both parties to subsistence levels whereas the Supplementary Benefit formula allowed the liable relative (the absent parent) to keep some of his earnings, leaving him slightly above benefit levels (Finer (I), 1974, p. 144; Heyes, 1978, p. 221; and Ogus & Barendt, 1982, pp. 509-510).

Finer records that a Supplementary Benefits Commission enquiry into liable relatives showed that orders were frequently not complied with, and this was often due to inability to pay the full amount or because the absent father could not be traced. Where there was a liable relative, only 16% of the maintenance of lone mothers on National Assistance came from them, in 1965 and again in 1970. Even if maintenance orders had been paid regularly and in full, the liability to the taxpayer would

only have been reduced by a quarter. The conclusion is therefore that the problem is not so much one of unwillingness on the part of the absent father to support his first family, as an inability to support them due to lack of sufficient income (Finer (I), 1974, pp. 100-101).

Under Supplementary Benefit regulations it was possible to make an attachment of earnings order to force the payment of maintenance. However, these attachments often failed when the men moved jobs, or because they had low incomes, and often had new families. **The Attachment of Earnings Act 1971** helped enforcement by enabling the movement of orders between employers and obliging men to notify the courts of their new employer (Finer (I), 1974, pp. 122-123).

It was the **National Assistance Act of 1948** which enabled the National Assistance Board to apply to the courts for maintenance and affiliation orders against men who neglected to maintain their dependants on assistance. In 1965 the Board prosecuted 594 men for failing to maintain their dependants. 244 were sent to prison. The costs of doing this obviously far exceeded any contributions gained, but it was considered necessary to "bring home to the man his liability ... also to deter other would-be offenders" (George, 1968, pp. 230-231).

Finer noted, however, that the Payne Committee had recognised the “inadequacy” of many debtors, their inability to manage their own affairs properly, and therefore the inappropriateness of prison sentences for default of maintenance in such cases (Finer (I), 1974, p. 127). The Finer Committee agreed with these observations and recommended the abolition of imprisonment for maintenance defaulters (Finer (I), 1974, p. 128).

The reality was that in 1965, 1970 and 1972, liable relatives contributed only about 17% of the net benefits paid to lone parent families, and only one-half of this contribution resulted from direct collection by the Commission from the liable relative (Finer (I), 1974, p. 148).

3.2.6 Finer Recommendations

Throughout the Finer Report, it was clear that most men, even when in work, were unable to support two families adequately. Whatever the level of maintenance set for the first family, in the majority of cases there simply was not enough money to go around. Finer concluded:

“Once it is conceded that the law cannot any longer impose a stricter standard of familial conduct and sexual morality upon the poor than it demands from others, it

follows inexorably that part of the cost of breakdown of marriage, in terms of the increase of households and dependencies, must fall on public funds.”

(Finer (I), 1974, p. 84)

The question was therefore which family should become a charge on the larger community, that is dependent on state benefits? This problem had been recognised by the National Assistance Board report of 1953. This report stated that it would be easier to let the man support his new family than to try to extract money for the first family's support, when there was clearly insufficient funds for both. It was necessary to accept low amounts of maintenance in view of the circumstances of both families (Finer (I), 1974, pp. 135-136).

Finer expanded on this and recommended that the lone parent be separated completely from the procedure to recover, which under Finer's proposals would be a matter between the Commission and the liable relative only. An 'administrative order' would be fixed according to the liable relative's circumstances and paid directly to the Commission. The amount would not exceed the lone mother's entitlement to Supplementary Benefit, but below this level some discretion would be allowed. The system would be based on a guiding formula which would enable uniformity, and the amount

retained by the liable relative would usually 'exceed by a fairly generous margin' what would be his Supplementary Benefit entitlement if he had to claim (Finer (I), 1974, pp. 153-160).

The wife would be paid in full as if no maintenance was claimable, and assessment and enforcement of the liable relative's contribution would be regarded as entirely between the Commission and the liable relative (Finer (I), 1974, p. 153). This would only vary where a woman felt she should be entitled to more than Supplementary Benefit levels, in which case she would be free to go to court on her own behalf to obtain an order for a higher amount (Finer (I), 1974, p. 154).

The Report recommended the introduction of a new benefit - the Guaranteed Maintenance Allowance (GMA). This would be a substitute for maintenance, and maintenance would be assessed and collected by a new authority, with any excess paid to the mother. Levels would be fixed relative to Supplementary Benefit levels, raising lone parents' income above this minimum, and would be reviewed regularly. All lone parents would be eligible and the scheme would be non-contributory. For those taking up employment, there would be an initial disregard and a gradual taper so that the allowance would not be totally lost until a reasonable salary is earned. Payments would be fixed

for three months, enabling some security of income, even if cohabitation begins within that time. (See *Finer (I)*, 1974, pp. 285-333 for details.)

Finer described the following advantages of the scheme:

- (a) It would be for all one-parent families, including motherless families and widows.
- (b) The benefit would be designed to remove the vast majority of one-parent families from the need to claim Supplementary Benefit.
- (c) The benefit would be channelled towards children, who, the Report concluded, are likely to be deprived children.
- (d) The GMA would enable real choice of whether or not to work, without the problems of losing Supplementary Benefit.
- (e) The GMA would enable simplified contributions from absent parents. Calculations would be according to a laid-down formula and would be predictable, and regularly reviewed. (*Finer (I)*, 1974, pp. 14-15)

3.3 Benefits and the Liability to Maintain 1988 - 1997

3.3.1 Income Support and Family Credit

Benefits available today in the UK continue to fall into three main categories: contributory benefits (e.g. National Insurance benefits); non-contributory and non-means-tested benefits (such as child benefit); and non-contributory means-tested or safety net benefits (such as Income Support and Family Credit).

Contributory schemes still operate largely along the lines envisaged by Beveridge. These schemes, based on National Insurance contributions and entitlements, inevitably exclude many lone parents as they are unable to work the qualifying number of hours, or earn the minimum wage at which contributions begin. The exception is where the main carer of a child can receive 'home responsibilities' allowances whereby there is a guaranteed basic pension provision for the person claiming Child Benefit. Other contributory benefits are not available however.

Some women will find that they do pay National Insurance contributions for part of a year, but due to changing pay or hours of work, will not pay enough contributions in any one year to qualify for benefits. In these cases their contributions are effectively wasted. As Pascall puts it:

"Women have gained more 'independence' as contributors than as beneficiaries."

(Pascall, 1997 p. 211)

Those lone parents who have paid contributions may find themselves at a disadvantage when they try to claim unemployment benefit, as there is a requirement to show adequate child care arrangements and to accept a job which may not fit well with domestic commitments (see Lister, 1992, p. 33). Indeed, only 2% of women were recipients of unemployment benefit in 1993 (Social Focus on Women, 1995, p. 36).

Lone parents are over-represented at low levels of income: whereas over 60% of married couples have £350 per week or over, less than 10% of lone mothers do. In fact, in 1994, 47% of lone mothers had an income of £100 per week or less. The situation for lone fathers was not quite so bad, with 27% of them having a gross weekly income of £100 or less, but of lone mothers, 57% of those who are 'single' (rather than divorced, separated or widowed) have such an income (General Household Survey, 1994, p. 18 and p. 32).

Other government statistics confirm the relatively low income of lone parents. The Family Expenditure Survey states that in 1993, 80% of lone mothers were in the lower two quintile income groups (in *Social Focus on Women*, 1995, p. 35). (See Chapter 2 for a more detailed analysis of statistics relating to lone parenthood.)

Such low levels of income inevitably mean that a high proportion of lone parents, particularly lone mothers, rely on non-contributory benefits. Child Benefit and One Parent Benefit are available to all lone parents (One Parent Benefit being stopped for new claimants from April 1998), and are not means-tested. Payment is at a low level but numbers claiming these benefits are high: in 1994 there were 6,995,000 people in receipt of Child Benefit, at a total cost of £6,130 millions in 1994/95 (*Social Security Statistics*, 1995, p. 4 & p. 268). The number receiving One Parent Benefit rose from 381,000 in 1980 to 941,000 in 1994, at a total cost of £289 millions in 1994/95 (*Social Security Statistics*, 1995, pp. 4 & 273).

Non-contributory, means-tested benefits make up the bulk of family income for many lone parents. This consists of either Income Support or Family Credit, and for those in the rented sector, housing benefit. In 1993, whereas just over one in ten of

all women were in receipt of Income Support, seven in ten lone mothers were (in Social Focus on Women, 1995, p. 36).

Government expenditure on these benefits has risen greatly, at a much higher rate than total social security benefit expenditure:

| | 1980/81 | 1994/95 |
|---------------------------|-----------|-----------|
| Benefits to lone parents | £856 m | £ 9,148 m |
| Total benefit expenditure | £22,658 m | £85,221 m |

(Social Security Statistics, 1995, p. 3)

This calculates out as the proportion of total benefit expenditure paid in lone parent benefits rising from 3.77% in 1980/81 to 10.73% in 1994/95.

Income Support, which replaced Supplementary Benefit from 1988, is based on a personal allowance, which differs according to age, added to which 'premiums' reflect the specific circumstances of the claimant, eg families, lone parents, disabled. There are no additions for special needs over and above these 'categoric' premiums.

Those who are unemployed or working part-time can claim Income Support, although those with savings over a prescribed

amount will not be eligible. Part-time work is defined as less than 16 hours per week and those earning through employment have a small disregard before Income Support is reduced. There is no compulsion for lone parents to be available for, or seeking, employment under Income Support rules at the time of writing. However, all income coming into the household will be taken into account in full, including any maintenance received and Child Benefit and One Parent Benefit.

For owner-occupiers, some housing costs are included, such as an amount for mortgage interest (but not capital repayments). For those renting, there is an automatic entitlement to local authority Housing Benefit and Council Tax Benefit, which covers 100% of the rent and Council Tax less any non-dependants' contribution (see Social Security Statistics, 1995, pp. 13-14).

Family Credit, which replaced Family Income Supplement in 1988, is similarly based on personal allowance and premium calculation. Anyone earning less than they would be entitled to receive under Income Support should be able to supplement their income with Family Credit.

Initially, it was necessary to work 24 hours per week to claim Family Credit, but this was reduced to 16 hours in April 1992. For the calculation of Family Credit, up to £40 of childcare costs can be allowed in certain cases, and the first £15 of any maintenance received is also ignored, as is Child Benefit and One Parent Benefit. [Chapter 17 gives details of the most recent changes under the Labour government coming to power in May 1997.]

Most other types of income are taken into account in full, but those allowances that do exist make Family Credit a useful benefit for lone parents. One disadvantage for owner-occupiers, however, is that the Family Credit scheme does not make allowance for mortgage interest payments, although those renting may still be eligible for Housing Benefit. Figures show that 56% of lone parents are in the rented sector (compared with only 19% of other families), and 28% have a mortgage (compared with 70% of other families) (General Household Survey, 1994, p. 30). Thus, whilst it may be possible for the majority of lone parents to apply for Housing Benefit, 28% of lone parents will be potentially disadvantaged by the fact that the Family Credit calculation excludes mortgage interest.

Single payments which were available under the Supplementary Benefit scheme were abolished in the 1986 changes. These exceptional expenses are at the time of writing covered by the Social Fund, usually in the form of loans, repayable by weekly deductions from benefits.

Other changes were also introduced, for example entitlement to free school meals was restricted to the children of Income Support recipients. This could represent a significant loss for lone parents on Family Credit.

3.3.2 Calculating and Enforcing Maintenance Liability **under Income Support Regulations and the** **Child Support Act**

Under the **Social Security Act of 1986**, if the social security authorities were paying benefit and the mother did not claim maintenance or child support from the absent parent, then the authorities were entitled to claim a contribution from him.

However, a man could not be held responsible for a former wife or partner, only the children, unless a court order existed.

From 1990 the law allowed an additional sum to be added to the

father's liability called a 'personal allowance element' (Eekelaar, 1991, pp. 93-94).

Following the **Child Support Act 1991**, lone mothers claiming Income Support or Family Credit are obliged to use the Child Support Agency unless they can show "good cause" not to, for example if the child was conceived as a result of rape or incest.

Under the **Child Support Act**, parents who live apart from their biological children ('absent parents' under the legislation) continue to have a financial responsibility towards their children until they reach the age of 16, or up to 19 if in full-time education. The amount payable is based on a legislative formula, with amounts fixed by regulations. The formula was introduced with no discretion, although some subsequent changes have permitted a limited amount of discretion and enabled some variation from the formula in exceptional circumstances. These changes and the pressure which brought them about are covered in later chapters.

The formula for calculating child maintenance

The formula introduced in the **Child Support Act** has been criticised as too complex, and indeed involves a lengthy calculation which this thesis will only attempt to cover briefly.

[For more detail, see CPAG's "Child Support Handbook" which is updated annually.]

Forms obviously need to be completed by both parents. The first is the Maintenance Application Form (often referred to as the MAF) completed by the parent with care. This will be issued whenever a new claim for Income Support or Family Credit is made by the household in which the parent with care lives, or on request of either parent if there is no existing court order for child maintenance.

The MAF asks for details of the children and their father(s) and for the parent with care's consent to seek maintenance.

Withholding consent without valid reasons can result in a reduction in the parent with care's personal benefit allowance (this is covered in more detail at various points in this thesis).

If details of the absent parent are known and consent is given by the parent with care, he will be sent a Maintenance Enquiry Form (MEF) which requests further details of his circumstances, and also gives the alleged absent parent an opportunity to dispute paternity. Further investigations will follow if paternity is denied, including if necessary DNA testing and/or court judgement.

If only sketchy details of the absent parent are known, and consent is given by the parent with care, the Agency has the power to make enquiries to trace the alleged absent parent.

Once evidence of income, housing costs, etc has been obtained from both parents (and any new partners), the maintenance assessment can be calculated.

Firstly, the “basic maintenance requirement” is calculated for the children concerned. This figure is based on Income Support rates, with additions equivalent to family and lone parent premiums, if appropriate. Also added in, somewhat controversially, is a figure for an adult personal allowance, representing the cost of caring for the child. Since February 1994 this last amount has been reduced as the child gets older.

Secondly, the “exempt income” is calculated. This is the amount that parents can keep for day-to-day living expenses for themselves and any of their own children living with them, and is again based on Income Support levels, calculated by adding together the adult personal allowance, reasonable housing costs, disability premium if applicable, and, if any of the parent's own children live with him/her, the child's personal

allowance, family premium, and other premiums if appropriate.

This calculation applies to both parents.

Thirdly, “assessable income” is calculated. This is the amount which each parent has left after deduction of basic living expenses, and from which a contribution towards child maintenance can be paid. It is calculated by subtracting exempt income from the parent's net income (ignoring the income of any partner). Net income is obtained by averaging earnings over a period and deducting income tax, National Insurance and half of any pension contributions.

Fourthly, the 'proposed' amount of child support to be paid by the absent parent is calculated. This is done by taking 50% of both parents' assessable income and comparing this with the maintenance requirement calculated first of all. If this figure is less than, or equal to, the maintenance requirement, the absent parent pays 50% of his assessable income. If assessable income is high enough for the maintenance requirement to be met in full, an additional payment may be required, as a percentage of the remaining assessable income which varies with the number of children, up to a fixed maximum.

There is a built-in safeguard for absent parents, in the form of “protected level of income”. This is the level of income below which a parent should not fall as a result of making maintenance payments. If the absent parent has a second family, everyone in the new family, including step-children, will be included in the assessment, which is again based on Income Support rates with an additional amount added, thus ensuring that no absent parent’s family income falls below an amount substantially higher than Income Support levels. If disposable income would fall below the total protected income as a result of paying the proposed child support, the amount payable is decreased so that disposable income equals total protected income. The calculation to assess whether a family falls below the protected level includes looking at any income available from a new partner. (This explanation is based on CPAG's publications.)

To further complicate the formula, allowances have been changed and new regulations introduced. Also, the frequency of periodic reviews has been reduced from yearly to two-yearly. It is therefore difficult to make a totally accurate calculation of what maintenance liability will be set at, and there are many factors which can subsequently change the amount - changes in

parents' income, housing costs, other dependants and their income, Income Support rates, etc., etc.

Payments by absent parents can be made directly to the parent with care, or through the banking clearing system or Post Office, or through the Agency. If enforcement is necessary the Agency will seek a voluntary, regular means of collection, for example through a bank. Failing that, the Agency will impose a Deductions from Earnings Order. This order requires an employer to make deductions from an employee's wages at source, to be paid to the Agency, and was designed to operate in a similar way to the Attachment of Earnings Orders set up under the **Attachment of Earnings Act 1971**.

A Deductions from Earnings Order has two main components:

- the normal deduction rate, ie the amount to be deducted from an employee's net earnings in a given period;
- the protected earnings rate, which allows the employee to retain a minimum level of net earnings.

The calculation of the deduction is so designed that an employee cannot fall below his protected level of earnings, although if in any one period there is insufficient earnings to meet the full demand, the shortfall can be carried over to

another period and clawed back when possible. Thus, a person earning a low wage in any one week cannot avoid his payments to the Agency, merely postpone them to a future date when his earnings improve. (Details in DSS leaflet CSA 2002 January 1993).

As discussed later in this thesis, the use of Deductions from Earnings Orders increased markedly, from 2,600 in 1993-94 to 32,027 in 1994-95 (Social Security Committee 2nd Report 1995-96, p. 7).

It is possible to appeal against an assessment in various ways - a “second-tier” review can be carried out by another Child Support Officer, to check that the calculation has been correctly carried out. A new system, whereby a case can be examined by an “Independent Case Examiner” was introduced in December 1996 and operational from April 1997. Also, an appeal can be made to the Independent Appeals Tribunal and ultimately to the Ombudsman.

Effect on other benefits

For those parents with care remaining on Income Support, any maintenance received is removed pound for pound from their Income Support. As stated above, for those on Family Credit, a

small disregard is allowed, and lone parents receiving maintenance and working in low-paid employment stand to gain, if maintenance payments are reliable. However, there are other considerations, for example inadequate allowance for childcare costs and restrictions on the type of childcare costs included; other costs incurred on taking up paid employment such as travel and clothing; loss of Income Support related benefits such as free school meals and some NHS treatments; and, for owner-occupiers, removal of assistance with mortgage interest. It has also been shown that lone mothers lose other help from their ex-partners once Agency payments are enforced (see for example Clarke, et al, 1996).

Throughout the Conservative governments of the 1980s and up to 1997, expenditure on Family Credit continued to rise. In 1980/81, Family Income Supplement amounted to £42 million; by 1994/95, Family Credit expenditure totalled £1,480 million. Of the 577,700 families in receipt of Family Credit in October 1994, 239,800 were headed by a female lone parent, and 9,400 by a male lone parent. On average, those families headed by a female lone parent and claiming this benefit received slightly more than male lone parents:

| | |
|--------------------|-------------------------|
| male lone parent | £44.14 average per week |
| female lone parent | £52.28 average per week |
| all families | £49.54 average per week |

(Social Security Statistics, 1995, p. 9)

Family Credit was seen as 'bridge' from Income Support to employment and prior to the introduction of the Agency, the number of hours of work necessary to qualify for Family Credit was reduced from 24 to 16, with £15 of maintenance disregarded for Family Credit, but no maintenance disregard at all for Income Support. Pascall argues that reducing the number of hours needed to qualify for Family Credit from 24 to 16

“is then a highly significant change in terms of the benefit system: it represents a partial reconstruction of the system around women's working lives.”

(Pascall, 1997, p. 221)

Combined with the introduction of the Agency, Pascall goes on to say:

“These changes represent a significant shift in ideology about mothers in employment and a significant shift in the practice of support for lone parents. We have, for the first time, a benefit system designed to encourage mothers to enter paid employment, and to fit round women's working lives rather than round men's.”

(Pascall, 1997, pp. 221-222)

The Labour government elected in May 1997 sought to build on that encouragement into paid employment (see Chapter 17).

3.4 Commentary

Although the state has a strong vested interest in the stability of the family and the welfare of children, there is always an underlying fear that too much help will undermine parental responsibility and harm work incentives. Although filial responsibility now applies to a smaller family circle than under the Poor Law, there is still an expectation that family members will support each other before recourse to the state. This has been reinforced over the years, for example in the prosecution and jailing of maintenance defaulters whose partners were claiming Supplementary Benefit (George, 1973, p. 126). Now, the same values are being reinforced through the Child Support Agency.

Nevertheless, benefits have continued to be paid to unsupported families and there is still (at the time of writing) no compulsion for a parent with care to actively seek employment as long as her youngest child is 16 or under. However, a parent with care claiming means-tested benefits in this way is compelled to use the Agency. The state's support is therefore limited.

The application of the **Child Support Act** means that the absent parent cannot relinquish his financial responsibilities towards his children whilst the parent with care is in receipt of benefits. This also means that a parent with care cannot truly sever links with the absent parent unless she can become self-supporting.

Also, Income Support and Family Credit are still worked out on the income of the household as a whole, including the income of a new partner - thus there is still an expectation that a new partner will take on responsibility for the whole family.

Thus, a parent with care, along with the children in her care, can effectively be deemed by the Child Support Agency to be the financial dependants of the absent parent. If, however, the parent with care sets up home with a new partner, she will be deemed by the Benefits Agency to be the financial responsibility of the new partner. For means-tested purposes, the parent with care can rarely claim benefits as an individual, but is predominantly treated as a parent with care or as a partner.

This can also mean, where an absent parent is paying a substantial amount towards maintenance of his children, there

is a consequent over-lapping of financial responsibilities. For example, the household in which those children live may be taken above Income Support levels altogether by the payment of maintenance by the absent parent. This can mean that an absent parent's contribution is paying towards the household income where the parent with care has a new partner. Thus, the financial dependence of the children and the parent with care on the absent parent can affect the entitlement of the new partner to means-tested benefits.

These issues are covered further in later chapters, where it is shown how government ideology, particularly the concept of the “traditional” family and the desire to reduce public expenditure, have influenced the detail of the formula introduced under the **Child Support Act**.

This chapter has shown that government support for lone parents and their children continued beyond the requirements of the Second World War and developed into a package offering a level of state dependency not previously witnessed. This life of state dependency was always maintained at a level which ensured that lone parent families remained amongst the poorest in society. The support was, nevertheless, delivered with no compulsion for a parent with care to seek employment in the

labour market. Suggestions that this basic principle may be undermined were being discussed with the launch of Labour's New Deal programme introduced in 1997. At the time of writing, the government were neither confirming nor denying that compulsion to seek paid employment to qualify for benefits as a lone parent may be a possibility in the future.

CHAPTER FOUR

About this study

4.1 Introduction

Early work in the study focused on the administration of the **Child Support Act**, with a view to looking at the administrative processes involved at all levels of the Agency and particularly those functions carried out at local offices. The study was originally proposed in early 1994, when the Agency had been operating for less than a year. It was intended to map the development of the new system over a one to two year period, looking at how the new systems evolved and how they compared with previous systems.

A comparative study of two different local offices of the Agency was planned, and initial contact with management at local level was encouraging. However, the Child Support Agency as a whole experienced great difficulties during 1993 and 1994, and Ros Hepplewhite, the Chief Executive who had been in post

from the start of the Agency, was replaced in September 1994 as work on this study began. The new Chief Executive, Ann Chant, was not prepared to allow any access to “people from outside”, a decision confirmed to the researcher in May 1995. The finality of this decision led to a complete change of direction for the study. The administrative processes involved could not be studied without access to Agency offices.

This setback forced a reassessment of the work done so far. Two options were then considered. One possibility was to examine the causes of the difficulties obviously being experienced by the Agency. That there were difficulties was evident, but without access to the Agency itself, work on this option could again have proved fruitless.

The second option was therefore developed; the study was re-designed as an investigation of the policy process which led to the **Child Support Act** and its subsequent amendments. The work therefore moved from looking at the transition of the administrative process to become a study of the evolution of policy. Such a study could be conducted without the direct co-operation of the Agency itself.

Thus, the purpose of the study is to look at how policy has evolved in the area of child maintenance. Specifically looking at the Child Support Agency and at two White Papers - *"Children Come First"* in October 1990, and *"Improving Child Support"* in January 1995 - the study explores the influences on change, that is, the factors which may have prompted the formation of the Agency in the first place, and what influences may have guided subsequent changes. The study documents what pressure was brought to bear on politicians, and by whom, and assesses whether such pressure ultimately affected the policies introduced.

Hall et al, 1975

The work loosely follows the approach taken in Hall (1975). In that work six different case studies were carried out looking at changes in national social policies from the viewpoint of Ministers, MPs, civil servants and members of pressure groups. The studies were completed by researchers from social policy administration backgrounds.

Hall's work considered the extent of consensus surrounding the introduction of policy and looked at whose interests were passed over and whose commanded enough power to wrest consent from a reluctant government (Hall, 1975, p. 9). Hall also

considered the balance between consensus and conflict and how the presence or absence of each affects the way in which policy is or can be developed (Hall, 1975, p 13). Looking at different groups who sought to influence policy, Hall said:

“The questions to be asked throughout are where and how policies are initiated, brought to the attention of governments, propelled forward to the point of commitment, or blocked and quietly buried.”

(Hall, 1975, p. 86)

This study begins with an examination of the period leading up to the introduction of the Child Support Agency and goes on to consider Ministers, MPs, civil servants and a selection of voluntary organisations and protest groups. The study links with work detailed in Hall by looking at how these various bodies sought to influence policy, the arguments put forward and the methods of protest adopted.

Throughout the work, the ideology of the governments in power from 1979 to 1997 is illustrated by the fine detail of the legislation and regulations connected with the Agency. The effectiveness of backbench MPs and their constituents, civil servants, voluntary organisations and protest groups in influencing change shows (as Hall aimed to do) whose interests

were passed over and whose commanded enough power to wrest consent from a reluctant government.

Waine 1995

The title “Another Disaster Foretold?” is taken from Barbara Waine’s work on pensions (Waine, 1995). Waine’s thesis was that the actual effects of the personal pensions policy appear to be radically at variance with the underlying ideological objectives which exerted a considerable influence over the creation of the policy. This work on the **Child Support Act** and the Agency examines the ideology behind the original policy and looks at how changes subsequently introduced continued to reflect the ideological underpinnings.

The actual practical effects of attempting to deliver the policy could be said to be secondary to the overriding ideologies, with the result that the system very quickly began to fail. The political debate and the formula used by the Agency are examined in some detail and used to illustrate the rising and increasingly obvious contradictions between the ideology of the government and the aims of the policy and the practical delivery of a child maintenance scheme.

Chapters 17 and 18 of this work return to the perspectives of both Hall and Waine.

4.2 Data Collection Strategy and Fieldwork

Qualitative data was collected by participant observation and semi-structured interviews. All interviews were face-to-face except one which was conducted on the telephone.

Comprehensive shorthand notes were taken and later transcribed. The interviews were supported by extensive documentary evidence gathered from a large number of sources.

Hall detailed four different kinds of groups as 'partisans'. These were the private citizen, pressure groups, the mass media and the political parties. Hall's case studies sought to examine how and to what extent these different partisan groups influenced government policy (Hall, 1975, p. 86). In this work the groups studied are voluntary organisations, protest groups, politicians and political parties, and civil servants.

4.2.1 Interest Groups Studied

Selection of Groups

Given the importance of the legislative changes being examined, and the far-reaching effects on many people, it would have been possible to examine the viewpoint of a number of voluntary

organisations and pressure groups. Whilst it is recognised that other interest groups could have been justifiably included, it was felt that a reasonable spread of groups was covered, two concerned specifically with the interests of lone parents (National Council for One Parent Families and Gingerbread) and two more generally interested in benefit claimants and poverty (Child Poverty Action Group and the National Association of Citizens Advice Bureaux). The history of each of these organisations together with their present-day activities is given at the start of Chapter 8 to highlight their differing priorities and methods.

For absent parents, one local group was examined. This was initially known as Absent Parents Asking for Reasonable Treatment, and later changed its name to *All Parents Asking for Reasonable Treatment* (referred to as APART). There were many such local groups in existence during 1994 and 1995 (in Leicester, Loughborough, Derby, Grantham and other towns and cities there were apparently similar organisations formed). There is no intention to imply that the Nottingham group is in any way representative of all such groups. Nottingham was chosen for practical purposes.

The 'umbrella' national group, the Network Against the Child Support Agency (known as NACSA) is also studied. Although other attempts were made to bring local groups together, the NACSA organisation was the most prominent and sustained.

Evidence presented to parliament by Families Need Fathers over the relevant period was examined to augment the material gathered from these absent parent groups.

It should be noted that evidence was given to parliament by representatives of the legal profession, through the Law Society, but this has not been included in the study except in a very minor way. The size of the study precluded coverage of every group involved with the relevant legislation. The work was therefore mainly restricted to voluntary bodies and protest groups representing parents, rather than those representing professionals. This decision was taken following preliminary work carried out which included both social administration and socio-legal perspectives. To have included the legal professions would have given the study a social-legal emphasis and extended links to legislative changes and debates on mediation, divorce, etc. The groups finally selected were seen as more relevant for a study of social administration and more closely linked to the work done by Hall (1975).

Contact with groups and collection of evidence

The National Council for One Parent Families was contacted by mail, with two interviews carried out with Head Office personnel involved with the **Child Support Act** and the Child Support Agency. Some NCOPF literature was available in the public domain, some was collected from government records, and some directly from the NCOPF office in London.

Similarly, Gingerbread, National Association of Citizens' Advice Bureaux (NACAB), and the Child Poverty Action Group (CPAG) agreed to personal interviews after initial contact by post and telephone. Documents obtained on visits to these organisations augmented those more readily available.

Interviews with the national pressure groups were semi-structured in an attempt to draw out comparative information from all groups without stifling recollections of events and development of conversation on relevant issues. All these interviews were face-to-face except the one with the Child Poverty Action Group which was conducted over the telephone. Interviews were carried out during the period December 1995 - June 1996.

The local protest group, Absent/All Parents Asking for Reasonable Treatment (APART) was initially contacted in the waiting room of a constituency MP's surgery. Several members of the group were waiting to see their MP and a conversation was struck up. The purpose of the research was stated and the members of APART issued an invitation to attend the group's next meeting.

Meetings at that time were held fortnightly in a private room of a public house. They were advertised in the local press and were open to anyone wishing to attend.

At the first meeting attended (in August 1995) the researcher was introduced to the committee by one of the members already contacted. Subsequently, 5 meetings were attended and a separate interview was conducted with a co-founder of the group. Relationships with several members were built up with many 'phone calls and some other meetings. From this, the researcher was able to gather publications of the national group, Network Against the Child Support Agency (NACSA), and make contact with a leading member and co-founder of that group, who was interviewed in May 1996. Continuing correspondence was established, mainly through e.mail.

Families Need Fathers, a group which was already in existence when the **Child Support Act** was introduced, gave evidence to Select Committees, including written submissions. These were examined and included to further illustrate the feelings of absent fathers being presented to parliament. However, FNF did not respond to approaches requesting their input into the study.

4.2.2 Political Debate

Parliamentary debates and questions were examined using Hansard. A system of colour coding was developed to speed the location and analysis of points on a particular topic. Select Committee Reports, reports of the Parliamentary Commissioner for Administration (the Ombudsman) and the National Audit Office were also examined.

As well as hard copy versions of these documents, use was made of the computer system available on the Westminster network, which details publications, Bills, parliamentary questions, etc. Use of this system was kindly made available by a local MP.

Party headquarters for the three main political parties were contacted for manifesto commitments and subsequent party policy statements.

Sixteen individual MPs, at ministerial and backbench levels, were selected and contacted. They were selected on the basis of locality or special interest in child support issues. Four MPs did not reply at all. Six replied but were unwilling or unable to help with the study. Five MPs were subsequently interviewed in person, two Conservatives and three Labour, including one at ministerial level. A detailed reply was also received from one Liberal Democrat with a particular interest in child support. Interviews were held at constituency offices during the summer of 1995, with MPs given advance notice of the areas for discussion.

Three MPs agreed to allow access to their constituency files relating to child support. These were systematically analysed to give a broad illustration of the problems being presented to constituency MPs, which were catalogued by MPs' staff as related to child support or the CSA. This allowed analysis of the number of letters received or surgery consultations undertaken, the nature of the problems being presented, action suggested or taken by MPs, and subsequent outcomes.

This work was carried out at the offices of the MPs concerned, and no files were removed from those offices. To ensure confidentiality and anonymity MPs' staff produced a list of the files being accessed, and a code number was allocated to each file. The only record of which particular file each code number referred to was kept separately by the MP's office. No names or addresses of constituents were collected by the researcher.

When a file needed to be referred to again, the case was referred to by number only.

To assist with the analysis of the data, a simple checklist was produced. This was to give an overview of the correspondence being dealt with by MPs and was not designed to give detailed quantitative data with any statistical purpose.

In all, 143 constituency case files were examined across the three offices. It should be noted that these, by their nature, only covered cases where some follow up was considered necessary. If, for example, advice was given by office staff over the telephone, this would not necessarily have generated a case file. Therefore it cannot be said that absolutely all cases coming into an MP's office have been studied, although it is likely that those coming to the attention of the MP in person will have

generated a file and consequently been examined as part of this study.

A period of two weeks was spent in the constituency office of a backbench MP as an observation placement. This enabled the researcher to see how office staff dealt with problems presented by constituents, and the extent of the MP's involvement in those problems. It also gave an insight into the effects of mailshots and other concerted campaigns by pressure groups, and the extent to which an MP may or may not be aware of such attempts to influence.

Early in 1997 the researcher was also involved in the analysis of 99 replies from Labour MPs who had been asked by the then Shadow Minister for Social Security to comment on the **Child Support Act** and the Agency. The replies sent in varied from short, sharp comments on an overall feeling, to detailed explanations of particularly problematic cases encountered. The MPs also supplied information on the number of cases dealt with by their offices and, in some cases, what changes they would like to see. The comments by the MPs were analysed and categorised in tabular form. The details of these letters broadly confirmed the findings from the three MPs' offices studied in depth.

4.2.3 The Civil Service

There is a large amount of literature published on the subject of the changing role of the civil service. This was used to produce the section on why the Child Support Agency was set up as a Next Steps Agency, presented as Chapter 5 following.

More specific matters relating to the operation of the Agency were illustrated in the study of MPs' postbags, and are covered in Select Committee evidence and Ombudsman's reports.

Operational matters were also discussed when the researcher attended a meeting between a backbench MP and Ann Chant, then Chief Executive of the Agency. This meeting was held in the House of Commons in February 1996, with the researcher attending as an observer.

4.2.4 Contemporary Literature

Publications of various "think tanks" were examined, specifically the Institute of Economic Affairs, Demos, the Adam Smith Institute, the Institute for Public Policy Research. An interview was held with a contributor to the Social Justice Commission Report. Much of this data was presented in Chapter 2 above.

4.3 Telling the story.....

Chapter 2 above provided statistics relating to contemporary lone parenthood, including labour market participation and benefit dependency. The chapter gave a brief insight into contemporary attitudes towards lone parenthood with examples taken from a range of publications and pronouncements. Again, it should be noted that this work is from a social policy perspective and is not attempting to analyse such works from a political science viewpoint. Nor does the work claim any level of completeness in this area. The coverage is included for illustrative purposes, to give a “taste” of the points of view being expressed during the 1980s and 1990s.

Chapter 3 of the study described the history of the liability to maintain in the UK since the Second World War and briefly describes the system introduced under the **Child Support Act**.

Chapter 5 following looks at the civil service and how the evolution of its structure during the 1980s impacted on decisions relating to the Agency. This includes details of the “Next Steps” policies and the changing structure of the Department of Social Security. The section on the Agency itself

briefly examines the initial structure and subsequent changes up to 1997.

Chapter 6 picks up the story of child maintenance from the late 1980s, looking at the government's dissatisfaction with the Liable Relatives Units of the Department of Social Security and the evidence presented in *Children Come First*, the White Paper of October 1990. The way in which changes proposed in that White Paper linked to the dominant ideology of the late 1980s is briefly introduced.

Chapter 7 then goes on to examine in more detail the design of the child support formula proposed, looking specifically at how aspects of that design supported government ideology, particularly in relation to reducing government expenditure and promoting "family values".

Chapter 8 starts by giving some background information on the voluntary organisations included in this study. This is followed by detailed examination of each organisation's position towards child support policy before the White Paper of October 1990 and then their reactions to the specific details of the proposals.

Chapter 9 links the government ideology examined in Chapter 7 with the positions taken by the voluntary organisations explained in Chapter 8. This is done by analysing the fine detail of the proposed formula for calculating child support and each voluntary organisation's reaction to specific elements.

Chapter 10 details the business plans and targets of the Agency and how these evolved between 1993 and 1997. This highlights the priorities being set by the government (for example in measuring benefit savings achieved by the Agency and in deferring some cases where benefit is not involved) and how the Agency attempted to operationalise those priorities.

Chapter 11 covers the impact of the introduction of the **Child Support Act** and the Agency on parliament. Fieldwork involving backbench MPs as well as official government records are used to demonstrate the strength of early opposition to the realities of the Act.

Chapter 12 then goes on to examine how the government responded to that early opposition, with detailed analysis of changes introduced in February 1994 and January 1995. Study of the detail of these changes allows analysis of the policy

in similar ways to those explored in Hall's (1975) work on other social policy initiatives.

Chapter 13 provides a record of the establishment of protest groups specifically set up to fight the **Child Support Act** and the Agency. Details of the methods employed by these groups are set out, including modes of protest and attempts to influence parliament as well as public opinion.

Analysis is included of how these groups formulated their ideas. Also given, to illustrate the cases seen within the groups, are brief case histories of a number of group members, as witnessed during fieldwork for this study.

Chapter 14 covers the period April 1993 to June 1994, with analysis of the voluntary organisations' reports of the Agency's first year of operation. This includes details of monitoring systems set up by each voluntary organisation, reports produced and evidence given to the Social Security Select Committee in June 1994.

These details and subsequent changes introduced by government can be used to analyse child support policy in a similar way to Hall (1975), that is to consider whose interests

were passed over and whose commanded enough power to wrest consent from a reluctant government. This is done in Chapter 15.

Chapter 16 looks at the period October 1995 until April 1996.

Analysis of the detail of the Social Security Select Committee report published in January 1996 and the evidence given over the preceding 4 months is used to show where voluntary organisations and protest groups succeeded in influencing the Social Security Select Committee and subsequently the government response of April 1996, and where they failed.

Chapter 17 begins by briefly outlining the findings of various research papers looking at the actual effects of the child support scheme. This is then used to consider Waine's hypothesis, that is, whether it seems that the actual effects of the policy are at variance with the underlying ideological objectives influencing the creation of the policy.

Chapter 17 then compares manifesto commitments made by the three main political parties prior to the General Election of 1997. The actual policies relating to lone parents and child support being introduced by the New Labour government coming to power are then analysed to compare the priorities

suggested by these policies with those of the previous administration. Suggestions for a possible way forward are set out in the last part of the thesis.

The writing up of this work was being completed when the future of the Agency was under review. No final decisions had been announced on the plans of the New Labour government in relation to the Agency. Although it was suggested in the Sunday Times of 25th January 1998 that the Agency was to be replaced by an entirely new system, no further evidence of this emerged by April 1998. This thesis may prove a useful historical record of a short-lived and ultimately failed attempt to introduce a new child support system.

Chapter 18 draws together the evidence presented to assess the relative influence of the different groups studied.

CHAPTER FIVE

The Child Support Agency in an evolving Civil Service

5.1 Introduction

The first section of this chapter details the broader reforms taking place in the civil service. This includes an examination of the Next Steps Initiative. The decision to place the Agency within the Department of Social Security is considered in 5.3, and a more detailed account of the current structure of the Agency itself is included in 5.4.

5.2 The Next Steps Agencies – Pressure for reform of the Civil Service

The structure of the Child Support Agency reflected the Conservative government's desire to fundamentally reform the civil service. This section briefly outlines that reform.

The civil service has seen great changes in recent years. There has been a continual shift away from the traditional model of the 'Westminster' civil service with its hierarchical, bureaucratic

structures, life-long employment, promotions on seniority and political impartiality.

This shift has been variously titled:

'managerialism' (Pollitt)

'new public management' (Hood)

'market based public administration' (Lan & Rosenbloom)

'entrepreneurial government' (Osborne & Gaebler)

(see Hughes, 1994, p. 2).

Under whichever title, the emphasis has been on economy, efficiency and effectiveness. The importance of proper management has been stressed with effective performance appraisal and efficiency measures seen as paramount. The influence of market forces has been seen as a major driving force, in terms of cost awareness, competition, contracting-out, and for personnel appointments. This is a break with the tradition of the civil service, which emphasised the use of fixed, bureaucratic procedures and life-long employment.

Taking ideas from the private sector, the move towards 'new public management' saw a tendency to concentrate on 'core' activities with increased use of privatisation and contracting-out to reduce the functions carried out directly by government.

Contracts are used constantly in the private sector to specify exact obligations and rights between two parties. This is seen as effective in clearly defining relationships and accountability, with incentives for agents to act in the best interests of the principal. Where in the past the traditional model of the civil service could be said to lead to 'empire-building' with civil servants protecting and building-up their own area not necessarily in the public or government interest, contracts could be used to ensure that agencies carry out their activities in a way which achieves the outcome defined by government. Fixed term contracts of employment and target-related pay acted as incentives to perform well according to government criteria.

There was also a shift towards performance measurement - looking at outcomes of government activity as well as inputs. Before agencies could be launched there had to be agreement on suitable measures of performance, with an emphasis on achieving targets. Outcomes were measured where in the past the emphasis may have been on the input of resources, not what was actually achieved with those resources.

Agencies were therefore largely mission-driven. Their framework documents set out what they were expected to achieve and management were given a degree of freedom in how

they achieved the targets set within the given resources. There had been a definite move away from the traditional emphasis on rules, regulations and fixed procedures within the civil service. New technology had been applied to increase the amount of information available.

The use of market mechanisms in preference to bureaucratic procedures can be seen in almost all government agencies.

Even before an agency could be considered, it had to be established that privatisation or contracting-out were not possibilities, and use of internal markets was based on a belief in the supremacy of market forces.

In order to effect the desired reform, the Prime Minister's Efficiency Unit launched the Next Steps Initiative in 1988. The aims of the initiative were to create improvements in management in government, to deliver services more efficiently and effectively, and to deliver services within available resources (Greer, 1994, p. 1). The ultimate aim was to have a small central civil service providing policy support to ministers and managing departments, with a range of semi-autonomous agencies carrying out the executive functions of government. The agencies would work within policy and resources frameworks set by the ministers of their parent departments in

consultation with the Office of the Minister for the Civil Service (later the Office of Public Service and Science) and the Treasury (Next Steps Initiative, HC410, 1988, p. 16).

Next Steps was also aimed at reducing supply of services provided by government which it was felt may have previously been increased by civil service bureaucrats protecting and building up their own particular empires. This could be achieved by separating off the delivery function (Greer, 1994, p. 16).

It was noted by the Efficiency Unit that there were very few external pressures demanding improvement in the performance of civil service work. It was felt that the civil service was too big and too diverse to be managed effectively as a single entity, and that management at senior level was dominated by people who lacked experience of managing or working on service delivery even though some 95% of civil servants were thus employed (HC410, 1988, p. 17).

The Efficiency Unit's report highlighted five main issues:

- a lack of clear and accountable management responsibility;
- the need for greater precision about the results expected of people and of organisations;

- a need to focus attention on outputs as well as inputs;
- the unsuitability of applying uniform systems on an organisation of the size and diversity of the civil service;
- a need for sustained pressure for improvement

(HC410, 1988, p. 17)

Next Steps recommended major structural changes in the civil service by creating executive agencies and this was adopted. By April 1993, 89 agencies had been established, incorporating 45% of civil servants; by the end of 1995 it was hoped to have over 90% of civil servants working in agencies (Greer, 1994, p. 1).

The basis of Next Steps was contractual relationships. These replaced previous reporting and control procedures. An agency was given the freedom to run as a 'business', but had to deliver certain outputs or standards of service within budgeted resources. Contracts therefore specified the amount of freedom allowed, what money was available, and what ends must be achieved.

Framework documents detailed the aims and objectives of an agency, its relations with significant others (Parliament, ministers, parent department if any, other departments, other

agencies), its financial responsibilities, how its performance was to be measured, what personnel responsibilities it had been delegated, etc. A yearly business plan was used to set out performance indicators and targets to be achieved, whilst future development was outlined in a corporate or strategic plan (Greer, 1994, pp. 67-68).

The performance indicators decided upon (and agreed between the agency, the department and the Treasury) could be a controversial issue. There could be areas where no measurement had been taken in the past, and whole new systems would have to be devised and set up. Where no measure had existed before it could be very difficult to agree suitable, realistic targets (Greer, 1994, pp. 68-74). Targets for amounts of maintenance recouped by liable relatives units working within the DSS had been put in place just prior to the Agency coming into existence and were welcomed by a Public Accounts Committee report (DSS: Support for Lone Parent Families, HC429, 89-90, p. vi).

The performance indicators included in the framework documents and annual business plans would therefore be reviewed in the light of experience, but agencies could encounter initial difficulties in meeting targets set. This problem arose with the Child Support Agency where the target

set for savings in benefit payments was set unrealistically high, was subsequently reviewed, and then dropped altogether as a target. How targets evolved for the Agency is examined below, in Chapter 10.

Theoretically, under Next Steps, the existing constitutional framework remained unchanged - ministers of parent departments remained accountable to parliament, and would determine the policy, objectives, targets and resourcing of agencies (HC410, 1988, p. 13). However, Greer pointed out that Next Steps had introduced two main changes:

1. Agency Chief Executives were accounting officers, and therefore were directly answerable to parliament for the operations of their agencies. Ministers and departments should have been concerned with policy issues whilst Chief Executives were accountable for operational issues. Chief Executives could be called to select committees and were responsible for answering parliamentary questions relating to operations. MPs' questions being answered by Chief Executives had led to claims that ministers were abdicating their responsibilities of parliamentary accountability. Also, it had been suggested that ministers could claim that a matter was operational if they wished

to divert it from the floor of the House (Greer, 1994, p. 89). (See also Ditch, 1993, p. 78.)

2. More information was published and available to parliament and the public - framework documents, business plans and annual reports for agencies. These publications, along with the Citizen's Charter, had led to the assertion that external accountability of agencies was being shifted from parliament directly to the public or users of the service (Greer, 1994, p. 93).

In contrast to this increase in information, it was possible that by changing accounting procedures some information was being withheld. Greer held that concern may be only with the final result, not with the method of achieving it. This is similar to the situation in contracting out and privatisation where there may be a reduction in the detail available to parliament.

Privatisation removed parliament's right of access to a great deal of information, and it could be that altered accounting procedures used in agencies had a similar effect (Greer, 1994, pp. 84-87).

5.3 The Department of Social Security

Within the Department of Social Security at the time of writing there were six agencies:

The Benefits Agency

The Contributions Agency

The Information Technology Services Agency

The Resettlement Agency

The Child Support Agency

The War Pensions Agency.

This split had been carried out following two internal reports.

The first, by Eric Caines, concluded that it was necessary to separate the computer specialism, not least because of the need to employ different types of people for whom existing uniform civil service pay and conditions were deemed inappropriate.

The second study, known as the Hickey Report (set up in July 1988), looked at benefit payments and the collection of contributions. It concluded that full-scale privatisation or contracting out would be inappropriate in view of the need for political accountability and the highly politically sensitive nature of the work, because of the problems of ensuring confidentiality of personal information, and because of a lack of suitable candidates for the job. It was felt by Hickey, however,

that a single agency with a chief executive responsible for overall management of service delivery with delegated responsibility given to local offices and individual benefit units was the most appropriate model for the DSS. The push to separate contributions and benefits came from the Permanent Secretary at the time, Sir Michael Partridge (Greer, 1994, p. 34).

The Information Technology Services Agency was launched in April 1990. The Benefits Agency and the Contributions Agency were both launched in April 1991, and the Child Support Agency in April 1993 (Greer, 1994, p. 37).

5.4 The Child Support Agency

The Agency's powers were outlined as:

- to collect information on incomes and obligations;
- to make legally binding assessments;
- to determine methods of payment;
- to monitor and where necessary collect maintenance;
- to enforce lapsed payments.

The aims of the new system were:

- to ensure parents honour their legal and moral responsibilities, not taxpayers;
- to recognise a parent's liability for **all** his children;

- to produce consistent and predictable results;
- to provide payments which actually related to the cost of bringing up a child;
- to allow automatic review of payments;
- to maintain incentives to work for absent parents;
- to enable caring parents to take up paid employment;
- to provide an efficient and effective service to the public;
- to minimise dependence on income support.

An Act of Parliament created the Child Support Agency. Unlike many other agencies, the Child Support Agency was completely new, not inheriting organisational structures, personnel or procedures. Although taking over some work of DSS offices and the Benefits Agency, the Child Support Agency was created to go beyond the previous remit and to operate according to different criteria.

The Agency initially operated from six regional centres: Hastings, Dudley, Belfast, Falkirk, Birkenhead and Plymouth, with a head office in London, later moving to Dudley. At the start of operations there were also around 450 Agency field offices based in Benefits Agency offices. In 1993 the Agency employed almost 5,000 staff, about 3,000 of whom were based in the regional centres. By 1996/97 staff numbers had risen to

8,500 with 4,300 of those based in regional centres (CSA 2082, 1996/97, p. 9).

Systems were originally designed to be mainly postal, with little face-to-face contact between users of the service and the remote computer centres calculating the level of maintenance. Local offices and field officers were to be used for exceptional cases, for example where a parent with care was claiming "good cause" and seeking exemption or refusing to co-operate. The function of local offices has since expanded and information available on computer links in local offices has been increased (from April 1995) to enable them to answer queries from parents more effectively. During 1996/97 it was expected that staff in the field would begin to complete some maintenance assessments locally (CSA Business Plan, 95/96, CSA 2091).

However, an announcement on 14th October 1997, published in The Guardian, suggested that local offices were to abandon routine work of the Agency, with staff losing their jobs or being transferred to the regional centres. Benefits Agency staff were to be trained to interview parents with care making benefit claims, assisting them with filling in forms for the Agency. This represented a major change of direction in the operational activity of the Agency.

5.5 Summary

This chapter has set out the changes being seen in the civil service generally and how these impacted on the DSS and ultimately influenced the structure of the Child Support Agency. The following chapter considers evidence of failure within the government department responsible for collection of child maintenance prior to the setting up of the Agency and the failures of the court system in this regard.

CHAPTER SIX

The Need for Change?

(The pressure for reform of the maintenance assessment, collection and enforcement arrangements)

6.1 Changes to Liable Relatives Units

By the late 1980s it was becoming clear that the number of lone parents was continuing to increase. It was also evident that more and more lone parents, particularly lone mothers, were increasingly dependent on benefit, whilst other sources of income, from both labour market participation and maintenance payments, were declining (see Chapters 2 and 3 of this work).

As early as 1988 there was evidence of growing disquiet regarding these figures from within the Conservative party. In October 1988 John Moore (then Secretary of State for Social Security) made a speech at the Conservative Party Conference in which he expressed his fear that state provision for lone parents was encouraging the creation of lone parent families:

"Is the knowledge that the state will provide a factor in fathers deserting their families? ... What is to be done about the nearly half a million fathers who pay nothing at all towards the support of their wives and children?"

(Speech by John Moore to
Conservative Party Conference, 12/10/88)

John Moore continued this theme in evidence he gave to the Social Services Select Committee in June 1989 when he stated his determination to change the system (HC437, 88-89, Q. 289).

By September 1989 this desire for change began to reach local DSS offices, where instructions were issued requiring local office managers to give priority to liable relatives work. A National Audit Office report published the following April (1990) confirmed that liable relatives officers had sometimes been taken off their own duties to help local offices cope with increasing demands from other areas of work. This report also confirmed that there was clear evidence of officers directing their efforts towards those liable relatives most likely to be able to contribute towards their first family, with less emphasis on those with no or low earnings and those supporting second families (HC328, 89-90, p.24, p.21).

Margaret Thatcher's interest in enforcing financial responsibility on absent parents was stated in a speech to the National Children's Homes George Thomas Society in January 1990. Although mainly concentrating on homelessness amongst young people and the problems of child abuse, the need for improved financial responsibility from absent parents was stressed.

"... when one of the parents not only walks away from marriage but neither maintains nor shows any interest in the child, an enormous unfair burden is placed on the other. Nearly four out of five mothers claiming income support received no maintenance from the fathers. No father should be able to escape from his responsibility and that is why the government is looking at ways of strengthening the system for tracing an absent father and making the arrangements for recovering maintenance more effective."

(Margaret Thatcher in speech to the National Children's Homes, 17/1/90)

By the end of January 1990, Tony Newton, having replaced John Moore as Secretary of State for Social Security, confirmed in a House of Commons debate that there was an intention to improve payment of maintenance, although detailed proposals were not available at that stage (Hansard, Vol 166, 30/1/90, cc. 196-8).

In April 1990 Tony Newton, in a speech to the Industrial Society, expressed his attraction to a formula-based

maintenance system. Obviously plans were being finalised and by July 1990 Margaret Thatcher, in a speech to the 300 Group, was able to announce that an agency would be set up, and that a formula-based administrative system would be put in place following a White Paper to be published in the autumn (Pankhurst Lecture, 18/7/90).

Meanwhile, changes were taking place in liable relatives work by DSS offices in the number of cases pursued, in the amounts sought, and in the methods used to trace absent parents. Although there was no connection between receipt of benefit by the parent with care and co-operation in identifying the absent parent, during the first half of 1990 guidance was sent out to local DSS offices confirming that "the normal expectation should be that the lone parent will co-operate in establishing where responsibility lies and in obtaining maintenance" (Hansard, Vol. 170, 28/3/90, c. 570).

In April 1990 amounts of maintenance to be recovered from absent parents by liable relatives units were increased. The calculation used for voluntary agreements, where cases did not go to court, was altered to reduce the amount retained by the liable relative from 25% of net earnings over and above Income Support levels plus housing costs, to 15% over and above

Income Support levels plus housing costs (announced in Hansard, Vol. 166, 30/1/90, cc. 196-8).

In May 1990 disclosure of information by the Inland Revenue for use by liable relatives units was increased to cover addresses of absent parents and the names and addresses of their employers. Prior to this, only details of National Insurance contributions were disclosed.

Further extensions were made to the powers of liable relatives units in October 1990 when changes in social security legislation enabled recovery of maintenance for both parent with care and child, even where the couple had divorced or indeed had never married (S. 8, **Social Security Act, 1990**). Changes in the legislation also extended the ability of liable relatives units to transfer court orders obtained by the DSS to the parent with care when she came off benefit, and to enable the DSS to enforce a court order made to the parent with care, if this was not being paid. These changes reduced the need to return to court for new orders when the entitlement to benefit of the parent with care fluctuated, for example through taking up or leaving paid employment.

The Public Accounts Committee, reporting in October 1990, confirmed many of these points, re-emphasising the need for the DSS to ensure that liable relatives units worked effectively. The Committee stressed the expectation that the DSS would monitor closely the achievement of the new targets which had been set for liable relatives work, securing year-on-year increases both in the amount of maintenance paid by liable relatives and in the number of lone parent families on Income Support receiving maintenance (HC429, 89-90, p. xii).

In various government reports, debates and evidence to committees, during this period, reference is made to research being carried out into the systems for calculating, collecting and enforcing maintenance payments, not just those concerning liable relatives units, but also court systems and private arrangements. The findings of this research were detailed in volume 2 of *Children Come First* and a brief summary of the main findings is given in the following paragraphs.

Also, it was noted that the Prime Minister had set up a working group to consider lone parent maintenance (Maclean, 1994, p. 151), although it appears that this group did not produce any papers available to the public, or to parliament.

6.2 Justifying the Child Support Agency?

Volume Two of *Children Come First* details the growth in lone parent families, the reasons for lone parenthood and the extent of employment by lone parents. It then proceeds to explain the different routes to obtaining maintenance, ie magistrates' courts, High Court and county courts, Scottish courts, voluntary arrangements and arrangements through liable relatives units of DSS offices. This shows the diversity and complexity of the various methods of assessment, enforcement and collection as well as the extent of discretion allowed in the assessment procedures.

The report goes on to detail the amounts of maintenance received by lone parents, comparing these amounts amongst different categories of lone parents, and comparing them with the amounts received in benefits or from earnings. The overall conclusion was that:

"The contribution made by maintenance to the income of lone parent families therefore remains too low. The Bradshaw/ Millar study found that maintenance formed less than 10 per cent of lone parents' total net income compared with 45 per cent for Income Support and 22 per cent for net earnings."

(Cm1264, vol 2, p. 12)

Chapter 2 of volume 2 describes detailed survey work carried out in different courts and DSS offices to assess how the systems actually worked in practice. There were 4 major studies and details are given in Appendix 1.

6.3 Ideology Rules OK?

The extent of dissatisfaction with the systems in place in the 1980s has been shown. It is clear that, from the late 1980s, there was a significant desire on the part of the government to change the system for collecting maintenance. The following paragraphs link that desire to the dominant ideology of the time, particularly how attitudes to "family values" and rising government expenditure influenced the direction of the changes introduced.

Figures given in Volume Two of *Children Come First* (Cm1264), show a rising percentage of families with children being headed by a lone parent:

| | |
|------|--------------------------------|
| 1961 | 5.7% |
| 1971 | 8.0% |
| 1981 | 13.0% |
| 1987 | 14.0% (Table 1, Vol 2, page 1) |

These social changes were taking place despite the fact that the party in power since 1979, the Conservatives, promoted itself as "the party of the family".

Coote (1990) maintained that the Conservative Party made three main assumptions in its approach to family policy:

1. There is one true and natural 'family' type (breadwinning father, caring, home-based mother and children); other forms of family are, by and large, imperfect and problematic.
2. The family is set against the state; it is the main defence of individual freedom against the alleged menace of collectivism.
3. The family is an important site of social control, in particular, paternal control: families without natural fathers are seen as the main cause of social problems such as juvenile delinquency and crime (Coote, 1990, p. 10).

Yet the evidence available in the form of divorce and illegitimate birth statistics showed social changes taking place apparently beyond control of the government. (See, for evidence, Social Trends 24, 1994, Charts 2.1 and 2.19.)

If basing policies on assumptions as detailed above, of one true family form, these developments represented a real threat to Conservative foundations. Despite ideological reluctance to interfere in private family matters, it could be argued that it was necessary to take action to restore the importance of 'family values'.

Family policies of modern Conservative governments have been, in some regards, rather contradictory. On the one hand, there was an emphasis on non-interference, for example the **Children Act 1989**, whilst firmly placing children's rights on the agenda, advocated a "hands-off" policy wherever possible. This is contradicted though by the over-riding by the CSA of voluntary agreements between parents. As Smith points out:

"Parents, it seems, CAN be trusted to reach voluntary agreements about the care and upbringing of their children, but CANNOT necessarily be afforded the same trust to come up with responsible arrangements for meeting the costs of bringing up the same children."

(Smith, 1995, p. 309)

Smith went on to suggest that the government's concern may in fact have been with controlling what it considered 'deviant':

"The link with the government's concern to generate additional income is clear. Perhaps, too, this approach is underpinned by a belief that parents on

benefit are somehow inherently less 'responsible' and thus merit a more coercive approach."

(Smith, 1995, p. 306)

"Perhaps maintaining the symbolic distinction between the deserving and the undeserving does, indeed, remain a critical and defining feature of government policy towards the family."

(Smith, 1995, p. 309)

Family policy could also be viewed as part of a broader aim to "privatise". Johnson described one of the main aims of Conservative social policy as:

"Privatisation, at its most basic, means a reduction in the role of the state and the transfer of some of its functions to private institutions. ... [these may be] informal networks of families, friends and neighbours"

(Johnson, 1990, p.7)

The **Child Support Act** was an example of such "privatisation".

Financial support was shifted for many lone parents, particularly lone mothers, from the state to a former partner.

However, this could only be achieved by increasing state involvement. Johnson's description of general changes between 1980 and 1990 fitted well:

"Thus, we have experienced increased private provision, increased private finance and increased regulation."

(Johnson, 1990, p. 14)

Policies relating to mothers as workers have been stated to be "neutral" (see for example the arguments put forward in Willetts, 1991, the Centre for Policy Studies "Happy Families"). This represented a major dilemma for the Conservative government, particularly with regard to lone parents. The idea of one true family form with a male breadwinner and a female carer prevented all-out pursuance of policies encouraging employment amongst mothers. On the one hand the government wished to support policies encouraging labour market participation. On the other, they did not wish to see policies which resulted in children being inadequately cared for at home. Unless a government was prepared to ensure full and proper provision of adequate and affordable childcare for all ages of children, it could not be seen to over-emphasise the need for mothers to work in the labour market. Thus, unsatisfactory though the level of income may have been, the entitlement to benefit for lone parents with a child under 16 years of age continued without a compulsion to seek paid employment. There was, however, in most circumstances, a compulsion to seek support from the absent parent.

Meanwhile, given the government's commitment to the one "true" family form, there was a reluctance to offer help to lone parent families which could not also be offered to two-parent families. It could be argued that such help would have "encouraged" lone parenthood.

The White Paper, *Children Come First*, clearly stated its aim to help lone parents join the labour market. This was a major shift in thinking when compared with arguments put forward in the 1950s and 1960s about maternal deprivation and the importance of "a mother's love" (see Bowlby, 1953). Alongside the maintenance changes were adjustments to Family Credit regulations designed to encourage labour market participation, particularly in part time employment. These were detailed in chapter 3 above and included the introduction of a £15 disregard for maintenance for families on FC, Housing Benefit and Community Charge Benefit, and a reduction in qualifying hours for FC for all parents from 24 hours or more of work to 16 hours or more of work per week.

Pressure to increase maintenance payments and employment of lone parents came too from the rising costs to the Treasury of supporting the increasing number of lone parents on benefit. In 1980 there were 330,000 lone parent families dependent on

Supplementary Benefit. By 1989 the number of lone parent families dependent on Income Support had risen to 770,000. Less than a quarter of lone parent families on Income Support were receiving maintenance in 1989 (Cm1264, vol 2, p. i).

Between 1981/2 and 1988/9 real expenditure on income-related benefits for lone parents rose from £1.4 billion to £3.2 billion (Cm1264, vol. 1, p. 3). Given the strong commitment of successive Conservative governments to reducing direct taxation and government expenditure, this sustained increase in dependency represented an intolerable burden. Linked to the assumptions of family responsibility (particularly financial responsibility), this burden on the taxpayer was clearly ideologically unacceptable. To enforce the payment of maintenance by absent parents was seen as a way of controlling the costs to the Treasury of lone parenthood, whilst at the same time emphasising the importance of family responsibility.

Provision of welfare had shifted from the "rights" envisaged by Beveridge to more "targeted" benefits and increased use of means testing.

Along with means testing had come a return of stigma attaching to benefit claimants, which had been exacerbated by a

government emphasis on fraud. Such policies had developed the image of benefit dependants as scroungers, cheats and a drain on taxpayers. The government, in its creation of the Agency, was explicit in its desire to reduce the "burden" of lone parents on taxpayers, placing responsibility for their welfare firmly in the hands of absent parents. As will be discussed later in this chapter, such thinking could also be said to lay behind decisions relating to the formula to be applied by the Agency.

The extent of means testing, low level of benefits and re-introduction of stigma for benefit claimants represented a change of direction to government action regarding lone parents. As Maclean stated:

"The economic problems of one parent families in the UK had, throughout the 1960s and early 1970s, been discussed in terms of improving public provision ... children in one parent families were seen as a special case of children for whom extra provision should be made."

(Maclean, 1994, p. 148)

It should be noted, however, that more "targeting" and means testing inevitably resulted in more paperwork - checking of detailed information such as income, housing costs, savings, etc of all members of a household was essential if benefits were to be restricted to those able to demonstrate "need". This again

represented a contradiction with the Conservative aim to reduce state involvement. A large bureaucracy was created where perhaps universal non-means tested benefits could have been paid using a much reduced administration. Thus, the ideology of reducing state dependence and increasing means testing was to some extent countered by the subsequent increase in administration. This was, however, dealt with by other Conservative policies - to contract out where possible and to create semi-autonomous agencies to deliver state benefits using "business" principles as detailed in the previous chapter.

6.4 Summary

This chapter has outlined the failings of the system for maintenance assessment, collection and enforcement in place through the 1980s. These failings were used by the government to justify the introduction of the Agency.

The ideology of the Conservative governments with regard to lone parenthood is examined briefly. The following chapter will show how this impacted on debates regarding policy and the details of the formula being considered.

CHAPTER SEVEN

Designing a Child Support Formula to Support Government Ideology

Details of the formula used by the Agency were briefly described in Chapter 3 of this work. The White Paper "*Children Come First*" issued in October 1990 gave the outline of the formula which was then debated in more detail during the passage of the Child Support Bill through parliament, and the Child Support Agency became fully operational in April 1993. The following paragraphs look at some of the detail of the formula and at the issues debated in parliament during this period.

7.1 Reducing Government Expenditure

7.1.1 Putting the Treasury First

Although the White Paper's title was "*Children Come First*", it has been argued that, in fact, the Treasury stood to be the main beneficiary of the new maintenance arrangements, with savings to the taxpayer of paramount importance. Indeed, the White

Paper was unambiguous in its desire to reduce the dependence of lone parent families on Income Support, whilst clearly pointing out

"parents must honour their legal and moral responsibilities to maintain their own children ... it is not right that taxpayers, who include other families, should shoulder that responsibility instead of parents who are able to do it themselves."

(Cm 1264, Vol 1, p. 5)

7.1.2 The Benefit Penalty

In order to ensure this financial responsibility of parents, it was decided that all those lone parents seeking means tested state benefits should be obliged to co-operate with the Child Support Agency. This was because:

"If the caring parent and the children are receiving IS or FC, then the taxpayer has an interest. If maintenance is not paid, taxpayers, which include other families, have to finance the social security benefits which are a substitute for that maintenance."

(Cm 1264, Vol 1, p. 38)

Others, not claiming benefits, could continue to make voluntary arrangements or to have no maintenance arrangements at all. It could be argued, therefore, that it was not children who came first, but other taxpayers, through the Treasury.

Although acknowledging that most mothers co-operated with liable relatives units in the past (75% according to Tony Newton, HC277-II, 90-91, p. 1), in naming the father of their children, government decreed it necessary to build this co-operation into the formula. (It should also be noted that "naming the father" actually referred to co-operating in establishing and obtaining maintenance - a wider definition - see HC277-II, 90-91, p. xix.) It was therefore decided that any parent with care failing to name the father of her child, or failing to co-operate with the agency, could face a benefit reduction. Exemptions were discussed briefly in the White Paper, with cases of rape and incest given as examples (Vol 1, p. 39). Parliament expressed great concern over proper questioning of parents with care seeking exemptions and how guidelines might be drawn up and subsequently implemented to define "good cause" (eg. Hansard vol 181, 19/11/90, col 4; vol 187, 4/3/91, col 78; vol 192, 4/6/91, col 198; vol 192, 4/6/91, col 207; vol 222, 1/4/93, cols 714-718).

Both the "benefit penalty" and "good cause" were discussed at some length in parliament during the passage of the Bill. There were calls for the use of a positive incentive for those on Income Support to co-operate in the form of a maintenance disregard,

but this was rejected on the grounds that it would exacerbate the benefits trap, increasing the amount a parent with care would need to earn to replace state benefits (see for example, HC277-II, 90-91, p. xii and Hansard vol 192, 4/6/91, cols 209, 217, 220; vol 212, 19/10/92, col 170; vol 215, 30/11/92, col 5).

Again, it could be argued that imposing a benefit penalty on a lone parent, inevitably reducing the income of the household as a whole, could never be said to put children first (Hansard, vol 192, 4/6/91, cols 209, 220, 222; vol 195, 18/7/91, cols 568-9; vol 210, 30/6/92, cols 766-767; vol 222, 1/4/93, col 713).

7.1.3 Encouraging Paid Employment

Tied in with Treasury desires to reduce Income Support dependency were changes in the regulations for claiming Family Credit detailed earlier. These were aimed at encouraging more lone parents to take up paid employment, along with a maintenance disregard for Family Credit, which enabled working parents with care to see a clear advantage from receiving maintenance. Nevertheless, the government continued to support the choice of a parent with care to stay outside the paid labour force (Tony Newton defended this, for example, in HC277-II, 90-91, p. 4). This choice was, however, becoming

inextricably linked to the requirement to become dependent on the absent parent rather than the state.

For the absent parent, the desire to keep government expenditure as low as possible led to a glaring inequity for some. Those absent parents who were themselves earning a low wage and were eligible to claim Family Credit, found that any maintenance they had to pay out to their first family was not taken into account in calculating their own entitlement to Family Credit. This could lead to a situation where two similar families, on low wages topped up by Family Credit, actually had a very different disposable income.

Although the "protected level" regulations should have ensured that the absent parent's current household did not go down to Income Support levels, there could still be a disincentive to work for the absent parent where Family Credit does not take into account maintenance payments he made, as well as other disadvantages such as loss of passported benefits for the family and loss of mortgage interest payments. Income Support took into account interest on mortgage debt whereas Family Credit did not. This could be a disincentive for either the absent parent or the parent with care to seek paid employment if they are owner-occupiers rather than tenants. Therefore, the

government desire to keep Family Credit payments low could have the effect of pushing people back on to Income Support, which in terms of cost to government was likely to be counter-productive.

7.2 Family Values

When examining the government's ideological stand, a desire to stress "family values" and "privatisation" was shown. The approach to the benefit penalty and enforced co-operation for benefit claimants illustrated the government's use of the formula to emphasise family responsibility, at least in financial terms. Forcing parent with care households to become dependent on the absent parent was stressing filial responsibility and privatising the family, rather than necessarily acting in the best interests of children, or seeking to meet their needs effectively.

Encouraging self-reliance or dependency on an ex-partner also served the government desire to reduce its own expenditure whilst encouraging participation in the labour market. The introduction of a benefit penalty for Income Support claimants who were parents with care and failed to co-operate with the Agency, but a maintenance disregard for those parents with care who worked and claimed Family Credit, is a useful example

to illustrate how government ideology can be translated into policy and regulation.

7.2.1 Shifting the emphasis from “second” to “first” families

Also illustrating the government support of the "traditional" family was the shifting of emphasis from absent parent support of his current household to that of his "first" family. (NB. See definition of the terms “first” and “second” family at the start of the thesis.)

A protected level of income, it was argued, would have ensured second families did not go below Income Support levels by supporting first families. This represented a change of direction over previous thinking. Court decisions and those of liable relatives units had seen it as practical to allow absent parents to support second families primarily and first families only where income of the absent parent allowed. The formula introduced for use by the Agency deliberately set out to "equalise" treatment of "natural" children in both families. In cases where an absent parent had a new partner making a contribution to the household income of the second family, the total income of the absent parent household could effectively

mean extra support for the first family (see Hansard, vol 210, 30/6/92, cols 768-9).

Support of the "traditional" family and the desire to minimise government expenditure, also led to the decision that step children would not be included in the essential expenses of an absent parent. Step children remained the responsibility of their "natural" parents and should have sought maintenance from their own absent parent first. Interestingly, any maintenance (or other income) received by step children could be included as income for the household as a whole, perhaps keeping the second family above the protected level of income.

Similarly, new partners' housing costs could not be included as exempt income, but any income received from them into the household could be seen as available to the household as a whole for the sake of "protected income". In this respect government ideology of responsibility for one's "natural" family was tempered by a desire to assess a household rather than an individual for means testing purposes and to minimise government expenditure. Whilst stressing the need to treat all of an absent parent's biological children equally, step children were not considered the absent parent's responsibility in quite the same way.

7.2.2 Property Settlements / Clean Breaks

Another example of the government's attempts to re-emphasise "family values", particularly relating to first families, came in the attitude to property settlements. In the past it was considered reasonable to "trade" during divorce or separation negotiations, with equity in the family home often being passed to the parent with care in exchange for lower or nominal child maintenance as well as removal of spousal maintenance. Courts sanctioned this as part of the "clean break" strategy.

It was never intended that absent parents should have "clean breaks" from their children, but financial arrangements and living arrangements could be inter-twined to produce a satisfactory outcome for both partners and the children, but often resulting in on-going financial dependence of the parent with care on the state for regular income. Such property settlements, whilst often seen as sensible and workable and in the best interests of the children involved, clearly went against government ideology which required on-going support by both parents, with no facility for parents to walk away from the financial responsibility of children. However, *Children Come First* did acknowledge that it may be sensible to take previous property settlements into account (Cm1264, Vol 1, p. 30) and

this was discussed in parliament (eg Hansard, vol 192, 4/6/91, cols 216-217, 236, 245; vol 222, 1/4/93, col 719).

The Social Security Select Committee were so concerned about this aspect of the formula that they produced a separate report recommending proper consideration should be given to divorce settlements involving capital settlements made in lieu of child maintenance (HC277-I, 90-91).

Despite mention of this in the White Paper, the government were unconvinced by the continued argument and remained of the opinion that the housing costs element of the formula was sufficient to reflect the resulting circumstances following such a settlement. Emphasising continuing support as well as maximising maintenance payments (and therefore minimising state income support for the parent with care) could be said to have been the driving forces. It is difficult to argue that the best outcome for children was the major factor behind this contentious element of the formula, as it seems fair to presume that future divorce arrangements are much less likely to allow children to remain in the family home.

7.2.3 Contribution by absent parents on Income

Support

Stressing continuing parental support was also behind the decision to make absent parents who were themselves dependent on Income Support contribute a minimum amount to their children. Whilst acknowledging the amount was small, government, in the White Paper, emphasised the need to uphold the principle of responsibility (Vol 1, p. 23). A small amount would not help children, nor would it represent any substantial saving for the Treasury, but it could be seen as supporting the principle of family responsibility not being transferable. The government argued it would enable more effective reviews of changes in circumstances in the future (Vol 1, p. 23), stressing the importance of liability being established (see also Hansard, vol 210, 22/6/92, col 85; vol 210, 30/6/92, cols 762-3).

In the past, liable relatives units faced with high workloads and limited resources, may well have seen it as cost-effective to "shelve" a similar case. The government was clearly saying that this was not a satisfactory state of affairs. It should be noted, too, that a high proportion of absent parents were on a relatively low income, so such small claims for maintenance could have been quite common. The government obviously felt the principle was one worth emphasising. (But see later references

to the Agency targeting those absent parents who were already established payers in order to meet its targets.)

7.2.4 Access

The issue of access to children was also debated during the passage of the Bill. In this respect, it was felt that the courts were the most suitable place to deal with disputes and that there should be no link between payment of maintenance and access. Members of Parliament expressed concern that parents with care may feel obliged to agree to renewed contact between the absent parent and the child because of the financial commitment being enforced by the Agency. Some felt this was a good thing - for example Frank Field speaking in June 1991 stated that by removing maintenance from the argument, it may be easier for parents to agree access and that contact with both parents was in the best interests of the child (Hansard, vol. 192, 4/6/91, col. 218). Others felt fathers would pursue contact for the wrong reasons, because they felt it was their right if they were being obliged to pay (vol. 192, 4/6/91, cols. 212-213).

Concern was also expressed that enforcing payment of maintenance could jeopardise existing contact arrangements, for example where care is shared between the parents rather than having payment of maintenance. The Agency would

overturn such agreements by enforcing formal payment to the parent with care (see vol. 192, 4/6/91, col. 236 and vol. 195, 18/7/91, col. 556). This may not be in the child's best interests and could create animosity where previous arrangements were amicable and settled.

From the absent parent's point of view, it was also argued that whilst maintenance was pursued with rigour, he would not be able to insist on his rights to access so effectively or with the same backing (vol. 210, 30/6/92, col. 770). Government concern at family responsibility nevertheless remained at a financial level only. Disputes over access were to remain the province of the courts.

7.3 Summary

This chapter has shown that details of the formula were designed with government ideology in mind.

In summary, the desire to reduce government expenditure was seen in policies:

- to encourage take-up of employment by parents with care;
- with an emphasis on benefit claimants;
- which enforced the co-operation of parents with care, and imposed the benefit penalty;

- designed wherever possible to remove the parent with care household from benefits, including the loss of important passported benefits.

The desire to promote “family values” was seen in policies:

- emphasising financial support of “natural” children;
- leading to second families supporting first families;
- emphasising financial responsibilities over other parental responsibilities;
- enforcing minimum payments by poor absent parents.

In spite of the title of the White Paper, *Children Come First*, many of these details of policy were potentially harmful to children, for example:

- A benefit penalty imposed on a parent with care would inevitably harm the child/ren too.
- Loss of “extras” or treats from absent parents forced to pay directly to the Agency.
- Loss of passported benefits if removed from Income Support, with free schools meals particularly important for children from poor homes.
- Lack of allowance in the formula for an absent parent to fully support his step children.

- The potential loss of the marital home for the parent with care and therefore the child/ren.
- Lack of recognition of shared care arrangements.
- Possible reduced contact with an absent parent because of the expense of access.
- Possible renewed contact with an absent parent where this may be damaging for the child.

These issues are examined further in the next chapter, when voluntary organisations' reactions to *Children Come First* are looked at in detail. This brief exploration has been to show how government ideology can dictate the fine detail of policy, even in the face of strong opposition within parliament. Support for the over-riding principle, that parents should continue support of their children even when they live apart, was not disputed. However, the fine detail of the formula introduced to enforce that responsibility was the subject of a great deal of debate. Nevertheless, few changes were made to the original government plans. By gaining support for the general principle, the government managed to pass through legislation which conformed to its ideology in many ways. Conservative backbenchers, as well as opposition parties, argued about the detail, but found it impossible to dispute the principle supposedly behind the **Child Support Act**.

CHAPTER EIGHT

Early Warnings

8.1 Introduction

The chapter begins with details of the outside bodies included in this chapter, covering briefly each organisation's remit, history, funding, structure and constitution. The protest groups formed after the Agency came into being are described in Chapter 13.

8.3 looks at whether these organisations consider the Child Support Agency to be an appropriate solution to the poverty being suffered by many lone parents. Alternative strategies put forward by these organisations are considered. This part deals with the idea of an agency as appropriate or not, whilst specific points relating to the formula are covered later.

8.2 The Voluntary Organisations examined in the Study

8.2.1 National Council for One Parent Families

The National Council for One Parent Families (NCOPF) was formerly known as the National Council for the Unmarried Mother and her Child (NCUMC) founded in 1918 to help lone mothers find employment and also to keep mothers and babies together after the birth. The NCUMC was established as a result of a gathering together of a number of voluntary organisations concerned with "rescue work with fallen women" and with providing homes. It was set up with two simple aims:

- "1 To obtain reform of the existing Bastardy Acts and Affiliation Orders Acts.
- 2 To secure the provision of adequate accommodation to meet the varying needs of mothers and babies throughout the country; such provision to include Hostels with Day Nurseries attached where the mother can live with her child for at least two years, whilst continuing with her ordinary work."

(Macaskill, 1993, p. 9)

Changing public attitudes was high on the agenda, with the NCUMC calling for realism as well as humanity. It continued to fight for support for lone mothers, and to provide help where possible, for example through its employment agency and

through small grants. It also fought for changes in the law with regard to affiliation orders, legitimacy and adoption.

The need for recognition of the role of fathers was a major concern from the beginning and this proved particularly problematic following the 1939-45 war when the birth rate soared and men were moved away from home.

Campaigning continued through Beveridge and Finer, with particular emphasis on affiliation orders, housing and employment.

The NCUMC changed its name in 1973 (to NCOPF) to show that it was concerned with all lone parents, whether unmarried, divorced, separated or widowed. That year it stated its belief, regarding lone parents:

"that social policy should be geared by positive discrimination in their favour, to compensate them for their disadvantages"

(Macaskill, 1993, p. 34)

Whilst still pushing for child support from fathers (indeed extending what it saw as the role of fathers beyond the merely financial) by the 1970s the NCUMC saw an increasing need for state help.

However, by the late 1980s, the NCOPF were on the defensive. Faced with comments continually being made by politicians that lone parents were deliberately becoming pregnant in order to get state help, the NCOPF commissioned research which subsequently found no evidence to support such claims. The NCOPF defended lone parents' rights to benefits, but at the same time sought to end the marginalisation of lone parents and to enable their participation in the "mainstream".

Access to the labour market became more important as benefits were eroded through the late 1980s and early 1990s, and the NCOPF became more involved in training programmes helping mothers to return to work. In 1991 they secured a government grant to fund the Return to Work Initiative and courses went nationwide.

The NCOPF continued its battles with successive governments over tax relief for childcare costs, provision of childcare, and regulations relating to the Agency, as well as benefits for lone parents.

Other work carried out included preparing publications to provide information to lone parents and the professionals who

work with them. They have been heavily involved with Agency work, campaigning for change with practical proposals for improving the service and attempting to get the voice of lone parents heard.

Funding was from government grants, donations from trusts and companies, statutory bodies and individuals. Overheads were kept low by the use of volunteers.

Lobbying and media work at the time of the introduction of the Agency was restricted by the size of the organisation. Staff could not dedicate enough time to Agency issues and were continually frustrated with the attitudes of the press, particularly once the absent parent lobbyists became organised. In contrast to the absent parent lobby, the NCOPF found that few lone parents with care were prepared to put their own case forward, aware of the damage that could be done to their children and themselves.

To gauge the opinions of the lone parents the NCOPF represented, research was carried out in the form of questionnaires to members and note was taken of opinions expressed at the AGM and workshops, as well as monitoring of the advice being sought by lone parents. However, there was no

direct link between lone parents and the policies put forward by the NCOPF. Links were indirect, with staff at the NCOPF and particularly the director putting forward ideas to an elected Committee of Management on what policy should be. Whilst members (at the time of writing around 600 in number) could influence policy, they did not vote on it. Nor was there any attempt to gauge whether those contacting the NCOPF were in any way representative of lone parents as a whole. However, an Agency monitoring project was set up which recorded problems being presented by those contacting the NCOPF, which produced information subsequently used in lobbying for change.

8.2.2 Child Poverty Action Group

The CPAG was set up in 1965. It grew from discussions among Quakers who were concerned about the extent of poverty amongst children. It was initially set up with the expectation that the campaign for improvement would be a short one, but by 1969 it had appointed its first director after which further expansion continued.

At the time of writing CPAG were providing training courses on welfare rights, running a Citizens' Rights Office, and producing a number of publications every year.

CPAG were active in discussions on poverty, equality, parenting and related issues, attending All Party Parliamentary Group meetings and Party Conferences of the major political parties. On child support issues, the CPAG set up a monitoring scheme and provided information from this for journalists, MPs and Peers. As well as policy, lobbying and campaigning work, the CPAG also helped advisers to accurately inform their clients. CPAG also maintained contact with the Agency itself.

Local CPAG branches campaigned on specific issues, and have been active on child support issues. Meanwhile, the Citizens' Right Office offered advice, support and advocacy for professionals and volunteers working in the field of welfare rights. The CPAG also produced an annually updated Welfare Benefits Handbook and Rights Guide and a Child Support Handbook. The organisation also supported test cases where it felt this was necessary and maintained links with the legal profession.

Finance for the CPAG came mainly from membership subscriptions, grants, donations, sales of books, and payment for courses. Membership at the time of writing was around 5,000.

In order to lobby MPs, CPAG worked on raising issues and educating MPs. It provided briefing documents and drafted suggested amendments to bills. The CPAG was a recognised outside body which was respected by MPs who trusted its competence. CPAG also engaged in grassroots lobbying, with involvement in conference debates and fringe meetings, and links with research departments of the major political parties.

At the time of writing there were around 25 people on the staff of the head office of the CPAG, half working on welfare rights and publications and the other half working on the campaigning side. There was an Executive Committee, one-third of whom were elected by the membership, one-third elected by local branches, and one-third co-opted to ensure a balanced mix of people. The Executive Committee laid down broad principles for the organisation, and was largely informed by the staff. Staff got feedback from the welfare rights team and monitoring programmes. This feedback was not systematic research, but gave an indication of the problems being presented.

8.2.3 National Association of Citizens' Advice Bureaux

The Citizens' Advice Bureau service was founded in 1939 and provided free, confidential and impartial advice. Over the years it has used evidence gathered from client problems to suggest

where improvements could be made to local and national social policy and services. In 1996 there were 721 main bureaux with another 1006 outlets linked to them. The National Association offered support from a central office, a divisional office in London, area offices in England and Wales and the Northern Ireland Association of CABx.

At the time of writing, there were 27,000 people involved in the CAB service, 90% of whom were volunteers. Funding was primarily from local authority grants, although NACAB also received a grant from the Department of Trade and Industry. Other sources of income include donations from the private sector and charitable trusts, as well as some funding from public sector bodies such as health authorities.

The number of clients visiting CABx in 1994/95 was 5.388 million. This was the number actually seen and there was acknowledged to be a number of people who could not wait the length of time necessary to get help, or who could not get through on the 'phone. Statistics were gathered on the nature of the clients' problem, the largest category being social security issues. 1,845,615 social security problems were dealt with by CABx in 1994/95. 79,067 of these were classified as child

support issues and evidence from these cases was used in drawing up suggestions for improvements to policy or delivery.

The main aims of the CAB service were:

" - to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities or of the services available to them, or through an inability to express their needs effectively,

and equally

- to exercise a responsible influence on the development of social policies and services, both locally and nationally"

(NACAB, 1995)

The policy of NACAB was decided by the staff in consultation with the Chief Executive, and was based on evidence collected from the experiences of clients. Local offices completed forms when they felt a particular case was of interest or importance and, from these, statistics were gathered and it was possible for head office to gauge the size of a problem and the types of problems being seen most commonly. This was all carefully collated, catalogued and stored, and fed into the decision-making process of the national organisation.

8.2.4 Gingerbread

Gingerbread was formed in 1970 by a lone parent experiencing housing difficulties. By 1996, the national organisation supported a network of over 200 local self-help groups. 12 regional committees linked the local groups with the national organisation, supporting new and existing groups and running forums and training events. Gingerbread also provided information and advice to lone parents and associated organisations and campaigns on behalf of lone parent families.

The local groups sought to give lone parents support and friendship as well as help and advice. They offered practical help in the form of, for example, somewhere to meet with others in similar circumstances, social events and holidays, 'skill sharing' such as mutual babysitting, decorating, etc. Groups varied in size, some with as few as from 5 to 10 members while others exceeded 200. The national organisation also arranged training for volunteers, grants to local groups, advice lines, links with other organisations, campaigns on behalf of lone parent families, etc.

The Gingerbread Advice Line kept a record of the types of enquiries it received. Between April 1994 and March 1995, the subject of child support became the most frequent enquiry to

the Gingerbread Advice Line, closely followed by other benefits issues and queries relating to contact or residence matters.

Gingerbread received some financial support from the government, but relied heavily on fund-raising and donations. Private sector sponsorship also played an important part.

Although there was a national council, a management executive, a Board of trustees and a policy sub-committee, the formation of policy within Gingerbread was often "on the hoof". Because of resourcing restraints, Gingerbread tended to respond to the parliamentary timetable and press deadlines rather than reacting to its membership. The organisation also recognised that many lone parents were reluctant to be politically active or to put their own case forward, for fear of the damaging effect this may have on their family. Gingerbread sought to offer direct services and emotional support to lone parents and acknowledged that policy came as a lower priority.

8.2.5 Families Need Fathers

Families Need Fathers is a voluntary self-help society with Registered Charity status. It was founded in 1974 by a group of divorced or separated parents who had unwillingly lost contact with their children.

In 1990, its objectives were said to be:

"Reduce the damage to children from parental separation and divorce.

Ensure that the problems faced by non-custodial parents are understood and viewed sympathetically by the legal and welfare professions.

Provide practical advice and support to parents who experience difficulties maintaining a relationship with their children."

(Appendix to HC277-II, 90-91)

Work was by volunteers who are unpaid. Finance was mainly by donation by members. Help was offered to parents through meetings and publications, and the charity was committed to shared parenting.

8.3 The voluntary sector's view: is an agency the answer?

8.3.1 Before the White Paper

Alongside the largely academic debate covered in Chapter 2, various voluntary organisations were concerned with the reality of problems faced by parents who do not live together. These voluntary organisations held differing views on the best way to help those parents, and this section outlines some of the views expressed before publication of *Children Come First*, followed by views expressed between the White Paper and enactment of the

Child Support Act. Points specifically relating to the formula for use by the Agency are covered in Chapter 9.

NCOPF

The policy of the NCUMC/NCOPF since 1918 had been that maintenance should be paid at a rate which reflected the reality of bringing up a child (see Macaskill, 1993). By the late 1980s, the NCOPF was vividly aware of the failings of the court system and in 1989 produced a report suggesting an alternative system. This report did not go as far as to put forward an administrative system, which was at the time still felt to be too radical to be accepted by government.

This was prior to Margaret Thatcher's famous speech, and the NCOPF was pleased with the announcement that there would be adjustment to the system. NCOPF saw change which improved the court system and reduced areas of discretion as a positive step. When an administrative system was announced, the NCOPF was happy in principle.

It should be noted, too, that another founding aim of the NCUMC was to help lone mothers find employment. Until 1970 it did this by acting as an employment agency, matching those seeking work with employers willing to accept lone mothers. It

then became clear that provision of day care services was a more appropriate way of enabling a return to work by lone mothers and the NCOPF concentrated more energy into this campaign.

In 1988, with Sue Slipman as director, the NCOPF launched a "Back to Work" strategy, including Return to Work Courses. By providing information and delivering training programmes, the NCOPF aimed to help lone parents gain worthwhile employment. In 1991 it successfully negotiated a major government grant to expand this initiative, working nationally with large employers and training agencies (Macaskill, 1993, pp. 49-50).

The NCOPF was therefore already involved with the government in encouraging lone parents to become independent of benefits. It had experience of working with ministers and civil servants on schemes concerned with employment. Those working for the NCOPF felt, at the time of announcement of the changes to maintenance, that social security benefits to lone parents were constantly and increasingly under threat, and that improving maintenance was a way of reducing the potential damage to lone parents, which could productively work alongside the

employment strategies. The NCOPF gave the CSA a cautious welcome.

Prior to publication of the White Paper, NCOPF staff were invited by the civil servants involved for an informal chat.

Subsequently, however, they felt that they were put at a great disadvantage by the speed with which the White Paper was brought out, with no Green Paper, and very limited time for further consultation.

CPAG

The CPAG, on the other hand, was not contacted at all by anyone involved in the White Paper, and played no part in the initial consultation process. Although the organisation had worked on issues involving the liable relatives system, and had been involved in some low-key lobbying about procedure and the running of the liable relatives units, there had never been a properly focused campaign dealing with the issue of maintenance, nor had it been a high priority.

CPAG routinely met ministers to discuss a broad range of topics. Child support would have been mentioned as part of the general discussion, but no specific discussion took place with ministers. As Garnham & Knights commented, past attempts to

persuade the government to conduct a wide-ranging review of the child maintenance system as part of a larger child support system had failed (Garnham, 1994, p. 2).

Although aware of an unpublicised working party appointed by the Prime Minister to look at the issue of maintenance, senior workers at the CPAG were not contacted by this group.

Also, contact with DSS staff had been limited to discussion on liable relatives work and had never expanded to cover alternative systems. Nor had the CPAG been contacted by anyone from the Lord Chancellor's office.

The CPAG view was that "child support" should not mean private responsibility alone, but that an adequate system of child support would actually include far wider issues than simply maintenance from absent parents. The Finer Committee was held up by the CPAG as an example of proposals which did indeed look at wider issues and did have the poverty of lone parents as its central remit.

CPAG, whilst obviously concerned with the issues affecting lone parents, was primarily concerned with the eradication of family poverty, which it believed could only be achieved by introducing

a whole package of child and family support measures in addition to a reformed system of child maintenance (Garnham, 1994 pp. 174-176).

CPAG continued to fight for higher rates of benefit for all families in poverty. It attempted to calculate the costs of children at various ages and to show how inadequate levels of benefit were if claimants were to participate fully in society. Whereas the Agency was designed to ensure children shared in the wealth of the absent parent, the CPAG believed all children should share in the wealth of society as a whole. It called for policies to help all parents meet the full costs of a child, with improved employment opportunities for all parents, a minimum wage, provision of childcare, improved rights for part-time workers, reduced hours of work to enable men to participate more in family life, training, and taxation policies to help the low paid.

The CPAG was also a firm believer in Child Benefit as a non-taxable, non-means tested benefit for all families with children, and advocated increasing the amount.

In the long term, CPAG supported more non-means tested benefits to prevent poverty, with individual entitlements rather

than household ones. This, together with wide-ranging policies such as a minimum wage and improved childcare would help all families (Garnham, 1994, pp. 177-185).

NACAB

NACAB produced a report in July 1989 covering benefits and incentives for lone parents to work. This was a detailed report also covering childcare provision, part-time work, maintenance, employment training schemes, community care grants and specific problems facing young single mothers. NACAB used evidence from cases which had been brought to local CAB offices over the period preceding its report.

The report highlighted the factors preventing lone parents from taking up paid employment as:

- the 'poverty trap' which exists when transferring from Income Support to Family Credit

- lack of childcare available at a cost which lone parents can afford, and which is both of a quality and flexibility to make working a viable option

- inadequacy of maintenance both in terms of the level of awards and the regularity with which it is paid

- lack of jobs which accommodate the flexibility of hours needed by a parent with sole responsibility for children

- low wages into which lone parents are often trapped."

(NACAB, 1989, p. 2)

The report concluded that the interaction of benefits operates to produce a substantial disincentive to work, even though it was the express intention of the Family Credit system to overcome the poverty trap inherent in the pre-1988 benefit system. The erratic, unreliable and limited source of income offered by maintenance was seen as another disincentive to leave the relative security of Income Support. Other barriers such as time taken to process Family Credit claims, and difficulties with rules over hours worked, discourage employment still further, and therefore prevent independence and self-sufficiency.

The wide-ranging report went on to look at difficulties of childcare provision for those wishing to work, including problems following 1986 changes which removed allowable expenses including childcare costs from Income Support, replacing them instead with an overall disregard of earnings.

Presenting evidence of cases seen in CAB offices, the report detailed the problems of maintenance seen in the late 80s. It is significant, and should be noted, that there was no distinction in the report between spousal maintenance and child maintenance. Non-payment, even where there was a court order, was described as "very common", with ineffective enforcement procedures and a reluctance on the part of the

courts to apply Attachment of Earnings Orders. The need to go back to court again and again to enforce an order was described as time-consuming and expensive, with Legal Aid often refused.

For those lone parents claiming Family Credit, the irregularity of maintenance caused particular problems, highlighted by NACAB as "a great source of insecurity". When Family Credit was calculated on the basis that maintenance was paid regularly and in full, with amounts of Family Credit fixed for six months at a time, if maintenance was subsequently not paid, the amount of Family Credit could not be quickly reassessed to take this into account. Even when making a subsequent claim, NACAB pointed out that lone parents could have difficulty satisfying the Family Credit office of what was normally received by them.

For those lone parents on Income Support, problems arose if the DSS office did not collect maintenance payments directly.

Where collection was made by the DSS, the lone parent received a guaranteed amount each week, regardless of the amount of maintenance actually collected that week. Where the DSS did not collect the maintenance but this was paid directly to the lone parent, if maintenance failed to arrive, the lone parent had to apply each time a payment failed to arrive, and make a

signed statement to that effect in order to receive increased Income Support. This increased Income Support would be recouped if maintenance arrears were paid up at a later date.

The report expressed concern that the collection service was under threat at the time. It stated the view that maintenance was more likely to continue to be paid where: "there is an element of authority and detachment about collection by the department, which militates in favour of continued regular payment, whereas fathers may be less diligent in payment straight to the mother" (NACAB, 1989, p. 13). This opinion was later put forward in support of an agency for the collection and enforcement of maintenance.

Examples of inappropriate action by liable relative officers highlighted the problems for lone parents who were reluctant to seek a court order for maintenance.

NACAB offered no solutions in this report. Although clearly laying out the problems faced by many lone parents in the late 1980s, NACAB made no attempt to suggest alternative policies. The contents of the report suggested that maintenance was not seen as being as relevant to the income of lone parents as the benefits system and employment opportunities. The importance

of improving the benefits system to allow for the inadequacies of maintenance was given more emphasis than improving the maintenance itself.

Problems with the social security system of benefits were again highlighted by NACAB in a briefing written in response to the Social Security Bill in April 1990. NACAB expressed the opinion that the Bill failed to address the problems of childcare costs, interaction of benefits, the poverty trap, but concentrated on public expenditure reductions only. This did not present a genuine choice of whether or not to take up paid employment.

NACAB also pointed out that the introduction of powers to claim maintenance for an unmarried mother on benefit, and for the DSS to enforce orders taken out by mothers with or without the mother's consent, went against the "clean break" strategy encouraged by the government. The Bill also failed to address the problems of lone parents who were not on benefit and not receiving maintenance. The briefing concluded that public expenditure could be far more substantially reduced if lone parents had a genuine choice about returning to work, but that pursuing maintenance in the way proposed was not enough to overcome the combination of barriers to work experienced by lone parents.

8.3.2 Between the White Paper and the Act:

Once *Children Come First* had been published, voluntary organisations were able to formalise their positions. This section outlines the response of the voluntary sector to the idea of a new Child Support Agency. Responses to specific parts of the formula are covered in the next chapter.

Between the White Paper and the Act, a lobbying group was formed by the voluntary sector. This consisted of CPAG, Barnardo's, Church Action on Poverty, Law Society, Legal Action Group, MENCAP, National Children's Bureau, NCOPF, NSPCC, Spastics Society, Stepfamily, Save the Children Fund, Women's Aid Federation England and the Children's Society, and was largely serviced by NACAB. Most of these organisations were opposed to the Act, with the exception of the NCOPF (Garnham & Knights, 1994, pp. 36/37). This part of the chapter covers views expressed by a cross-section of these organisations, as well as Families Need Fathers.

NCOPF

As already stated, the NCOPF had, throughout its history, fought for higher and more reliable maintenance. The modern NCOPF was in favour of encouraging the move away from

benefits towards independence, particularly as benefits to lone parents came more and more under threat. This organisation had always seen employment as the way forward for lone parents, with maintenance a welcome addition. The NCOPF was in favour of an administrative system and although critical of some of the detail of the formula, was concerned to give its full support to the principle of an administrative system with limited discretion. Reservations were expressed about the extensive use of regulations rather than legislation, limiting the extent of debate possible (see Monk & Slipman, 1991).

In evidence to the Select Committee, NCOPF stated its preference for a system run by the Inland Revenue (oral evidence in HC277-iii on 26/3/91, also in Monk & Slipman, 1991, p. 6). This was seen as a way of ensuring that the Agency was not viewed solely as a poor person's agency, and a way of bringing about an acceptance of responsibility for one's children. It was put forward that paying maintenance should be automatic in the same way as paying tax is automatic.

NCOPF was in favour of the Agency as part of a larger package including training and employment opportunities. The ideas put forward in the White Paper were seen as better than the court system, but the NCOPF was concerned to stress the need

to implement a positive employment strategy. These ideas were published in March 1993 as "From the Margins to the Mainstream". This was used as a submission to the Commission on Social Justice and argued that savings to benefit achieved through the Agency should be used to pay for training and childcare investment for lone parents.

CPAG

It is important to note that the CPAG was concerned with the eradication of poverty for all families, not just those headed by a lone parent. This influenced its response to *Children Come First*, which was published in December 1990 as "The Poverty of Maintenance".

Whilst supporting the principle that absent parents should contribute to their children's maintenance where they are able to do so, the CPAG stated the belief that a policy on maintenance can only be a small part of a wide-ranging policy to tackle poverty, which should include childcare and training. CPAG pointed out that the White Paper proposals were narrow and dominated by Treasury considerations. There was concern that an emphasis on private financial responsibility for children should not be allowed to detract from the case for a more

adequate public contribution towards the costs of children in both two-parent and lone parent families.

With little evidence as to why the proportion of lone parents receiving maintenance dropped sharply during the 1980s, CPAG argued that setting specific, higher targets for recovery of maintenance payments by the liable relatives units in 89/90 and 90/91 could have resulted in undue pressure being placed on parents with care. *Children Come First* still did not properly address why lone parents were not receiving maintenance.

It was also argued by CPAG that the poverty experienced by many lone parents was in fact more related to their gender than their marital status, and that a coherent strategy to benefit children in low income families was what was required, not an emphasis on lone parent families.

Further concern was voiced regarding the status of the Agency as a Next Steps Agency. In the view of the CPAG, there was a danger that Next Steps Agencies would be less accountable to the public and to parliament than government departments. It also sought assurance that the creation of the Agency as a Next Steps Agency within the DSS would not adversely affect the

number of staff available for the administration of benefits
(Bennett, 1990, p. 19 and in oral evidence HC277-iii, 26/3/91).

CPAG went on to draw attention to comments by the Justices' Clerks Society raising the question as to whether using the CSA for child maintenance but the courts for spousal maintenance was a sensible approach when the courts could equally have applied a formula for assessing child maintenance. CPAG went further and pointed out that lone parents had to deal with a multitude of agencies and/or departments already and that additional appeals procedures would also have to be put in place (Bennett, 1990, p. 19).

CPAG concluded with a call for government to assist a return to work by lone parents through help with childcare provision and costs and training. It stressed that enforcing private responsibility for children should not be allowed to obscure the debate about appropriate public support for all children. Doing this through child benefit increases would help lone parents and two-parent families alike and would put a proper emphasis on the public responsibility of the wider community to invest more in children (Bennett, 1990, p. 22).

Before the Act was up and running, the CPAG formed the view that it was difficult to see clearly what the outcome of the legislation would be. CPAG produced documentation to support its objections, but found that MPs approached during the lobbying stage had difficulty understanding the formula and without real cases to back up the explanation, it was even more difficult to get ideas across. The CPAG found that members of the Lords had a greater grasp of the detail of the White Paper.

More specific points were discussed with civil servants, although not to a large extent. Content of regulations was discussed with civil servants. The extensive use of regulations was criticised by the CPAG - the Child Support Bill had almost 100 regulation-making powers whilst the Act itself contained only the 'bare bones' of the scheme. When regulations were put to parliament MPs had a very limited time to consider them (CPAG, 1992, p. 1).

NACAB

NACAB published its response to *Children Come First* in April 1991. NACAB was concerned for both lone parents and absent parents, with a broad client base. This was reflected in its approach to the White Paper. The response document recognised the need for change, agreeing with the government

that the current system was "woefully inadequate". Whilst giving general support to the main principles of the White Paper, NACAB went on to highlight areas of concern with the formula and sanctions proposed. No comment was made on the appropriateness of a Next Steps Agency. Emphasis was instead placed on difficulties experienced with the administration and delivery of Family Credit.

NACAB again expressed the opinion that it was in parents' best interests to have an "official" collection of maintenance. NACAB also expressed its approval of the recognition of the mother who decided to stay at home to care for her children.

Gingerbread

Gingerbread made a decision in 1990 to support the principle of the **Child Support Act**. Their media comment on 30/10/90 was to give the Agency a cautious welcome, but expressing concern that the formula was "punitive" on poorer men but "extremely easy" on richer men (The Times, 30/10/90).

Families Need Fathers

When *Children Come First* was published, in October 1990, Families Need Fathers wrote in The Times:

"The White Paper is another expression of unqualified sympathy for the feminist lobby."

(The Times, 30/10/90)

They went on to opine that more often than not it was the woman's responsibility that the relationship had broken down, and yet the law was stacked in women's favour. However, given time to reflect on the contents of the White Paper, their reaction was refined to include expansion of the proposals. In evidence to the Select Committee, given in March 1991, FNF expressed the view that the Agency proposed did not go far enough (HC277-iii, 26/3/91). They wanted to extend the powers of the Agency to cover responsibilities beyond the purely financial. They felt the Agency should have other parental responsibilities built into its terms of reference, with unmarried fathers given full parental responsibility too. For example, FNF criticised *Children Come First* for not giving the full picture of how many cases of non-payment were because of access restrictions. In their opinion, access rules and other settlements on divorce had to become the concern of the Agency too.

FNF went so far as to suggest extending the role of the Agency to include investigating whether income was being spent properly on behalf of the children (in evidence given on 26/3/91). They also suggested gradually paying income to the

child himself as he gets older - suggesting that up to a maximum of 15% could be paid directly to the child. FNF also put the idea to the Select Committee that the Agency could be used to provide information, addresses, etc and to act as a "postbox" for absent parents and their children.

Beyond the Agency, FNF also made a call for more conciliation services. They expressed the view that parents should be encouraged to share the care of their children, and that the proposed Agency would not easily allow for that.

8.4 Commentary

Broad areas of concern at the planning stage covered the proper role of government in respect of families. The CPAG was concerned that government should take on a degree of responsibility for all children, with proper recognition of the cost of raising them and the state's involvement. On the other hand the NCOPF expressed the view that only through greater (financial) responsibility being taken on by both parents would society at large accept its role in assisting lone parents in addressing their additional difficulties. Thus, whilst the NCOPF saw some advantages in making lone parent families "a special case" the CPAG emphasis was on all families living in poverty

and reducing inequalities between all families, whatever their type.

All groups expressed some concern at the apparent lack of recognition of other parental responsibilities. NCOPF seemed to be the group most in favour of the financial emphasis given in *Children Come First*. CPAG were at pains to stress government financial responsibility for all children and particularly for those in low income households.

The major concerns of the voluntary organisations can be summarised as:

- Striking a balance between parental and state responsibility.
- Acceptance by society of all family types.
- Problems of equity between family types.
- Recognition of parental responsibilities beyond the financial.
- The record of poor administration of Family Credit and the low take-up rate of that benefit.
- The inflexibility of benefits and maintenance proposals.
- The advantages and disadvantages of a discretionary or an administrative system.
- The potential impoverishment of the absent parent and the second family.

- The problems of enforcing co-operation and particularly the benefit penalty.

These themes are continued in the following chapter where voluntary organisations' responses to specific formula proposals are considered.

CHAPTER NINE

The Voluntary Sector grapples with the detail

9.1 Introduction

In Chapter 7, it was argued that government ideology influenced the detail of the formula proposed for use by the Agency. The formula illustrated the government's over-riding desire to reduce public expenditure, to encourage participation in the labour market, and to emphasise family responsibility. This section now examines how outside organisations responded to specific elements of the formula, their responses reflecting the remit of the organisation concerned. The section is organised to reflect government ideology already identified, and the voluntary organisations are mainly presented in the order previously used, that is NCOPF, CPAG, NACAB, FNF. (NB Gingerbread were not involved in the consultation process at this stage.) This is merely for clarity and implies no particular emphasis.

9.2 Reducing Government Expenditure

9.2.1 Putting the Treasury First

NCOPF, as a group concerned specifically with the problems of lone parent families, was in favour of emphasising the particular difficulties faced by lone parents compared with two parent families. There was also a recognition that all lone parents were likely at some time to require assistance from the state, be it benefits, or childcare, training or employment opportunities, if they were to become financially independent.

NCOPF stressed, in evidence to the Select Committee, that lone parent families had specific, extra problems compared with two parent families. Further, it expressed concern that the balance between state and private responsibility had to be right, if a backlash against lone parents was to be prevented. Taxpayers would resent high amounts of state finance being paid to lone parents, therefore the NCOPF was in favour of the Agency's remit to encourage private responsibility. NCOPF stressed the need to settle the private contribution so as to win support for a state contribution, to help gain independence. This contrasts with the CPAG view.

CPAG, as a group concerned with the eradication of poverty for all families, disliked the emphasis on private responsibility,

preferring more emphasis on state support for all families with children. It expressed concern that targets had been set for benefit savings, from the point of view of both parents - lone parents losing benefits, and second families being put into poverty. In oral evidence CPAG argued that redressing the balance between state and private responsibility should mean more support from the state for all families. Financial responsibility for children should not be all private.

Concern was also expressed by CPAG that other parental responsibilities should be taken into account, and the effects on second families - stating the view that increasing conflict was to the detriment of wider parental responsibilities.

On encouraging employment with the help of Family Credit for the low paid, CPAG and NCOPF agreed on the need to include mortgage interest in all Family Credit calculations, the need to cover the loss of passported benefits such as free school meals, and the need to guarantee maintenance payments to the parent with care if they have been included in the calculation of Family Credit for that parent. CPAG pointed out that examples given in the White Paper do not include one where the parent with care has a mortgage (Bennett, 1990, p. 12).

The NCOPF was in favour of extending the disregards available on Family Credit, for example to include either maintenance OR income, or a combination of the two. It also advocated a greater disregard for Income Support earnings, to cover expenses (although lone parents already enjoyed a greater earnings disregard than two-parent families on Income Support). NCOPF stressed the need to recognise childcare costs, either through an extension of the personal allowance, through greater disregards, or through inclusion of these expenses in the exempt income of the lone parent. It should be noted however that it also called for inclusion of work expenses in the absent parent's exempt income.

NCOPF stressed, as it has done throughout its existence, that whilst maintenance at higher levels would undoubtedly enable many to escape the benefits system, there was a real need for childcare, training and employment opportunities.

CPAG expressed concern that the changes designed to encourage moving from Income Support to Family Credit would leave some worse off through loss of mortgage interest and passported benefits, but also because take up rates for Family Credit were lower than those for Income Support. The take-up figures for Family Credit suggested that only half of those

entitled to claim did so, with other research showing a high level of ignorance of the benefit. Conversely, Income Support had an almost 100% take-up rate (Bennett, 1990, p. 11).

On disregard of maintenance payments for those claiming benefits, CPAG, in contrast to the position taken by the NCOPF, preferred only a small disregard of maintenance payments. It was against exacerbating the differences between groups of lone parents - those who were younger and had never-married were less likely to get maintenance - as well as between one and two parent families. It pointed out, for example, that whereas a £25 earnings disregard on housing benefit for lone parents was introduced in October 1990 together with the proposed £15 maintenance disregard, no such help was available to two-parent families on Family Credit. CPAG also objected in principle to payments which acted as a subsidy to employers who were encouraged to employ a specific group of people and enabled to pay them low wages. Such disregards also further complicated an already over-complex system (Bennett, 1990, pp. 13-14).

The concern for equal treatment of all families arose again when the CPAG highlighted the lack of work expenses in exempt income and in the protected income of the absent parent.

NACAB gave examples of problems which had been brought to its offices concerning the administration and delivery of Family Credit. It also expressed concern at the closure of job centres and how this may affect lone parents seeking employment.

NACAB gave examples of poor payment of maintenance acting with the inflexibility of Family Credit, to create a disincentive to continue working or take up work in the first place. It also illustrated problems of passported benefits, housing costs, travel and childcare costs, and the lack of flexibility when a worker had to take a cut in hours, or a parent with care experienced a cut in maintenance.

From the absent parent's point of view, NACAB was concerned that the absent parent could not allow maintenance paid as an expense. This contrasted with the fact that maintenance coming into a household did count as income.

9.2.2 Guaranteed amount of maintenance

NCOPF stressed the need for a guaranteed payment to encourage the take up of work by the parent with care. It was suggested that the state should guarantee payment even where the parent with care was not in receipt of benefit. If the state

stood the loss, it was suggested, this would encourage the effective collection and enforcement by the Agency. This was reminiscent of the Finer recommendations on guaranteed maintenance payments whether working or claiming benefits. It also linked with the NCOPF's belief that maintenance payment and receipt should become as automatic as payment of income tax through the PAYE system.

Concentrating on those claiming benefits, the CPAG called for an extension of the guaranteed payment available with Income Support to cover Family Credit claimants as well. It pointed out that attempting to enforce payments in difficult circumstances or from low paid absent parents may lead to more cases of fluctuation or non-payment. Where in the past the DSS could use discretion to not chase such cases, the Agency would be attempting to recover maintenance, possibly to the detriment of the parent with care who consequently suffers poor payments, particularly difficult for those on Family Credit which is fixed for six months (Bennett, 1990, p. 13).

NACAB gave examples of the inflexibility of Family Credit and the need for guaranteed payments. Also, the problems of the loss of passported benefits, allowances, etc. were again highlighted.

9.2.3 The benefit penalty

The NCOPF stated its objection to the benefit penalty (to be imposed on parents with care who refused to co-operate without good cause) on the grounds that it would inevitably harm the child, and could lead to children being taken into care. A small disregard of maintenance for those on Income Support was preferred, as an incentive, with the likely outcome that only those with pressing reasons would decline to co-operate (Monk, 1991, p. 4).

On the government claim that reducing the personal allowance of the parent with care in this way does not affect the child directly, the NCOPF pointed out the contradiction with the **Social Security Act 1990** where the personal allowance is said to reflect recognition of the costs of caring for a child. The NCOPF questioned how withholding an element of the child's care cannot in effect punish the child (Monk, 1991, p. 15).

CPAG had three main reasons for "serious concern" about the proposal to enforce compliance with a benefit penalty for non-cooperation: the principle, the likely practice and the likely effects.

The principle being upheld, that a child had an unconditional right to maintenance, was said to be flawed if to uphold that right may threaten the child's emotional or financial security, or both. CPAG argued that to impose a benefit penalty for non-cooperation could in fact be penalising a parent with care who was actually acting responsibly. CPAG also expressed concern that liable relatives units were increasingly forcing co-operation and putting undue pressure on claimants. Given that the benefit penalty would bring little income to the Treasury, its enforcement was described as symbolic, to show that the government was serious about enforcing the private financial obligations of absent parents. CPAG, on the other hand, was keen to stress public responsibility for helping all families experiencing poverty.

CPAG doubted if the proposal was practical in reality, particularly when the government kept grounds for exceptions secret, and it expressed concern that discretionary systems with confidential rules tended to be more open to discriminatory practices and a lack of natural justice (Bennett, 1990, p. 5).

On the effects of this proposal, CPAG pointed out that those suffering as a result of enforced co-operation could well be two-parent families, who might be considered a priority of the

government. For example, where a child was fathered by someone who was married to someone else, or had subsequently married or started cohabiting with someone else, the emotional as well as financial stability of both family units could be disrupted if the parent with care was forced to identify the absent parent, who was subsequently pursued regardless of the circumstances of the case.

NACAB felt that the benefit penalty, imposed to penalise the non-cooperation of parents with care, would inevitably harm children, both financially and emotionally. Seen as an unreasonable reduction, this would in fact only involve a small number of cases but would necessitate a large administration. NACAB was also concerned that access claims may be restarted by absent parents, and that this would not necessarily be in the child's best interests.

The fact that no time limit to the benefit penalty had been announced was seen by NACAB as unsatisfactory, as was the fact that there were no published criteria for exemption. For an advice agency, these aspects would make giving accurate guidance more difficult.

In evidence given to the Select Committee, NACAB gave examples which had previously been presented to its local bureaux of fear of violence from ex-partners and pressure being unduly applied to parents with care by liable relatives officers. It also detailed cases where inappropriate methods had been used by liable relatives officers. Such difficulties highlighted the problems likely to present themselves if the benefit penalty was imposed.

FNF were in favour of a 50% maintenance disregard as an incentive for both parties. This was by far the highest figure quoted. Curiously, this was not seen as an incentive to create lone parent families, although in evidence on property matters, FNF expressed concern that moving away from clean break settlements could act as an inducement for women to "go it alone".

9.3 Family Values

9.3.1 Shifting the emphasis from "second" to "first" families

The formula included an amount for the 'personal allowance' of the parent with care, in recognition of the practical limitations to employment placed on anyone with the care of children.

CPAG was against this, as it was likely to increase tension and

did not appear to be wanted by either side (Bennett, 1990, p. 9). However, the NCOPF was in favour of extending the principle, to continue payment of the personal allowance when the parent with care started work and came off benefit.

Although generally supportive of parents with care, the NCOPF did recommend changes in allowances in favour of absent parents. However, it was in favour of a greater share of increasing income of the absent parent being passed to the parent with care, as well as the introduction of a disregard to continue the personal allowance element into Family Credit. NCOPF felt that there should be less emphasis on Income Support rates in the formula, with more weight placed on the income and standards of living enjoyed by both parents and the children. However, it was acknowledged by NCOPF that the link with Income Support rates was useful for uprating purposes.

In contrast to the CPAG, the NCOPF saw no problems in extending inequalities between families or types of lone parent. The fact that some, particularly children of young, never-married lone mothers, may be helped only to a small degree, was not a good reason to prevent those children fortunate enough to have an absent parent with considerable wealth from sharing in that wealth. Equalising the living standards of the

children (and therefore the parent with care) with that of the affluent absent parent was more important than a concern to equalise outcomes for all lone parents (or indeed all parents).

In calculating the amount to be paid, NCOPF was unhappy with the regressive nature of the formula. It stressed, however, that it was very much in favour of removing any debate or negotiation from parents themselves, by the introduction of an administrative procedure. It had formed the view that in order to get a general acceptance that maintenance was payable in most cases of separation, a straight-forward administrative system was necessary.

NCOPF didn't mention step children in its evidence, but did acknowledge the need for better protected income for an absent parent's current household and the need to include maintenance paid out in any Family Credit calculation of the absent parent.

CPAG was particularly against the personal allowance continuing where the parent with care was not a lone parent, but had re-partnered, pointing out that there was no allowance for any new partner of an absent parent, even if there were natural children in the new partnership (Bennett, 1990, p. 9).

CPAG was keen to reduce inequalities between different family formations and this aspect had the effect of producing inequality between different two-adult households.

Both the CPAG and the NCOPF were concerned that there would be no allowance for maintenance paid out by an absent parent in calculating Family Credit entitlement of the second family. Yet the absent parent could not avoid this commitment, and not allowing this as an essential expense could act as a disincentive to work for the absent parent or any new partner. Again, the concern of the CPAG would be that this would create inequality between families, with similar two-adult households with children having different outgoings. A household containing an absent parent who was paying out maintenance and claiming Family Credit would have less disposable income for his present family than a similar household with both 'natural' parents and no maintenance commitment.

CPAG detailed its concern at the effect of the legislation on re-partnering, for both parents, as well as at the increasing conflict and pressure it placed on relationships. CPAG was concerned that there may be a backlash if second families were resentful, or two parent families felt lone parents were being particularly advantaged. There was a fear that the legislation could disrupt

the formation of second families, or reconciliations between the parents. To help alleviate this, the CPAG was in favour of introducing a time-lag after separation, before imposing any maintenance assessment.

NACAB expressed concern that there was no allowance for a new partner of an absent parent to be a parent with care too, in that no 'personal allowance' was applicable to them. It was concerned that this may act as a disincentive for the absent parent to work, and could foresee problems of debt. NACAB was concerned that shifting the emphasis in calculating maintenance from an absent parent's need to support his current household to enforcing obligations to his first family may discourage the formation of new relationships, and that issues may be forced prematurely. It gave examples of cases where the cohabitation rules applied by liable relatives officers have hindered a reconciliation or formation of a new relationship, and advocated a delay in any change to benefits to enable new arrangements to settle (NACAB, 1991, p. 9).

FNF pointed out the contradictions with social security cohabitation rules. They also predicted that the personal allowance which they referred to as "spousal maintenance" would cause a backlash amongst absent parents. They

highlighted the possible disincentive to work for the absent parent and any new partner, and were particularly against payment of a personal allowance to a parent caring for children over the age of 5.

9.3.2 Property Settlements / Clean Breaks

NCOPF and CPAG agreed that the formula should not be applied retrospectively. NCOPF saw the provision of suitable housing as one of the most important elements in the welfare of the child and therefore strongly supported the parent with care keeping the family home where possible. Its view was that this may in many cases over-ride the child's need for cash maintenance. The White Paper, on the other hand, was said to encourage the sale of shared property, with implications for public sector housing requirements as lone parents become homeless. Problems could also have arisen if Mesher or Martin orders were re-introduced in large numbers, with sales of houses forced once the youngest child reached 16, again creating homelessness (although at this point the mother may have limited call on public housing as she would technically no longer be the parent with care).

The consideration of property transfers should also recognise the importance of foregone pension rights, according to the

NCOPF, who pointed out that these were usually retained by the man.

To ensure the continuation of the transfer of property, where this was in the best interests of the child, the NCOPF recommended that provision should be made whereby cash maintenance could be foregone in favour of property maintenance. Failing that, it should be stressed to the courts that the best interests of the child were of paramount importance in decisions regarding property (Monk, 1991, p. 13). NCOPF failed to comment on disruption to past settlements, but, in evidence to the Select Committee, the NCOPF suggested three alternatives:

1. That in the case where there was a property settlement, reached before the existence of the Agency, this could give grounds for exemption.
2. Another alternative would be to write into the legislation that where a clean break settlement had already been achieved that would over-ride the Agency claim to maintenance.
3. The third suggestion was that the **Child Support Act** should not be applied retrospectively at all, but only to new cases (HC277-II, 90-91, p. 87).

CPAG's response to the White Paper did not cover property settlements or the issue of 'clean breaks'.

NACAB did recognise the implications for property settlements, and expressed concern that there was no allowance for property transfer:

"The importance of property arrangements should be recognised. Settlements that encourage, albeit indirectly, the loss of the family home should be avoided".

(NACAB, 1991, p. 2)

However, NACAB did not mention the problems of old settlements being overturned.

FNF felt strongly that it was unreasonable to expect the personal allowance, what they considered to be spousal maintenance, as well as property settlements. They offered the opinion that this would be an incentive to give up on marriage, allowing women "to go it alone" and increasing the divorce rate. In a memorandum to the Select Committee, FNF initially suggested that for "existing splits based on a clean break - where the house has been traded for tens of years of maintenance" there was a need for transitional arrangements (HC277-II, 90-91, p. 96). Later in the same memorandum, however, they made the over-riding recommendation that "the

legislation must not be retrospective in respect of clean breaks" (HC277-II, 90-91, p. 103).

9.3.3 Minimum Payments

NCOPF, although generally seeking to support the parent with care, nevertheless felt that enforcing payments by absent parents who were themselves on Income Support was unfair, and that in such circumstances assessments should be zero-rated, in the same way as some products were zero-rated for VAT. NCOPF was explicit in its view that the Agency's role should be seen as getting more money paid from absent parents to parents with care, therefore it formed the view that concentrating time and effort on making ideological points for minimal return would be a waste of the Agency's resources. NCOPF felt that, to be successful, the Agency needed to get money out of those fathers who could afford to pay.

CPAG saw this requirement as reminiscent of the Poor Law's judgemental attitude to the "undeserving poor", in that minimum payments would apply to the unemployed but not to the sick or disabled. It also stated its concern at the possibility of various deductions being made from an absent parent's Income Support at one time, for example for rent or fuel, with no guaranteed minimum income remaining. This could be a

particular problem for those with accumulated arrears (Bennett, 1990, pp. 15-16).

NACAB was also concerned at this deduction and drew attention to difficulties for those paying off debts, as well as those fathers under 25 and living on reduced benefit, and those leaving prison or long-term care (NACAB, 1991, p. 14).

Although the White Paper put forward the notion that a minimum payment would help instil a sense of responsibility, to establish a pattern of payment however small, FNF believed this aspect would not encourage responsibility but would instead encourage hatred and non-cooperation.

9.3.4 Access

The White Paper explicitly separated the issues of maintenance and access to children, clearly allocating decisions on access to the courts. (NB. 'Access' refers to 'contact' under the Children Act 1989.)

NCOPF agreed that this was correct, but did make a case for allowing access costs of the absent parent, where they were particularly high, to be included as exempt income, and

stressed the importance of continued contact between child and absent parent (in most cases) (Monk, 1991, pp. 10-11).

CPAG pointed out that absent parents were more than two-and-a-half times more likely to pay maintenance if they saw their children. In one piece of research with absent parents, none of those interviewed saw the payment of maintenance as unconditional (see Garnham & Knights, 1994, p. 16).

CPAG also mentioned the costs of having suitable housing to allow overnight visits and whether this would be allowed in "reasonable" housing costs (Bennett, 1990, pp. 16/17).

On the costs to absent parents of continuing a relationship with their children, NACAB was concerned at the fact that the formula made no allowance for access costs and the costs of accommodation for overnight stays. An amendment was recommended to allow for absent parent access costs in exempt income, so the relationship between the absent parent and his child could continue.

The Law Society felt, however, that, even if mistaken, there was a link between the payment of maintenance and access rights in people's minds. They warned the government to anticipate

pressure on the courts for contact orders when enforcement of maintenance became more effective (HC277-II, 90-91, p. 123). Similarly, the CPAG whilst agreeing access and maintenance should be completely separate, recognised that in practice a lot of absent parents did not agree (HC277-II, 90-91, p. 86).

FNF stressed the need for access enforcement to be taken just as seriously as maintenance enforcement. In a memorandum submitted to the Select Committee, FNF stated:

"..if the government wants the Agency to be perceived as operating fairly and to enjoy the co-operation of those subject to its authority, it must recognise that access and maintenance are linked."

(HC277-II, 90-91, p. 91)

In oral evidence, they clarified their position and emphasised that it was enforcement of access arrangements (where a court deemed these appropriate) that FNF felt should be linked to payment of maintenance. It was not a direct link whereby payment of maintenance gave rights of access, but a recognition that aspects of parenting beyond the financial commitment should be equally valued, and equally enforceable (HC277-II, 90-91, pp. 109-110).

FNF stressed that access costs could be considerable if "well-conducted access" was to be achieved. They were concerned too about other inescapable financial commitments, such as legal debts, life assurance and pensions.

Related to access, the possibility of shared care was raised by some groups. The Law Society believed the formula should not apply when residence was shared between the parents. FNF expressed concern that shared care arrangements did not form part of *Children Come First*. CPAG also mentioned this oversight, claiming that it illustrated "the impression of a too-rigid formula and a lack of appreciation of some of the complexities involved in many lone parents' lives" (Bennett, 1990, p. 17).

The lack of inclusion of shared care arrangements also illustrated the contradiction with previous legislation, specifically **the Children Act**.

9.4 Summary

Chapter 7 detailed discussions within parliament during the passage of the Child Support Bill. This chapter has shown that detailed advice was also provided by the organisations considered here. The planned design of the formula was

analysed in depth and potential problems were clearly identified. These are summarised as:

Major concerns relating to the formula:

- The benefit penalty for non-cooperation would make poor families even poorer.
- The link to benefit levels and the regressive nature of the formula was criticised.
- The potential discouragement from re-partnering was highlighted.
- Problems were anticipated with the personal allowance for the parent with care.
- Problems were anticipated with retrospective cases.
- Housing difficulties / loss of the marital home were highlighted.
- Minimum payments demanded from poor absent parents would achieve little in reality but could be very damaging.
- Access related issues were seen as likely causes of conflict exacerbated by the Agency's involvement.

Family Credit related concerns:

- Lack of inclusion of mortgage interest.
- Loss of passported benefits.
- No guaranteed maintenance payment.

- Poor take-up rates.
- Lack of flexibility within the six-month claim period.
- No account of payments of maintenance made by absent parents who are themselves on Family Credit.

General concerns relating to other policies:

- The need for good quality and affordable childcare.
- The need for education and training for parents with care.
- The lack of employment opportunities.

The government largely ignored the concerns being expressed and, as shown in Chapter 7, managed to design the formula to support its own ideology.

Chapter 14 returns to NCOPF, CPAG, NACAB and Gingerbread to examine how these organisations responded once the Agency became operational.

CHAPTER TEN

The Unfolding Disaster – A Management Problem?

10.1 Introduction

"... when the history of all this gets written, as it clearly will do, it will be quite a story, not only how did it get set up in the way it was and so on, but how did it get changed ... history will say amendments came through politics. They came not because of ministerial wisdom or ministerial energy but because it was politically unacceptable for the system to continue in the form that it was and, despite interventions from the Social Security Select Committee, they did not come from Ministers. "

(Dr Tony Wright MP, HC199, 94-95, p. 30)

Chapters 10 - 16 look at the impact of the Agency between April 1993 and April 1996. This includes examination of the legislative and regulatory changes which were introduced during this period and the background which led to those changes.

Soon after the start of its operations, it became obvious that the Agency was having major difficulties. As the quote above suggests, the changes which were subsequently introduced were

not necessarily brought about through ministerial wisdom, but were forced by the adverse impact the Agency was having and the lack of support developing. Change was necessary because the system quickly became politically unacceptable.

In order to assess the successes and failings of the Agency, and how those in government, parliament and in the civil service responded, it is necessary to give an overview of the initial aims and objectives of the Agency, of targets set by the government and of achievements and failings of the Agency. This chapter sets out to do that.

10.2 The Framework Document and Business Plan 1993/94

The Child Support Agency began operating as a Next Steps Agency in April 1993. As with all such semi-autonomous government agencies, a broad outline of operational plans and targets was laid out in a series of documents - in this case a Framework Document (CSA 2025) and a Business Plan (CSA 2026).

10.2.1 Aims and Objectives

The Framework Document for the Agency set out the aims and objectives as:

- 1 The Agency's primary aims are to deliver on behalf of children a consistent, effective and efficient service for the assessment, collection and payment of child maintenance, so as to ensure that parents maintain their children whenever they can afford to do so.
- 2 The Agency will also help people with care of children to make informed choices about whether to take up employment.
- 3 To achieve these aims, the Agency's objectives are to:
 - 3.1 implement successfully the **Child Support Act** under agreed plans for the phased take-on of clients, ensuring that maintenance assessments and payments are accurate and regular;
 - 3.2 in keeping with the principles of the Citizen's Charter, to provide a service to clients which is accessible, courteous, prompt, consistent and efficient and seen by them as such;
 - 3.3 provide clear and accurate information to clients and the public about the child support system and services and benefits available to clients who are in work;
 - 3.4 establish and maintain an effective working relationship with the courts, advice agencies and other organisations with an interest in the Agency's business;
 - 3.5 contribute effectively to the Department's evaluation and development of policy and ensure the Agency can respond effectively to change; and
 - 3.6 make the most efficient and effective use of available resources.

The document went on to outline the functions of the Agency - such as "contacting absent parents ... passing on payments it has collected". No detail of how this might be achieved was

attempted. Slightly more detail was provided on accountability and reporting, where areas of responsibility were noted for the Secretary of State, the Permanent Secretary, the Chief Executive, and the Child Support Officer. Whilst the document outlined, in very broad terms, areas of responsibility, there was no attempt to describe how such responsibilities would be carried out, nor to put in details. Phrases such as "to agreed limits", "subject to Treasury approval", "subject to overall Departmental approval" littered the description of what the Chief Executive was able to do.

The Business Plan went into a little more detail, although the document was still brief in view of the huge task being assigned to the Agency. It outlined the programme for 1993/94, but stressed the fact that the organisation itself was in its infancy, with unique procedures to provide a new service to an expanded range of clients. The Agency's commitment to client satisfaction and to Citizen's Charter principles was noted.

10.2.2 Targets for 1993/94

The Secretary of State's initial targets for the Agency were laid out in the Business Plan as:

- 60% of people with the care of children making eligible applications to the Agency to have maintenance arranged

- annual benefit savings of £530 million
- to manage the Agency's resources so as to deliver its Business Plan within a total budget of £115 million
- 65% of clients to regard the service as satisfactory, as measured by an independent national survey
- to meet a set of milestone targets which relate to major initiatives.

The milestone targets related to opening of accommodation, take-on and training of staff, start-up of computer systems, and future planning.

It was acknowledged that, without historical data on which to base performance targets, this range of targets was somewhat limited, but should be added to in future years. To enable future targets to be set effectively, monitoring of activity was set out, for example to measure the speed at which applications are cleared, the accuracy of assessments made, and the time taken to pursue defaults of payments.

Further commitments were made in the Business Plan to answer enquiries from MPs and the Parliamentary Commissioner for Administration (the PCA):- responding to parliamentary questions within 24 hours; replying to letters from MPs within an average of 20 working days from the date of

receipt (at least with a progress report, if not a full response); responding to the PCA on all new complaints within 6 weeks, and responding to draft reports on investigations within 3 weeks.

The targets laid out in the first Business Plan proved, in some ways, controversial, and in subsequent years the targets were changed to reflect a different emphasis. This is detailed later in the chapter.

The lack of detail attached to the publication of these targets was highlighted by the Select Committee during its first investigation into the actual operation of the Agency. In November 1993, the Select Committee asked Alistair Burt MP (Parliamentary Under-Secretary of State for Social Security at the time) how the target for benefit savings had been calculated. They also asked Ros Hepplewhite (then Chief Executive of the Agency) how benefit savings were calculated. Neither answer gave a clear explanation, and the Committee's final report recommended that the DSS give a full explanation of the calculation of benefit savings as soon as possible (HC69, 93-94, pp. ix-x). The government's response, issued in February 1994, did attempt to clarify how these figures were arrived at, but in outline form only (Cm2469, Feb 94, p. 1). This calculation was

returned to later in evidence given by Ann Chant (second Chief Executive of the Agency) in October 1995, where it was finally clarified that benefit savings are calculated on the assumption that a lone parent removed from benefit would have otherwise been likely to have continued claiming that benefit for a further 51 weeks (HC781-i, 94-95, p. 11). So the first week's saving in benefits is multiplied by 51, making the figure for benefit savings, which was used so much in discussions about the Agency, at best a very rough estimate and at worst a purely hypothetical figure.

Within six months of the operation commencing, it was put to the Chief Executive that the emphasis on achieving particular targets had influenced the operations of the Agency. Specifically, it was suggested that the business was being driven by targets and the application of target-related pay. However, evidence given to the Social Security Select Committee showed that only the Chief Executive's pay could be affected in this way. Although all civil servants had pay reviews which were affected by performance reviews, the only Agency employee whose salary had a direct link to the achievement of targets was the Chief Executive. Senior management's pay reviews related only to their own performance in their post, not to the performance of the Agency as a whole. (HC69, 93-94, p. 20).

The success of the Agency in meeting its original targets was detailed in the Annual Report 1993/94 (see later in this chapter).

10.3 Phased take-on of cases

Because of the large potential work-load of the Agency, it was agreed by Ministers that there would be a phased take-on of cases, and this was set out in the first Business Plan. From 5th April 1993, the Agency became responsible for maintenance for all new cases, that is where there was no existing maintenance agreement, whether or not a Social Security benefit was an issue. Such cases could previously have been dealt with by the courts or by voluntary agreements with the parent with care or with the Liable Relatives Unit if benefit was involved. From the beginning, the Agency became involved where there was a claim (by a household containing a parent with care) for Income Support, Family Credit or Disability Working Allowance on or after 5th April 1993, whether or not there was an existing maintenance agreement. Thus, all new claims for these benefits made by parents with care, or their current partners, would automatically involve the Agency.

New cases which did not involve the claiming of benefit no longer had the choice of using a court to decide maintenance for the child; from April 1993 the choice for them was between the Agency or a purely voluntary (and non-enforceable) arrangement.

As part of the phasing-in, those cases where one of the relevant benefits was already being paid would be taken on between April 1993 and April 1996. However, for cases involving Family Credit, which are reviewed every six months, the Agency would become involved at the time of review (effectively each “reviewed” claim for this benefit is treated as a new claim).

Significantly, no mention was made in the Business Plan of those cases where there was an existing court order, but where benefit was not an issue. These cases remained in the jurisdiction of the courts, with those seeking to have these orders reviewed continuing to use the legal system (Cm1264, October 90, p. 47).

Initial plans for the Agency had predicted that these cases would come under the jurisdiction of the Agency from April 1996, again with a gradual take-on of cases. Although use of the Agency would not be compulsory for such cases (as long as

benefits were not an issue) either parent would be able to apply for assessment and if required make use of the collection service, upon payment of the appropriate fees.

It is also significant that no mention was made in the Business Plan of the intention to take on first those cases where benefit was being claimed by the parent with care household and some maintenance was already being paid by the absent parent. This was, however, clear in January 1993 in early Agency literature (CSA 2001, p. 4). The decision to prioritise in this way caused controversy as the Agency began its operations. Although dealing with those absent parents who were already paying some maintenance was a clear intention, this was not accepted as justifiable or reasonable by many who felt the proper role for the Agency was to actively pursue those absent parents who paid nothing (see, for example, Hansard, 3/12/93, col. 1298).

Further to this phasing-in, over 300,000 cases were deferred in December 1994 for operational reasons (see details of Annual Report 1994/95 later). Then in January 1995, Ministers decided to postpone indefinitely the take-on of cases where there was an existing court order and benefit was not an issue (Cm2745, Jan 95, p. 23). The take-on of these cases was due to commence in 1996, and potentially would have re-fuelled the

outrage of absent parents, as cases considered to have been settled several years ago could be revisited and could have the formula applied. Although access to the Agency was withheld, the option to apply to the court remained, and perhaps left open the opportunity for consideration of factors which the formula would not take into account. As well as relieving the Agency of a further intake of cases, this served to diffuse a potentially difficult situation for the government. It also cost the government nothing as these cases, by definition, would not involve the claiming of benefits.

10.4 Annual Report 1993/94 and Business Plan 1994/95

This document (CSA 2066) was published in July 1994 and acknowledged that the Agency had had a "challenging first year", and that "overall the standard of service did not reach acceptable levels".

It was noted that enquiries from parents, the media and Members of Parliament had been exceptional and that response times of the Agency were unsatisfactory. The report also noted that changes introduced by the government in February 1994 had further added to the workload of the Agency. However, it was acknowledged that clearance times were poor, with a large number of outstanding applications; accuracy was also at a low

level, although many of the errors were considered small; a large proportion of the monies collected would have been collected anyway without Agency intervention and that there was still an unacceptable number of assessments which were not being met in full.

On the number of enquiries received, the report stated that centres were receiving 850,000 calls a month, and that the Chief Executive had received 5,000 letters from MPs over the year. The target of 20 working days to respond to these, as set out in the Business Plan, had not been met.

The report continued by detailing achievements against the other targets and attempted to explain the shortfalls. The target of 60% of applications to have maintenance arranged was missed resoundingly, at 31.5%. Annual benefit savings were reported at £418m, against a target of £530m. The target of delivering the Business Plan within the set budget of £114m was said to be achieved (although given the failure to achieve other targets the definition of 'delivering' could be questioned). Also, the client satisfaction survey was almost met (61% against a target of 65%) and all the milestone targets mentioned in the Business Plan were achieved.

Examining performance against standards set out in the CSA Charter (CSA 2027), there had again been spectacular shortfalls, perhaps the greatest of which was the 30% achieved for the standard requiring an assessment to be made within 5 days of receiving all the information needed from both parents.

The second section of the report, "The Year Ahead", considered how this poor performance might be improved for 1994/95, including details of improved links with local offices. It was also proposed to delay take-on of some benefit cases, where benefit was being claimed prior to April 93, to enable the backlog to be cleared.

It was further proposed to take on 700 additional staff during 1994/95, and it had been agreed to increase the budget allocated to the Agency to £184 million (£114m in 93/94).

10.4.1 Targets for 1994/95

On this basis, and in view of the results achieved, targets for 1994/95 were agreed with Ministers, as follows:

- 50% of parents with care making eligible applications to have maintenance arranged (previously set at 60%, but only 31% was achieved in 93/94).
- 65% score on an index of client satisfaction (previous target was also 65%; 61% was achieved 93/94).

- Annual benefit savings of £460 million (previous target £530 million; £418 million achieved 93/94).
- Agency budget of £184 million (previously £114 million, achieved).
- By March 1995, no more than 40% of outstanding maintenance applications to be over 13 weeks old; no more than 15% over 26 weeks old; no more than 1% over 52 weeks old.

10.5 Annual Report 1994/95 and Business Plan 1995/96

Ann Chant took over as Chief Executive of the Agency in September 1994 and there was a clear change of direction in the work of the Agency.

The Annual Report of 1994/95 showed a marked increase in activity within the Agency. Enforcement was given a higher priority, with 32,027 Deduction From Earnings Orders applied in the year, compared with only 2,600 in 1993/94. The collection service took in £76.40 million (compared with £12.57 million in 1993/94) and an estimated £111 million was assessed to be paid directly between parents. There was a distinct switch in the Agency's operations from taking on new assessments to a concentration on more effective collection of those assessments already made as well as more efficient servicing of enquiries.

As part of this switch, it had been agreed with Ministers that some cases would be deferred. This was done in December 1994 and involved approximately 300,000 cases where the parent with care was receiving benefit before April 1993, and approximately 16,000 cases where the parent with care had not returned application forms issued prior to July 1994 or had not supplied sufficient information. However, it was stressed that anyone in these categories who felt they wanted to be taken on could request that the Agency consider their case.

10.5.1 Targets for 1995/96

In assessing the success of the Agency against the targets set, it was agreed with Ministers that there were more appropriate measures of the Agency's work. The Select Committee on Social Security had recommended, in its report of October 1994, that targets for the Agency should concern the performance of the Agency, not the level of benefit savings (HC470, 93-94). Targets had also been referred to by the Select Committee on the PCA. Their report concluded that targets for benefit savings had led to an emphasis on quantity of assessments made rather than quality of those assessments and of the service given (HC199, 94-95, p. viii).

The benefit saving target for 1994/95 of £460 million was in fact achieved (£479 million), but was dropped as a target for the following year. Also dropped was the target for the number of cases resulting in assessment, as this figure was being adversely affected by old cases, and it was sometimes beyond the Agency's control to ensure a case reached an assessment. Instead, a target for collection and speed of payment was felt to be more appropriate. Nevertheless, the measurement made did show some improvement on the previous year, although not reaching the target: 50% of eligible applications to be assessed was the target; 40.71% was achieved in 1994/95; 31.5 was achieved in 1993/94.

The satisfaction survey result dropped to 44%, against a target of 65%. This target was retained for 1995/96.

Targets for improving the speed of dealing with applications were not met. This was partly due to inclusion of difficult long-standing cases in the figures, and the target was replaced with one measuring the speed of clearance of new assessments.

Delivery of the service within budget was achieved.

Charter standards for the Agency were also seen as unsuitable by 1995. Thus, targets agreed with Ministers for the year 1995/96 were:

- £300 million maintenance to be collected OR arranged for direct payment;
- 90% of payments to the parent with care to be made within 10 days of receipt from the absent parent;
- 75% accuracy in the amount of assessment;
- Reviews to be cleared: 50% in 13 weeks, 80% in 26 weeks, no more than 20% to be older than 26 weeks.
- New cases: 60% to be cleared in 26 weeks, no more than 10% to be 52 weeks old.
- 65% client satisfaction rating.
- To be delivered within budget (in the Business Plan as £183 million).

Milestone targets were also set:

- to commence the take-on of deferred cases;
- to look at the characteristics of outstanding cases;
- to inform the wider evaluations of child support policy through statistics.

These targets represented an emphasis on quality of service and a concentration on the effective management of current cases, with less emphasis on measuring benefit savings. Ann Chant was clear in her intention to move the emphasis of the Agency.

10.6 Operational Matters

In December 93, to address criticisms of operational matters, Ros Hepplewhite wrote to all MPs with details of changes she was making to the Agency's service to MPs. She was drafting in additional staff to deal exclusively with their enquiries, and also setting up a special telephone service, the numbers for which remained strictly confidential to MPs' offices. This was in addition to the changes outlined to the Social Security Select Committee in November 1993, involving the increased role of local offices.

The Chief Executive had explained to the Committee about the "Closing the Gap" project, embarked on when it became clear that difficulties were emerging. The changes introduced included transferring activities from regional centres to local offices. This resulted in many more forms being completed and an eight-fold increase in the number of assessments being made in the second 3-month period, compared with the first three months of operation (HC69, Dec 93, p. xiii).

When the Agency was set up, it was envisaged that most cases would be dealt with through the post, by remote offices. In practice, this proved much more problematic than anticipated,

with form-filling and the provision of evidence (eg of income, mortgage payments, etc) taking much longer than planned.

Meanwhile, the role of local offices was minimal, with staff there under-utilised. It was decided to transfer the initial part of the process to local offices and this did show a marked improvement in throughput (HC69, Dec 93, p. 16).

This devolvment of work to local offices continued and by October 1995, Ann Chant was reporting to the Select Committee on Social Security that the computer network was being extended to field offices, to enhance customer service. She further reported that in October 1994 local offices (referred to as "the Field") had taken on responsibility for "good cause" work; in May 1995 all paternity work was transferred to the Field; and in June 1995 all new pre-maintenance assessment work was moved from the Centres to the Field (HC781-i, 94-95, p. 5).

In discussions with a backbench MP (in February 1996), Ann Chant confirmed that local offices were to be used more, with improved computer access. This would enable local offices to do a complete assessment in some cases. One advantage of this was seen as that parents can deal with the Agency face-to-face. Although this was not considered to be necessary in the planning stage, it became obvious that the opportunity to have

face-to-face discussions was important to many parents. Ann Chant compared this to a day in court for those parents unhappy with their assessment. It was also proving useful to involve local offices in cases of disputed paternity, and it was anticipated that their role would be extended further once the departures system was introduced.

During this discussion, Ann Chant confirmed that she saw a comparison with the organisation of building societies - where a local branch deals with day-to-day queries, sets up forms, etc, but actual mortgage applications are made to a head office. This model was what the Chief Executive envisaged for the Agency, with parents able to maintain contact with their local office, who would have complete access to all details.

10.7 Achievements of the Agency from April 1993 to April 1997

An important statistic to emerge from the evidence given to the Select Committee in November 1993 was that in a quarter of the cases so far assessed, it had been necessary to apply an Interim Maintenance Assessment (IMA) (HC69, 93-94, p. 15). This is applied where information is not supplied by the absent parent within a reasonable time, or where he deliberately does not co-operate, and is fixed at one and a half times the maintenance

requirement (which is itself more than the maintenance bill in a large proportion of cases). Out of 527,000 forms issued in the first 6 months of operation, only 36,500 had reached the stage where an assessment had been made, and of these 9,000 were punitive interim assessments.

Performance in making assessments had improved enormously by 1994/95, with 250,836 cases cleared from 398,584 forms issued. Of these cleared cases, 63,616 were IMAs and 187,220 were final assessments.

By 1997 the Agency had 579,200 'live' cases on its books. Of these 498,500 had final assessments. 80,700 live cases had an interim assessment in place. For "private" cases, where the parent with care is not in receipt of relevant benefits, the Agency can offer a real advantage over the old court system. Regular reviews mean amounts are adjusted without the need to apply to a court; collection and enforcement is available; costs, at the moment, are suspended. This represents progress over the old court system. But in February 1997, only 12% of "live" cases were non-Income Support or Family Credit cases, representing just over 58,000 parents with care (CSA Quarterly Summary of Statistics, Feb 97).

There has also been a continued rise in the number of Deduction from Earnings Orders issued. In the first year of operation, there were only 2,600 DEOs applied. However, there were some problems with the legislation which meant that until February 1994 it was not possible to put a DEO on an IMA. Given the high proportion of IMAs issued, this was a significant disadvantage for enforcement.

By 1994/95 the number of DEOs applied had risen to 32,027. By January 1996 they were being applied at the rate of over 5,000 a month. This reflected the Agency's change of emphasis to enforcing those assessments already made. Between April 1996 and March 1997 there were 57,898 DEOs made by the Agency (CSA Statistical Information, March 97).

IMAs, on the other hand, reduced as a proportion of total assessments. The peak for IMAs was reached during the first year, with 55% of all assessments being IMAs. This undoubtedly partly resulted from non-cooperation campaigns being organised by absent parent groups at the time and by the belief held by some that sustained non-cooperation would lead to the Agency's demise. By January 1996, only 14% of assessments were IMAs. This corresponds with the weakening

campaign of disruption and the general (if reluctant) acceptance of the Agency's activities.

The problems anticipated before the legislation came into force, of parents with care being reluctant to pursue the father because of fear of violence or harm, had in fact not materialised in large numbers. In the first year, compared with the 9,000 cases where absent parents were deemed to be failing to co-operate (and therefore had IMAs applied), only 22 parents with care had had benefit reduced because it was felt they were unreasonably withholding their co-operation (HC69, 93-94, p. 18). This was out of 6,600 cases where the parent with care had applied for exemption under "good cause" provisions.

The number of parents with care applying for exemption under "good cause" criteria did increase, particularly as more parents with care became aware that they did not in fact have to co-operate with the Agency, and as forms were altered to ensure that parents with care were aware of their rights in this respect. However, as numbers increased applying for exemption, the proportion of cases disallowed also increased. In 1993/94, 31,800 claims for exemption were accepted; 18,900 claims were rejected. In 1994/95, 41,700 claims for exemption were accepted; 38,600 were rejected. In 1995/6, up to August, there

had been 15,000 claims accepted and 20,200 rejected, with 12,000 benefit penalties applied (HC50, 95-96, p. 6).

In 1995/96 as a whole there were 27,478 parents with care suffering a benefit penalty although this reduced to 19,447 in 1996/97 (from CSA Statistical Information, March 97 and HC Deb 26/6/96, col 79-80w).

10.8 Commentary

Achieving benefit savings was clearly a driving force behind the setting up of the Agency. In many ways, this has been quite successful. Figures presented in the 1996/97 accounts show that the Agency had arranged payment of almost £400 million in that year, a large proportion of which would have represented savings to the Treasury. Of course, it is impossible to gauge just what proportion of that money would have been paid over under the old system.

Early targets and measures attempted to calculate what the saving to the Treasury was, although there was criticism of the method of calculation. There was also criticism of having benefit savings as a target for the Agency and indeed this was dropped.

Nevertheless, the emphasis on benefits continued, with phased take-on of cases and deferment of particular types of case, specifically those which would be classed as “private” and which would have involved overturning an existing court order. If the government had originally intended to provide a service for all separated parents, this was quickly sacrificed in the light of operational realities.

It could be argued that the Agency had in fact been given an impossible task. Given the complexities of the formula and the sensitivity of its business, difficulties were perhaps inevitable. The decision to attempt to handle most of the business by post and over the telephone quickly ran into problems, and local offices were developed to provide a human face to the service. Team working was also introduced to help efficiency.

Successive Chief Executives and changes of emphasis made slow improvements. These were to some extent hindered by further legislative changes and new systems introduced to placate the vociferous critics of the Act and the Agency.

In many respects the Agency was criticised unfairly. The complexity of the formula and the way it impacted on families were the government’s doing. The Agency was undoubtedly

guilty of mal-administration in many cases, but the bulk of the problems were the result of the government's incompetence, not the Agency's. The following chapter looks at the impact of the Agency's operation on backbench MPs and how they sought to influence the government, although it is clear MPs were also sometimes guilty of wrongly apportioning blame to the Agency itself.

CHAPTER ELEVEN

The Unfolding Disaster – A Political Dilemma?

11.1 Introduction

This chapter examines the impact of the Agency on the House of Commons. The impact on backbench MPs is detailed, as are various strategies employed to deal with the problems being presented by constituents. The growing impact of the Agency on the House of Commons was aired in Social Security Select Committee evidence and reports, and these are also examined in this section, although detailed matters involving the formula are mainly covered in the next chapter.

The positions of the Labour and Liberal Democrat parties during the early months of the Agency's operation are examined. The election manifesto pledges for 1997 relating to lone parents and the Agency are covered in Chapter 17 of the thesis.

11.2 Backbench MPs

MPs soon became aware of the problems being experienced by their constituents in relation to the Agency. Gradually, questions were raised in the House. For example, on 29th June 1993, it was asked how long the forms used by the Agency were (36 pages each) and how long it might take to complete these. On 12th July 1993, it was queried how a new partner's income is relevant in assessing an absent parent's ability to pay maintenance to children of an earlier relationship. The fees being charged by the Agency were queried as early as 7th June 1993.

After the summer recess of 1993, questions continued to show a steady rise, covering both policy and operational matters.

Hansard also records that references were made on the floor of the House to press stories about the Agency.

An Early Day Motion, tabled on 25th November 1993, read:

"That this House regards the **Child Support Act 1991** as a failure; believes that its effect upon single mothers on income support and on second families is injurious, that many women on income support have been left worse off through loss of passported benefits and that single mothers have been intimidated to authorise the Agency to pursue fathers upon pain of losing benefit; further believes that the imposition of new, high bills on fathers of second families is grossly unfair and a serious poverty

trap and that the overwhelming amount of money paid over to the Treasury instead of to families is grossly immoral and is in fact a secret tax; and therefore calls for the abolition of the **Child Support Act** and Agency and for a simpler replacement system to be instituted which will ensure that court maintenance orders are enforced and actually benefit women and their children."

On 1st December 1993, Alice Mahon (MP for Halifax) presented a petition to the House putting forward the view that the Child Support Act and the Agency should be abolished - less than eight months after it had become operational.

An Adjournment Debate was secured on 2nd December 1993, showing the nature of the problems which had been brought to MPs' attention. Matters raised during the debate included: the lack of financial benefit to parents with care in receipt of Income Support; shared access arrangements - where neither parent considers themselves "absent"; "easy" targets - the fact that the Agency was pursuing those who had already been paying something, rather than chasing those absent parents who had in the past made no contribution; problems of the retrospective nature of assessments over-riding previous settlements; the costs of travelling to work and to visit children; pension contributions not being fully allowed for; the effects on the income of second families.

All of these issues were being raised by constituents and MPs' surgeries were being filled with queries about the new Agency, in the majority of cases from absent parents. It should be noted that these early queries were by and large relating to policy decisions, all of which had been passed through parliament. Although the Agency was apparently being criticised, it was in fact the policy which was deemed to be at fault.

Some of the areas of dispute highlighted differences between the original contents of the White Paper, *Children Come First*, and the reality of the legislation and operations of the Agency.

Children Come First had stressed as a priority the desire to establish payment from absent parents who were not paying anything:

"Priority will be given to those who need the Agency's services most. This is likely to be those people who have no child maintenance at all and are dependent on Income Support."

(Cm1264, Oct 1990, Vol. 1, p. 49)

The reality was that those who were already paying were being contacted first, leading to the conclusion that the government

felt "those who need the Agency's services most" were in fact taxpayers, through the Treasury.

Another example was the mention in *Children Come First* of consideration being taken of past settlements with an explanation of how this might be achieved (Cm1264, Oct 1990, vol. 1, p. 30). The final formula in fact took no account of such settlements and MPs were being inundated with absent parents who felt it could not be right that a previous court agreement was now being ignored.

A group of MPs became so concerned at the number of complaints being raised that they set up a CSA Monitoring Group to which MPs could submit examples of their constituents' problems. The All Party Parliamentary CSA Monitoring Group included Mildred Gordon, Sir Peter Fry, Liz Lynne, Jean Corston, Ian Bruce, Anthony Steen, Llin Golding, James Arbuthnot, Neil Gerrard, Joan Lestor, Bill Olnier, Greville Janner, Alan Simpson, Bryan Gould, John Fraser, although any interested members were free to attend and membership of the group varied over time. The group initially met fortnightly and produced summaries of cases brought to MPs by constituents. It also sought the opinions of voluntary organisations on specific issues, as well as meeting with the ministers involved.

MPs attending these meetings stated that they found it a useful way to exchange information and improve their own knowledge of the issues.

By 22nd December 1993 with less than 9 months of operation of the Agency, Peter Lilley (as Secretary of State for Social Security) announced changes. These included a revised phasing-in programme; substantially increased protected income for absent parent households (from £8 to £30 above Income Support levels, as well as a decreased percentage take of any remaining income); reducing the amount payable towards the cost of caring for the child, once the child reaches the age of 11, and reducing it again at 14. These changes were incorporated into the government's response to the Social Security Select Committee Report of December 1993. The government's response was published in February 1994 and the changes planned were the subject of a debate in the House on 2nd February 1994.

The changes were generally supported and it was clear that all MPs were receiving many complaints from constituents, particularly on the details of the formula and the lack of flexibility.

11.2.1 Shooting the messenger?

One of the main principles of *Children Come First* was that all parents should shoulder responsibility for their own children wherever possible, but the practice was proving more difficult than anticipated. Another main principle was that maintenance should be assessed according to a set formula, removing areas of discretion which had previously led to inconsistent and unpredictable assessments, and had resulted in maintenance payments taking a lower priority than other commitments. The **Child Support Act** was intended to put child maintenance on a firm footing, removing discretion and forcing a change in priorities. In practice, this was resulting in a lack of flexibility for which the Agency was often being blamed, but in fact was the result of decisions agreed in parliament.

The bulk of complaints to MPs were from absent parents, though some were from second partners, parents with care, and even grandparents. Analysis of letters received by one of the MPs who agreed to take part in this study showed that, of letters regarding the Agency received between November 1993 and July 1995, 61 per cent were from absent parents or their new partners. Eighty-two per cent of those letters were complaints relating to the amounts absent parents were expected to pay under the new rules.

However, MPs also received many letters concerning the running of the Agency. Reports by the PCA confirmed this, as he would only examine cases of alleged maladministration (not policy complaints) but reported having more complaints about the Agency than about any other department or agency of the government. This was despite the fact that he had informed MPs that he would only investigate cases which were clearly different from previous ones he had looked at, or where actual financial loss had resulted for the complainant (HC135, 94-95 and HC20, 95-96).

Cases of poor administration were also aired on the floor of the House, along with growing dissatisfaction at the quality of the written responses received from both the Agency and the Minister. There was a particular dislike of standard responses which did not address the problems raised.

As part of the fieldwork in this study, several cases of maladministration or poor service by the Agency were examined. Delays of over a year were not uncommon, even where both parents were co-operating and supplying information quickly. Cases of thousands of pounds worth of arrears building up because of delays which were entirely attributable to the Agency

were seen in all three offices where case-files were examined.

There were also cases of details being sent to the wrong address, and many letters of apology from the Agency, often attributing their shortcomings to "volume of work".

11.2.2 Dealing with the rising tide

The ways in which MPs relayed their dissatisfaction with the developing situation and dealt with the problems of their constituents varied. All MPs wrote directly to the Agency. Some also wrote to the Minister concerned; even where issues were clearly operational it was felt necessary to keep the relevant Minister aware of the problems being presented to MPs.

However, if the matter was purely operational, it was merely passed to the Agency by the Minister with a standard letter to the MP explaining that the Chief Executive would respond in due course.

Letters relating to policy were replied to by the Minister, usually referring to the basic principles of *Children Come First* and the all-party support given to those principles.

One MP interviewed for this study felt it useful to inform Select Committee members of issues being brought by constituents and did forward details of those cases felt to be particularly

pertinent or illustrative. Another MP made use of the All Party Monitoring Group. One Nottingham MP felt particularly inclined to forward cases to Andrew Mitchell, the Minister with responsibility for the Agency at the time who was also a Nottingham MP. Based on conversations with MPs from outside Nottingham, the Nottingham connection was felt to result in rather more detailed and personalised responses than MPs from other parts of the country were receiving, although, of course, this is conjecture.

All of the MPs interviewed had met with groups opposed to the Agency, in their surgeries and at public meetings. Four of the five MPs interviewed (including a government minister with responsibility for the Agency) had at some time addressed a local APART meeting; the other had met with a delegation from APART but declined their invitation to speak at one of their meetings. [The activities of protest groups are looked at in Chapter 13.]

One MP's constituency office spent a good deal of time keeping in touch with those constituents who had contacted them over Agency issues. In the early days, the office would forward details of APART to constituents who raised queries about the Agency. Even where cases had been satisfactorily resolved, the

office forwarded details of Select Committee recommendations and evidence presented by voluntary organisations such as NACAB to interested or affected constituents. They also sent out copies of press releases issued on the subject of child maintenance. This was a substantial commitment, given that there had been over 60 constituency cases for this particular office. This communication was continued with all cases, both absent parents and parents with care, and it should be noted that the MP involved continued to make clear his preference for the Agency over the previous system.

Another feature seen in all three offices where case-notes were examined was MPs having to deal with both the absent parent and the parent with care of the same child. The office staff were careful not to disclose information to which they were party and of course dealt with the cases as though they were entirely separate.

Although receiving a large number of letters concerning the Agency, the main impact was felt at surgeries. At some surgeries, which normally only last two or three hours, there would be 15 absent parents in attendance. This even led to complaints from other constituents waiting, that the Agency was

taking up too much of the MP's time, making their own wait much longer or making an appointment difficult to get.

Constituents' specific cases raised at surgeries or by letter would all be dealt with according to the nature of the problem. Some more general letters were also received at all the offices examined, but these were small in number compared to some other issues (animal welfare being the subject which attracted by far the highest number of letters). The way the office staff dealt with letters meant that those concerning a specific constituent's complaint were most likely to reach the MP personally. Those dealing with more general comments would sometimes not reach the MP at all, but would simply be acknowledged by post. Thus, an issue such as the Agency, where there was a large number of specific complaints, would have more impact on an MP, as s/he would become personally involved in the cases. With surgeries fully booked over a number of months and continuing correspondence to deal with, the Agency loomed large as a problem for backbench MPs.

11.3 The Social Security Select Committee

Following on from the Committee's earlier work on *Children Come First*, the decision to investigate the workings of the Agency was taken on 20th October 1993; evidence was taken in

November, and a report was issued in December (HC69, 93-94). Further reports were issued in October 1994 and January 1996 (HC470, 93-94; HC50, 95-96).

Within a few months of the Agency becoming operational, the Committee had received over 800 letters from people affected by the workings of the Agency. The majority of complaints received by the Committee, from about September 1993, related to two main issues:

- (1) that it was believed that there was a policy of giving priority to those absent parents who were already paying;
- (2) that the assessments were unfair, either because they over-rode previous agreements, or because they failed to take proper account of circumstances (HC69, 93-94, p. vii).

In fact, both these issues related to policy matters. The decision to gradually take on cases in a particular sequence had been agreed with Ministers. Although relating directly to operations, the order of priorities was a policy decision and linked the activities of the Agency to other institutions such as the courts and the Benefits Agency. The order of priorities was clearly set out before the Agency came into existence. Although it was not

detailed in the first Business Plan, it was made clear in the Agency literature sent to MPs and to potential clients (see, for example, leaflet CSA 2001, p. 4). (As stated earlier, this did go against the comments on prioritising cases set out in *Children Come First*.)

Evidence given by the Chief Executive to the Committee confirmed media reports (and the opinion of many absent parents) that in cases where the parent with care was claiming a relevant benefit, those cases where the absent parent was already paying some maintenance were being dealt with ahead of those where no maintenance was currently in payment. The Chief Executive claimed that this was inevitable given the fact that the Liable Relatives Units, which would have previously dealt with such cases, had been disbanded from April 1993, and further that the prioritising of cases had been agreed with Ministers (HC69, 93-94, p. xi).

Further criticism of this policy suggested that the target set for the Agency, to achieve an amount of benefit savings, had influenced the take-on of cases. However, it was also pointed out, by the Chief Executive, that in 28% of cases assessed by that time, no maintenance was payable at all because the absent parent had insufficient income to pay. To argue that

particular groups were being targeted in order to achieve greater benefit savings would therefore seem unfounded (HC69, 93-94, pp 7-8). Also, with the take-on of new cases, it was impossible to know in advance which cases were likely to produce a high assessment and which weren't.

Also clearly documented before the Agency commenced operations, was the way in which the formula would be applied, what would be taken into consideration and what would not. To say, as members of the Select Committee and other MPs were, that assessments were over-riding previous agreements or failed to take proper account of circumstances, was in fact a criticism of policy decisions taken prior to the Agency's operationalisation. To level such criticism at the Agency itself was unjustified. Nevertheless, the House of Commons saw many examples of this.

The Select Committee on Social Security often confused policy with operational matters. This could also be seen in the Select Committee on the PCA report of March 1995, where Ann Chant and Michael Partridge (both senior civil servants) explained to MPs that it was in fact parliament's decisions that fixed the formula within which the Agency operated (HC199, 94-95).

Details of the main recommendations made by the Select Committee on Social Security in December 1993 for changes to the formula are covered in the following chapter, along with the actual changes introduced by the government in February 1994. Later examination by the Social Security Select Committee, their reports and recommendations are covered in Chapter 15.

11.4 The Main Opposition Parties – calling for change?

The Labour Party (in opposition between 1979 and 1997) had always supported the principles behind the **Child Support Act**, although it did oppose particular aspects. Specifically, the Labour Party continually called for a maintenance disregard for those parents with care on Income Support, to ensure that the children in those families gained from the legislation. Attempts were again made to get this included in the legislation during the Child Support Bill debates in 1995. The Conservative government's response continued to be that this would increase the disincentive to seek employment for the parent with care, with the government's preference being for the Back to Work Bonus (this bonus is discussed later in Chapter 12).

The other main area of concern for the Labour Party in opposition was the retrospective nature of the legislation, and the lack of allowance for previous property or capital

settlements. The Labour Party continued to call for change on this.

Although stating that government changes did not go far enough, the Labour Party did not oppose the amendments made between 1993 and 1996, and did not call for the abolition of the Agency, though individual backbench MPs did. Support for the main principles of *Children Come First* continued, despite the obvious failings of the system in practice.

The Liberal Democrats presented a rather confusing picture. Their Head Office continued to send out leaflets calling for *reform* of the Agency, whilst their spokesperson on Social Security issues, Liz Lynne MP, called for its *abolition*. Liz Lynne maintained that the party backed her repeated calls for the Agency's total abolition. She issued press releases calling for a return to the court system, she asked many parliamentary questions and placed Early Day Motions. Yet, no official Liberal Democrat documents supported her line. However, evidence of Party support came during voting on the 1995 Bill, when the Liberal Democrats did vote against, advocating the repeal of the Act and its replacement by an unspecified "genuinely fair system" of a unified family court (see NLJ Practitioner, 2/6/95, p. 820).

11.5 Commentary

Backbench MPs were forced, by the number of constituents seeking their help, to become more knowledgeable about the details of the formula being applied by the Agency. Although there had been a large amount of time spent debating *Children Come First* and the Child Support Bill, it seems many MPs did not realise the significance of some of the detail until the impact of the Agency in operation started to be felt by their constituents.

As the **Child Support Act** passed through parliament contentious issues were raised. Indeed, *Children Come First* had included reference to some potential problems, for instance the need to consider the impact on retrospective cases involving ‘clean break’ settlements, the impact of the formula on the incomes of second families and the continuing discussion on what constituted a realistic sum towards the costs of bringing up a child.

Despite these and other matters being aired, the consensus in support of the over-riding principle (that parents continue to offer financial support to all their natural children regardless of their living arrangements) resulted in what might be considered

to be flawed legislation which to a considerable degree was proving unworkable.

The problems being thrown up by the formula were compounded by the lack of efficiency being shown by the Agency itself. The problems of constituents and the Select Committee reports pointed to a badly managed Agency struggling to deliver a major social policy change. Problems related to both policy and operations and threatened to destroy the Agency if changes were not made. Changes made to Agency targets have already been explained. It was also essential, if the Agency was to gain acceptance and become at all effective, to alter the detail of the formula.

The following chapters examine what changes were introduced to address these problems. Referring again to Hall (1975) the following chapters assess:

“Whose interests can be passed over because they have no power? Which interests command enough power to wrest consent from a reluctant government?” (Hall, 1975, p. 9).

