



Department
for Work &
Pensions



Attitudes and behaviours of self-employed child maintenance clients and barriers to paying child maintenance

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Research Report No 908

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Summary

This research explored the attitudes and behaviours of Department for Work and Pensions (DWP's) 'self-employed' child maintenance paying parents towards the payment of child maintenance. It identified levers for, and barriers to, positive behaviour change. Using a behavioural insight approach, research explored both current attitudes and behaviours around the Child Support Agency (CSA) and likely responses and behaviour under the new Child Maintenance Service (CMS). It presents findings based on a mixed-method qualitative study, including 47 total respondents, conducted iteratively over two stages of fieldwork.

The report is divided into the following chapters:

- Chapter 1 provides initial context regarding the background to, and objectives of, the research, the methods used and research sample.
- Chapter 2 briefly explores the range of contexts, income levels and attitudes towards work observed in the 'self-employed' audience.
- Chapter 3 introduces the TNS 'Behaviour Web' and maps the range of behavioural, attitudinal and practical barriers to, and triggers for, compliance – under the CSA system.
- Chapter 4 explores paying parents' response to key aspects of the new CMS system; potential windows of opportunity, risks of the new system in terms of promoting more compliant behaviour, use of alternative maintenance arrangements and initial experiences under CMS thus far.
- Chapter 5 presents respondents' reported communication and support needs around CMS in terms of providing clarity around the system changes and encouraging positive behaviour change.
- Chapter 6 summarises our overall conclusions and recommendations, including additional communications and support needs that may enable more positive behaviour change, as well as other potential levers that may be beneficial given what we know about what drives compliant child maintenance behaviour.

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List of abbreviations

CMS	Child Maintenance Service
CSA	Child Support Agency
DWP	Department for Work and Pensions
HMRC	Her Majesty's Revenue and Customs
JSA	Jobseeker's Allowance

Glossary of terms

Child Maintenance Service	A government agency responsible for the assessment and collection of compulsory child maintenance payments. Established in 2012, it will eventually replace the Child Support Agency.
Child Support Agency	A government agency responsible for the assessment and collection of compulsory child maintenance payments. The Child Support Agency is closing, and existing Child Support Agency cases will close as a result.
Direct Pay	An arrangement where the Child Maintenance Service calculates the amount of child maintenance to be paid. Both parents agree between themselves when and how the payments are made. There is a one-off application fee.
Family-based arrangement	An arrangement, which both the paying and receiving parent have come to by themselves without involving the Child Support Agency or Child Maintenance Service.
Heuristics	In behavioural economics, this term is used to describe cognitive shortcuts or 'rules of thumb' that people use to simplify decisions. An example of this is availability bias – where people overestimate the probability of things that they are easily able to think of examples of, and vice versa.
Paying parent	The parent who lives in a separate household from the child/ren. In this report the term paying parent may refer to either a Child Maintenance Service or Child Support Agency client.
Receiving parent	The parent who lives in the same household as the child/ren for whom maintenance has been applied for or is being paid. In this report the term paying parent may refer to either a Child Maintenance Service or Child Support Agency client.
Statutory child maintenance arrangement	A maintenance arrangement which is set up with the help of the courts or Child Support Agency/Child Maintenance Service to ensure separated parents set-up appropriate support for their child/ren in line with their income.

Executive summary

This research explored the attitudes and behaviours of Department for Work and Pensions (DWP's) 'self-employed' child maintenance paying parents towards the payment of child maintenance. It presents findings from two waves of qualitative research with paying parents, conducted between November 2013 and February 2014.

The child maintenance system is in a critical time of change, as the Child Support Agency (CSA) closes its cases and cases open in the new Child Maintenance Service (CMS). The CMS has introduced a range of charges, alongside other system changes, in order to promote more compliant payment within the statutory system, and to promote considerations of alternative arrangements such as Direct Pay and family-based arrangements. Specifically, the CMS system introduces:

- application charges: consisting of a one-off fee of £20 for parents wishing to set up a new statutory child maintenance arrangement through CMS;
- collection charges: involving a 20 per cent fee for paying parents and a four per cent fee for receiving parents, to be deducted from each child maintenance payment; and
- enforcement charges: applied at a flat rate for each enforcement action.

TNS BMRB was commissioned by DWP to provide insight on:

- what drives CSA self-employed paying parents to be non-compliant; and
- the likely effects of the new CMS system upon the attitudes and behaviours of this audience.

Research also explored potential communications and support needs to smooth the introduction of the new system and support positive behaviour change.

Background

Findings by other government departments indicate reduced levels of understanding in relation to financial obligations among the self-employed, compared to the general population, and in some cases normalisation of non-compliant attitudes – for example, regarding poor timeliness of tax filing with Her Majesty's Revenue & Customs (HMRC).

It is hoped that the changes to the child maintenance system will help to:

- prevent the growth of arrears by making paying on time the norm;
- reduce the potential for arrears by helping parents to make regular, on-time payments, and providing swift enforcement for those who deliberately avoid their responsibilities;
- support a move towards independence via flexible, family-based arrangements and Direct Pay options; and
- improve the client experience, by introducing targeted communications such as payment reminder services and guides to help parents understand the statutory maintenance system.

Methodology

Using a behavioural insight approach, research explored both current attitudes and behaviours around the CSA and likely responses and behaviour under the CMS. Findings are based on a mixed-method qualitative study, including 47 total respondents (both 'compliant' and 'non-compliant'), conducted iteratively over two stages of fieldwork. Qualitative individual and paired depth interviews were conducted, as well as trios and small focus group sessions.

The rationale for selecting the sample was not to recruit a statistically representative sample of the target audience, but to ensure diversity of coverage across certain key variables (purposive sampling). Whilst research can provide evidence around the range of issues that may affect compliance for this audience, it is thus not appropriate to draw conclusions about prevalence of these in the wider audience of self-employed, child maintenance paying parents.

Key findings

Self-employment

This research found that for child maintenance purposes, paying parents self-categorised their self-employment status. This has led to the miscategorisation of some individuals on the DWP child maintenance database; some paying parents who DWP believed to be self-employed were in fact essentially unemployed, or working very few hours per month. Barriers to compliance for self-employed parents were thus not just around variation in income but also around having very low income flow, and lack of affordability.

As income was a key driver of non-compliance for some, it is possible that non-compliance amongst the self-employed audience may be partially explained by income alone. Further investigation on the self-employed sample is required to determine the size of low income/unemployed in this group.

There was also some minimal evidence of 'strategic unemployment', with individuals choosing to register as self-employed for child maintenance purposes in order to have more control over their maintenance liability.

Reasons for using the statutory system

Perhaps unsurprisingly, conflict and communication breakdown between parents and ex-partners were key drivers for the need for statutory services. This was based on mistrust about how the child maintenance paid by the paying parent was being spent by the receiving parent. Or it was linked to disputes around payment amount or frequency of payment. The statutory system was viewed by many paying parents as a punishment from their ex-partner, for example, following disputes. This background of conflict and tension underplays paying parents' responses to the statutory system itself – as their relationships with ex-partners could influence their response to the CSA/CMS, potentially reducing motivation to comply.

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Reasons for non-compliance under the current system (CSA)

Although reasons for non-compliance included income or issues arising from self-employment, many other reasons were also observed. Barriers to compliance included:

- inability to afford payments due to low or fluctuating income;
- prioritisation of other bills (e.g., related to 'survival' such as rent and heating, work-related expenses, or bills with high costs for non-compliance). This seemed linked to a perception that the cost of non-compliance was low; respondents felt that response from the CSA after non-payment was often delayed or unpredictable;
- a perception that liability calculations and payment schedules were unfair and did not adequately take into account other factors such as income flow, periods of sickness, support provided outside the statutory system, system errors, etc. Clear (written and verbal) communication and explanation about how liability is calculated could help reduce barriers around illegitimacy. More transparent procedures around how to adjust (perceived) incorrect liability amounts are also required;
- a perception that child maintenance payments were not being spent on the child – at times resulting in complete rejection of statutory maintenance obligations. Paying parents wished to see measures or communications in place to alleviate their concerns;
- resentment about government 'interfering' in personal affairs and focusing only on financial child support. This can result in a framing of child maintenance payments as merely 'paying the CSA' rather than linking it with supporting their child;
- negative experiences with the CSA including system errors, perceived disorganisation or inflexible and 'judgmental' tone of staff further undermined its legitimacy for some;
- a perception that paying parents were 'treated as criminals' and assumed to be at fault, even when they were willing to pay. Many parents thus felt morally justified in 'fighting back' with non-compliance.

Responses to CMS and likely behaviour under the new system

The key windows of opportunity around the CMS seem to centre around the ability of charges to combat a sense of **limited cost of non-compliance**, inspiring more loss aversion via the desire to avoid collection or enforcement charges. This may help **disrupt current habits of non-compliance** and result in greater prioritisation of child maintenance for those that can afford to pay. However, **charges also raise risks in terms of amplifying some of the existing barriers to compliance** as outlined above.

Respondents were positive about the introduction of an **application fee**, but did not think it was high enough to deter many receiving parents, particularly if respondents felt the system was being used by ex-partners to 'punish them'.

Collection charges intensified the perception that child maintenance payments were paid for a government service rather than benefiting their child. Respondents expressed keenness to avoid collection charges under the CMS system in theory, but given poor relationships with ex-partners doubted whether they would be able to move to Direct Pay or family-based arrangements without support or mediation.

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Parents who would be willing, but unable, to pay via Direct Pay or make family-based arrangements thus felt they would be being 'forced' into a statutory system and 'punished' through collection charges. Additional charges (including enforcement charges) not only raised real concerns about ability to pay, but aggravated perceptions that the system would unfairly penalise fathers. Some respondents stated that their frustration would cause them to stop payment outright or to find ways to 'game the system' and minimise their liability calculation.

Clear and explicit guidance about how to set up Direct Pay or family-based arrangements when communication with ex-partners is poor will thus be key in enabling parents to do so.

Experiences of the CMS so far

Understanding and direct experience of the CMS was fairly limited within the research sample. Many of those transitioning from the CSA were not aware that they had been moved into a 'new' system or what was different about this, and most of those with new cases had only limited contact with the system thus far. Any communication that works to 'rebrand' or distance the CMS from the CSA system could help dissociate CMS from the negative reputation of the CSA.

Amongst the limited numbers of those who had interacted with the CMS, there was some positive feedback about improved communications, as CMS staff had adopted a more positive and encouraging tone, leading to positive views of the system. Continuing this tone of flexibility and helpfulness will be strongly beneficial to shifting parents' relationships with CMS and attitudes to compliance.

Amongst those in the CMS, the research found evidence of resentment around feelings of being 'forced' into a statutory system despite being willing to pay directly, and being unable to do so due to relationship-based issues and communication difficulties with ex-partners.

1 Introduction

The child maintenance system is in a critical time of change, as the Child Support Agency (CSA) transitions its statutory maintenance provision over to the new Child Maintenance Service (CMS). The CMS has introduced a range of charges, alongside other system changes, in order to promote more compliant payment within the statutory system, and to promote considerations of alternative arrangements such as Direct Pay and family-based arrangements.

The Department for Work and Pensions (DWP) commissioned TNS BRMB to provide insight on:

- what drives CSA self-employed paying parents to be compliant/non-compliant; and
- the likely effects of the new CMS system upon the attitudes and behaviours of this audience.

Research also explored potential communications and support needs to smooth the introduction of the new system and support positive behaviour change in relation to compliance.

This report presents findings from two waves of qualitative research with paying parents, conducted between November 2013 and February 2014. In total, research included 47 respondents – both compliant and non-compliant – via individual depth interviews, paired depth interviews, ‘trios’ and small focus group sessions.¹ As detailed in the following sections, these findings explore triggers and barriers to compliance as related specifically to respondents’ self-employment and income status, but also broader issues that may be useful to take into account when considering potential levers for positive behaviour change.

1.1 Setting the context

It is the Government’s view that more needs to be done to encourage parents to think about their responsibilities when relationships break down – helping ensure that children’s needs are met, even during difficult economic circumstances.² Policy development has prioritised the need to promote positive family relationships and build resilience to future problems.

Although the majority of parents with a statutory child maintenance case do keep up to date with their financial obligations, the Department is currently struggling with a significant legacy of arrears. Between 1993 and 2008, child maintenance debt from parents with cases in arrears was accruing at approximately £20 million per month.³

¹ See Section 1.3 of this report for full methodological details.

² *Strengthening families, promoting parental responsibility: the future of child maintenance* (2011). Department for Work and Pensions. www.gov.uk/government/consultations/strengthening-families-promoting-parental-responsibility-the-future-of-child-maintenance

³ *Preparing for the Future, tackling the past: Child Maintenance arrears and compliance strategy, 2012 – 2017*. Department for Work and Pensions. www.gov.uk/government/publications/preparing-for-the-future-tackling-the-past-child-maintenance-arrears-and-compliance-strategy-2012-to-2017

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Certain parent groups may contribute to this overall debt (and lack of family provision). Research findings, by other Government departments, relating to the self-employed indicate there is a reduced understanding of financial obligations among this group compared to the general population. In some cases there is normalisation of non-compliant attitudes, for example, regarding poor timeliness and correctness of tax filing with Her Majesty's Revenue and Customs (HMRC).⁴

As part of its ongoing efforts to support separating parents to provide for dependent children, even when relationships break down, DWP has begun to transition its statutory child maintenance provision from the CSA to the CMS. Established in 2012, the new CMS service will continue to offer a government-provided 'safety net' for parents who are not able to make their own arrangements. The new system introduces a series of charges to provide a financial incentive for families to make their own arrangements (via family-level based agreements rather than statutory services), and for parents to make support payments in full and on time.

Specifically, the CMS system has introduced:

- **application fees:** consisting of a one-off application fee of £20 for parents wishing to set up a new statutory child maintenance arrangement through the CMS system;
- **collection charges:** a 20 per cent charge for paying parents and a four per cent charge for receiving parents, to be deducted from each child maintenance payment; and
- **enforcement charges:** applied at a flat rate for each enforcement action.

It is hoped that the changes to the child maintenance system will help to:

- **prevent the growth of arrears** by making paying on time the norm;
- **reduce the potential for arrears** by helping parents to make regular, on-time payments, and providing swift enforcement action to those who deliberately avoid their responsibilities;
- **support a move towards independence** via flexible, family-based arrangements and Direct Pay options; and
- **improve the client experience**, by introducing targeted communications such as payment reminder services and guides to help parents understand the statutory maintenance system.⁵

⁴ Social norms and networks: research into tax compliance of the self-employed. (2010) Research conducted for the HMRC. www.hmrc.gov.uk/research/report238.pdf

⁵ *Preparing for the Future, tackling the past: Child Maintenance arrears and compliance strategy, 2012 – 2017*. Department for Work and Pensions. www.gov.uk/government/publications/preparing-for-the-future-tackling-the-past-child-maintenance-arrears-and-compliance-strategy-2012-to-2017

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1.2 Research aims

This research aimed to understand how to encourage self-employed paying parents to be more compliant, and the **attitudes, beliefs and practical issues which drive non-compliant behaviour**. It also needed to understand behaviour in the context of the move to the CMS system, likely implications of the various financial ‘levers’ in terms of compliance or a shift to non-statutory maintenance arrangements, and opportunities for communications to promote compliant behaviour.

The overall research aims were to:

- **understand how and why self-employed paying parents are not complying** with the current statutory maintenance system (CSA) – identifying what distinguishes them from compliant parents, in terms of their motivations, habits and behaviours;
- **understand how currently non-compliant self-employed paying parents are likely to act under the new system (CMS)**, given their reasons for not complying at the moment;
- **identify communications and support** that might encourage positive behaviour change, in terms of:
 - actively budgeting for child maintenance;
 - becoming compliant within statutory arrangements; and/or
 - arranging family-based or Direct Pay agreements;
- understand ideal **communications channels** for the above.

Across these broad objectives, specific research aims were to:

- explore in-depth and understand the **attitudes** of self-employed paying parents and their **motivations** to pay/not pay child maintenance;
- understand the **behaviours** that drive self-employed paying parents to miss payments and fall into arrears;
- identify and explore in depth the **barriers** to paying child maintenance that are experienced by self-employed paying parents;
- examine the extent to which self-employed paying parents have **differing experiences** of child maintenance depending on whether they have a case under the CSA or new CMS system;
- identify the extent to which self-employed parents consider that **charging** will encourage them to put a family-based or Direct Pay arrangement in place;
- understand paying parents’ current **communication, media and channel** preferences to help identify opportunities to influence these;
- identify if communications could make a difference to attitudes towards, for example, support to help self-employed paying parents **budget and pay** child maintenance;
- provide recommendations for **designing/improving communication** materials for parents in order to improve the client experience and improve compliance.

1.3 Research approach and sample

Research used an iterative, multi-method approach to provide robust behavioural insight about the target audience. Following a briefing meeting with the DWP client and research teams, research began with an exploratory stage of ten depth interviews with self-employed paying parents to generate initial insight about attitudes, behaviours and practical issues influencing compliance for this group. Following iterative sharing of emerging findings, the research sample and approach was revised for a second stage of research, consisting of a mix of depth interviews, paired-depths, trios and focus groups. Stage two was comprised of 37 respondents in total. Full sample details across research can be found in Section 1.3.3.

This flexible, responsive and exploratory approach enabled the research to generate richer and more detailed insights. This included investigating the more subtle and complex factors that underpinned views and behaviour around child maintenance.

As this was a qualitative study, the rationale for selecting the sample was not to recruit a statistically representative sample of the target audience, but to ensure diversity of coverage across certain key variables (purposive sampling). All participants were recruited via DWP's internal child maintenance sample. Eligibility for the research was determined using a short screening questionnaire and quotas were set in order to prescribe the distribution of the sample selected.

To ensure consistency of coverage across the focus groups and interviews, facilitators followed a detailed topic guide that outlined the topics that were to be addressed. Separate topic guides were developed for each wave of research, and for compliant versus non-compliant paying parents. Although topic guides help to ensure systematic coverage of key issues across interviews, they are used flexibly, to allow issues of relevance for individual respondents to be covered through follow-up questioning.

We discuss each aspect of the research as follows.

1.3.1 Stage 1 – exploratory depth interviews

In stage one, ten 90-minute depth interviews with paying parents (both compliant and non-compliant) provided initial insights about the range of factors influencing attitudes, beliefs and behaviours around child maintenance. Depth interviews provided a private, comfortable environment in which to explore respondents' experiences and attitudes specifically, and around budgeting more widely. Customer journey mapping and elements of guided recall aided systematic documentation of interviewees' response to child maintenance obligations and communications. Summaries of the key features of the new child maintenance system were also introduced as relevant and potential responses to these were systematically mapped against respondents' current contexts and behaviour patterns under CSA.

The recruitment and fieldwork process for stage one revealed a clear influence of respondents' employment status and income levels on attitudes and behaviours around financial management – as well as a high degree of variability in what constituted 'self-employment' in the sample. This included both individuals traditionally considered 'self-employed' – i.e., meeting HMRC's definitions of self-employment – but also individuals who were more minimally employed or even unemployed and claiming Jobseeker's Allowance (JSA).⁶ The research approach for the remainder of research was revised in light of this early finding.

⁶ See Section 2.1 for details.

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Following stage one interviewing, early hypotheses and research findings were shared with DWP. Stimuli for stage two research were developed – including short ‘profiles’ summarising different paying parent types and their contextual barriers and triggers for compliance.

1.3.2 Stage 2 – depths, paired depths, trios and group discussions

Stage two extended early findings with a larger sample to test, refine and expand initial insights. Initially, stage two was intended to comprise of seven focus groups with paying parents – segmented by parents’ compliance status and statutory system of use (i.e., CSA or CMS). However, the fairly limited (particularly in the CMS audience) and geographically diverse sample posed challenges for a focus group-only approach. Additionally, the clear importance of respondents’ employment status and income levels required a revision of the intended sample, to ensure that we could explore the impact of this factor in depth, and avoid mixing high-income and low-income groups.⁷

In light of the above, stage two consisted of a range of depth interviews, paired depth interviews, trios and small focus groups. Depth interviews were undertaken as necessary to ensure coverage across the key variables of interest (compliance status, statutory system of use, and income levels) within the geographically disparate sample. Paired depth sessions, trios and small focus groups were conducted where possible given the constraints of the sample, and where mixing of respondents was useful and appropriate. Where mixed sessions were held, these were always split by compliance status, system of use and income levels.⁸

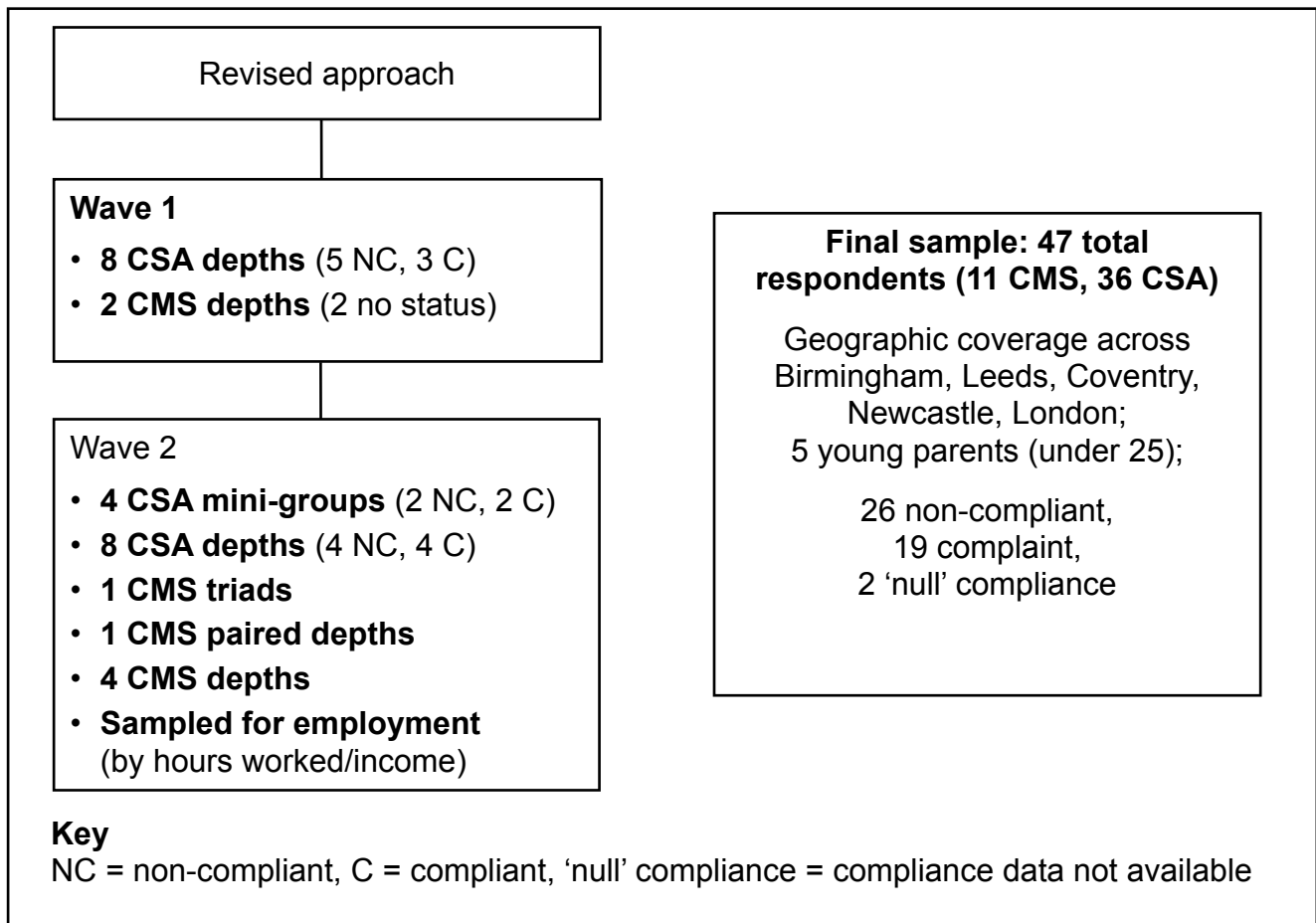
Where focus groups were held, these were smaller in size (up to six participants in each focus group) to allow more time for discussion and to build the group dynamic more easily. By bringing together people in similar circumstances, the focus groups were designed to ensure participants would feel comfortable about discussing their experiences around child maintenance – including barriers to compliant payment.

⁷ Particularly when discussing non-compliant behaviour around child maintenance, it would have been inappropriate to include high-income parents and those who were minimally or unemployed in focus group sessions. The stage one findings suggested that reasons for non-compliance were very different, and we did not want heterogeneity around income streams and discomfort around discussing finance to inhibit honest discussion in research sessions.

⁸ That is, sessions with multiple respondents were always homogeneous in terms of parents’ compliance status, system of use, and income level.

1.3.3 Sampling and recruitment

Figure 1.1 Research sample



All participants were recruited via DWP’s internal child maintenance sample. Reassurance was provided around TNS BMRB’s independence and neutrality, and of the confidentiality and anonymity of respondents’ discussions.

As a thank-you payment for lending their time to research, incentives were provided.

Data capture and analysis

All research sessions were digitally recorded, and the material collected was subject to a thematic content analysis which provides both rigour and transparency without losing the benefits of intuition and creative thinking. Analysis drew upon TNS BMRB’s Behaviour Web to structure thinking and reporting around the range of triggers and barriers for compliant payment of child maintenance, and likely windows or opportunities for the changes introduced under CMS in terms of promoting positive behaviour change.

The following qualitative findings have been illustrated with the use of case studies, quotations and examples. These are used to bring the findings to life and are drawn from across the sample. The purposive nature of the sample, however, means that the study cannot provide any statistical data relating to the prevalence of these views and experiences.

2 Context to the current research

This chapter sets out two key issues which broadly informed respondents' experience of and response to the statutory child maintenance system. First, we introduce the impact of variability in 'self-employment' evidenced in the Department for Work and Pensions (DWP's) child maintenance sample, and the influence of this variability on respondents' ability and willingness to comply. Second, we briefly summarise respondents' journey into use of the statutory system and the impact of this on how they view the system and their child maintenance obligations.

2.1 Understanding 'self-employment'

Officially, 'self-employed' status is not a choice; whether someone is considered employed or self-employed is defined by the terms and conditions of their working arrangements.⁹ However, under the Child Support Agency (CSA), parents currently **self-categorise** their employment status for child maintenance purposes. Because of this self-categorisation approach, parents who are registered as self-employed with the CSA do not necessarily fit the official (i.e., Her Majesty's Revenue and Customs (HMRC)) definition of 'self-employment'. Rather, status depends on whether parents understand the official rules around the self-employment designation, and whether they choose an employment status which accurately reflects their employment circumstances.

Early recruitment and fieldwork for this research clearly evidenced that 'self-employment' as designated in the DWP child maintenance sample included a broad range of employment types and levels – as well as occasional misunderstanding of the official rules around who is and isn't considered to be 'self-employed'. Overall, the sample contained three broad types of worker, summarised below.

Rather than being fully evidenced categories, these typologies were based on early research findings; research did not seek to establish exact work histories in terms of income and work history, and relied exclusively on participants to provide information about employment context.¹⁰ However, they provide a useful shorthand summary of the variability of employment context in evidence across the sample.

⁹ For example, HMRC's formal definition of self-employment takes into account a range of common law principles around whether individuals are able to hire others to complete required tasks, whether own equipment is provided, whether working arrangements rely on fix priced agreements versus salaried or per-hour arrangements, etc. For a summary of conditions see www.hmrc.gov.uk/employment-status/#1

¹⁰ In the context of a sensitive research subject such as child maintenance and financial compliance, extensive questioning around respondents' income levels and work situations would likely both hamper recruitment and discourage respondent trust of research and moderators. In recruitment, the issue of employment status was explored via a 'hours per week worked' self-report measure. Employment status (number and type of jobs held, contracting arrangements, etc.) were explored within the research sessions themselves.

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The three broad categories included the:

- **regularly self-employed** – i.e., those who meet the HMRC definitions of ‘self-employment’, and who work full time or close to full time as a self-employed worker. Usually, these individuals had a set occupation or career rather than multiple part-time streams of income. This category of respondent could include both higher and lower income, but overall tended to have a higher level of work hours and income levels as compared to other groups in the sample.
- **limited self-employment** – i.e., individuals who had more limited and variable income overall, and tended not to be working full-time or near full-time hours. Respondents in this category often had more income-related difficulties paying child maintenance; for example, struggling to pay basic bills every month and to maintain compliance around child maintenance payments. In this group there was more evidence of multiple job-holdings, although there were also respondents with one set occupation – albeit one that tended not to provide (near) full-time hours and corresponding income security.

Many individuals in this category met HMRC’s definitions of ‘self-employment’ but some did not – e.g., there was evidence of individuals on ‘zero hours’ contracts who, lacking the benefits and protections of traditional contracted employment (e.g., set income, sick pay, etc.) incorrectly perceived themselves as ‘self-employed’, despite being paid via Pay as You Earn (PAYE). Overall, there was evidence of confusion of exactly what constituted ‘self-employment’ and suggestions that some individuals may miscategorise themselves. This did not seem to correspond to an overarching strategy to incorrectly identify as self-employed for tax purposes; rather, respondents seemed to be making a ‘best guess’ choice at the point of self-identification in the child maintenance system.

Within this category, there was also some (minimal) evidence of ‘strategic’ self-employment; respondents who preferred to remain self-employed, or registered as self-employed under more complex working arrangements, in order to maintain more control over the amount of income declared and thus the calculation of child maintenance liability.¹¹ Although this was infrequent in the research sample, it does suggest that the ‘self-employed’ category may contain some individuals who are less disposed to comply overall, and are actively seeking to reduce their liability by declaring themselves as self-employed. In one case, the respondent reported that he had been advised by a third party (Citizens’ Advice Bureau) to declare himself as self-employed in order to retain more control over his child maintenance liability. Another few individuals noted that they preferred to remain self-employed to avoid direct withdrawals of child maintenance from their pay cheque.

‘CSA is the reason I stay self-employed, because if you’re employed they can take payments straight off your wages, straight out of the company ... With them being unpredictable, and unorganised, they can hit you whenever they want

(Compliant)

‘Citizens Advice Bureau told me that I should say I was self-employed because I was worried about having enough money to make the payments ... so to register as the self-employed teaching job instead of my other work.’

(Non-compliant)

¹¹ For example, when holding multiple jobs – some as a self-employed service provider, and some as a paid worker.

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- **Essentially unemployed** – i.e., individuals who had limited or no income at the point of interview. For those with limited income, this tended to consist of only one or two days of work per month, with some evidence of grey market labour participation – for example, with the only income streams being small and unpredictable cash in hand work via gardening or leafleting jobs.

For some in this group, ‘self-employment’ seemed to be an outdated classification, based on an earlier employment status when still in work. For others, it seemed to reflect a personal choice to identify as ‘self-employed’ rather than ‘unemployed’ when choosing their own employment status in the CSA system – perhaps a response to the stigma of being ‘unemployed.’

Most respondents in this group were currently claiming benefits (i.e., Jobseeker’s Allowance (JSA)) or had done so in the past. For non-compliant respondents currently on benefits, there was some confusion about how they could have garnished non-compliant status, given that child maintenance payments were taken directly from their JSA. There was little understanding of how outstanding arrears might influence compliance status.

As noted above, the importance of respondents’ employment status and income levels were quickly identified as a key driver of behaviour and attitudes around child maintenance. Those with very minimal incomes, and those that were currently unemployed, reported that they found it difficult if not impossible to budget for and pay child maintenance in a compliant fashion (see Section 3.1.3 below for more details). Although other barriers around compliance were often in evidence as well, as discussed below, these individuals maintained that they simply did not have the means to pay, and did not view compliant payment (or catching up on arrears) as a feasible choice.

The purposive sampling approach taken in this research cannot provide evidence against the extent of unemployment and minimal employment in DWP ‘self-employed’ child maintenance sample. However, it would suggest that further research and analysis is needed to understand the degree to which income levels differ in this group versus the child maintenance sample at large, and thus the degree to which rates of non-compliance in the self-employed group is driven by income-related issues. As we will discuss in more depth, it also suggests there may be a need for more targeted approaches to promote positive behaviour change – with different communications and supports required for those who do not perceive that they have the choice to comply, versus those who have the means to do so but currently chose not to.

2.2 Journey to use of the statutory system

Whilst it was not the primary purpose of this research to explore exhaustively the specific circumstances and processes by which people separated and became engaged in the statutory child maintenance system, this was briefly explored in research sessions in order to provide contextual insight around respondents’ attitudes towards ex-partners and towards the statutory system itself.

Unsurprisingly, parents frequently reported that their relationships with ex-partners were fraught with conflict and turmoil. Frequently, communication was considered to be extremely difficult, ‘patchy’ or to have broken down completely. Some respondents had infrequent or no contact at all with their children as they had been unable to agree visitation arrangements with receiving parents. This conflict and communication difficulty was reported as a

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fundamental driver for the use of statutory service.; Many respondents indicated that they would prefer to pay via private arrangements – or indeed, to simply share care for the child/ren in question– but did not consider this feasible given the lack of productive contact with ex-partners.

‘People go to CSA for a reason, because there’s been a breakdown. Was it because he was a nightmare, she was a nightmare, or they just mutually agreed to separate. Those people who mutually agreed can probably sort it out, the others can’t.’

(Compliant, 16+ hours/week, Birmingham, CSA, Group)

Some respondents were visibly emotional during research discussions. Many were upset that they did not have closer and more productive relationships with their children and, in some cases, ex-partners. Whilst there was some evidence of paying parents who were more detached about their obligations to support their children, the majority of respondents in research voiced opinions that they would prefer to negotiate alternative arrangements. Arms-length support – focused on financial support rather than in-person care – was typically viewed as a frustratingly unsatisfying alternative to more embedded involvement in their children’s lives. Respondents were often angry and frustrated with ex-partners, if they were not viewed as helping enable closer parental involvement, and some voiced a sense of helplessness to change their circumstances.

Whilst the sensitive and typically negative emotional and practical circumstances driving the use of statutory systems are perhaps not surprising, they are worth highlighting at the outset. These relationship contexts had strong influence on respondents’ attitudes and behaviours around child maintenance, as we will discuss in the sections to follow, with their experiences and histories with ex-partners often presenting significant barriers to compliance.

There were two broad categories in terms of respondents’ journeys towards statutory system use: those who had no previous experience of private arrangements and non-statutory payment, and those who had entered the statutory system after private arrangements broke down. Each is briefly discussed as follows.

2.2.1 No previous experience of family-based arrangements

This group included some parents who had entered statutory arrangements following relationship breakdown and/or legal custody battles, as well as individuals who had not previously been in contact with their ex-partner around child maintenance obligations.

In many cases, statutory system use was a response to disagreements and conflict between parents – for example, due to disagreements about the amount of money that should have been paid, or around questions of paternity and obligations for support. In some cases, a lack of contact between parents meant that the respondent was not aware of why the statutory case was initially opened; a request for maintenance via the statutory system had been either the first contact around child maintenance, or indeed the first notification of paternity of the child in question.

However, there was also some suggestion that individuals entered the system ‘by default’, for example, assuming that when relationships broke down the statutory system was the typical or only way forward to arrange maintenance. These individuals thus did not have any experience of attempting to negotiate family-based or other non-statutory arrangements.

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2.2.2 Statutory involvement following breakdowns of family-based arrangements

Alternatively, many respondents in the sample reported that they had initially engaged in family-based arrangements, but that a statutory case had been opened up following disagreements or increased conflict with ex-partners.

When instigated by the paying parent, statutory cases had often been opened to secure evidence of payments and 'protection' against claims that maintenance had not been paid, or due to suspicions that money provided was not being appropriately spent on the child (particularly in cases where there were concerns about alcohol or substance use).

Where the statutory case had been opened by the ex-partner, this was reported as being due to a wide range of circumstances. For example, this may have been due to disagreements about the amount of maintenance to be paid; changes in circumstances for one or both partners (e.g., new children which might affect a parents' financial circumstances; a history of private payments being infrequent/inconsistent; or new circumstances around income which reduced the paying parents' ability to provide maintenance (e.g., sickness, unemployment, reduced income, etc.).

Respondents also frequently reported a perception that ex-partners reactively opened statutory arrangements 'as a punishment' following disputes, or even reported that the 'threat' of statutory involvement was used 'strategically' at times.

'I've got to pay my rent or I'm out on the street. I need my phone for work ... She's got enough money – I know she's doing things on the side – I know she's got enough money coming she's just doing it to be spiteful.'

(Non-compliant)

'She did that purely to cause me grief.'

(Non-compliant, 16+, CSA)

This positioning of the CSA as a 'punishment' was in direct conflict with a more optimistic and helpful potential narrative of 'using the system to help support my child.' As we will explore in greater detail to follow, if respondents perceived the CSA as an extension of their difficult relationship with their ex-partners, or as a third-party body which was not legitimately acting in the best interests of their child, this could strongly reduce motivation to comply.

3 Barriers to and triggers of compliance for CSA self-employed paying parents

This chapter explores the attitudinal, behavioural and practical drivers of non-compliance for Child Support Agency (CSA) self-employed paying parents, and factors which seemed to be associated with more compliant behaviour. Findings in this section draw on data from respondents registered with the CSA, at the time of the survey, as well as those who had transitioned from the CSA to the new Child Maintenance Service (CMS).

3.1 Drivers of non-compliance under CSA

Each research session included elements of:

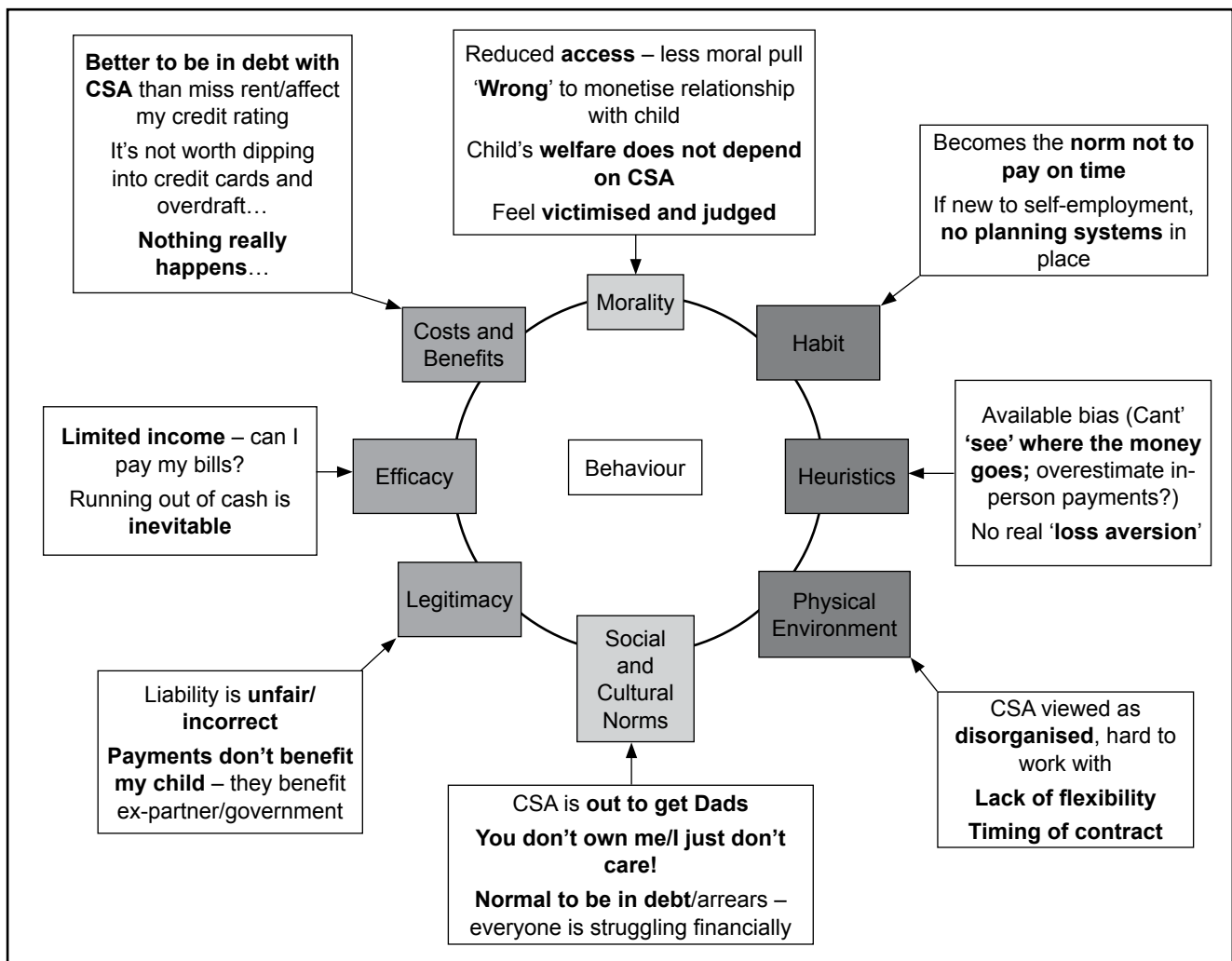
- context-setting (for example, discussing general employment circumstances, budgeting behaviour and family status),
- child maintenance process mapping (mapping out in detail respondents' current process of planning for and paying child maintenance) and
- specific questioning around responses to the CSA (for example, questioning response to notifications around arrears).

This combination of more exploratory and structured mapping exercises provided a comprehensive picture of respondents' current behaviour and attitudes around child maintenance, as well as how they interacted with the system itself. Crucially, it helped us identify a range of barriers around compliant behaviour within CSA self-employed clients and to build a picture of what drives these.

For ease of reference, these barriers are summarised against the various behavioural 'drivers' represented in the TNS 'Behaviour Web' in Figure 3.1, below. This provided a structure for research discussions and analysis, for example, ensuring that research explored more general influences such as costs and benefits, efficacy, social norms and habits, and heuristics in respondents' thinking.

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Figure 3.1 Summary of drivers of non-compliant behaviour for CSA self-employed paying parents



Behaviour is of course complex and multi-faceted – and in some cases, barriers to compliance overlap across multiple drivers.

For example, one common assertion was that non-compliance was partially driven by a perception that 'the CSA is out to get fathers' rather than acting as a support service to benefit children. This represents a package of beliefs containing, for example:

- elements of moral judgement (it's wrong for you to judge me and reduce my relationship with my child to one of financial payment);
- social and cultural norms (the Government doesn't serve me, so why should I play along); and
- reduced legitimacy around requests for payment (the payment benefits you, not my child – that's why you're chasing me).

Further details are provided against each behavioural driver in the sections to follow.

3.1.1 Morality

When discussing reasons for non-compliance with statutory maintenance liability under the CSA, respondents reported a range of barriers related to perceived lack of moral authority of the CSA (or ex-partners) in requesting financial support. Although paying parents were typically quick to emphasize that they wanted to ‘do the right thing’ for their children, statutory payment did not seem to be successfully linked with this moral driver for many – with the CSA instead inhabiting more questionable moral space.

As discussed above, this was in part due to perceptions that the CSA was used as a ‘**punishment**’ by ex-partners rather than a third-party support to help parents in conflict provide for their children. In some cases, paying parents felt that financial support via a statutory system was not appropriate or desirable (for example, where they would prefer to contribute in other ways, or where the receiving parent was perceived as ‘doing well’). This was particularly common for individuals who were involved in other ways in their children’s lives – for example, via shared care arrangements (e.g., weekly visitations) or non-monetary support (e.g., via the direct provision of clothes, nappies, etc.).

Paying parents also resented the **perceived imbalance in responsibility around arranging for support of children** under the CSA system. That is, they ‘had to’ pay their child maintenance payments, but did not feel that the system encouraged the receiving parent to consider alternative arrangements or negotiate the terms of child access. This could lead to frustration and rejection of the system, particularly from parents who reported that they would prefer to be more involved in their child/ren’s lives rather than provide arms-length support via statutory payment. In this context, the perceived Government emphasis on ‘paying what you owe’ could trigger feelings of resentment and anger; respondents sometimes felt that the CSA was meddling in family issues without recognising the often painful emotional circumstances involved. Paying parents rejected implicit associations of non-compliance with child maintenance with stereotypes of the ‘uninvolved father’ or ‘deadbeat dad.’

‘It should be PAY PER VIEW! You call me and harass me to pay – even though I WANT to see my child, it breaks my heart not to have them with me.’

(NC)

‘The important thing is taking time and care for my daughter, and I do, and I buy the nappies and the food – how dare you say I owe X amount, pay up! It’s not your place.’

(NC)

Statutory obligation was thus often linked to a sense of ‘**moral injustice**’ and sense of mistreatment. At times, this was clearly linked to a wider narrative of **victimisation** around the perceived treatment of fathers by the courts. Where paying parents perceived that they were treated unfairly by CSA staff, this amplified their sense of moral indignation and sense of victimisation. Respondents widely reported that they felt they were treated ‘like a criminal’ by CSA staff when they became non-compliant in payment. Again, this approach was felt to lack sensitivity in terms of understanding the often complex circumstances involved. Paying parents reported feeling ashamed, guilty and angry after contact with CSA staff – which seemed to be linked to a resulting impulse to retreat or lash out.

‘Basically they talk to you like you’re scum – you can’t explain yourself to them and if you try it falls on deaf ears’

(C)

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Finally, some respondents also reported barriers around balancing child maintenance obligations against the moral responsibility to care for other loved ones – for example, new partners and/or children. Linked to a lack of understanding of how liability was calculated, and a lack of perceived ability to adjust liability to reflect changes in family circumstances, respondents often felt that the calculated liability did not reflect the full total of their family financial obligations.

3.1.2 Legitimacy

A wide range of barriers around a lack of perceived legitimacy – of the CSA or of the parents' child maintenance liability – also reduced motivation to pay or sometimes resulted in outright rejection of statutory obligations.

Respondents often perceived their calculation of child maintenance as **fundamentally unfair** – both for reasons related to their self-employment as well as wider issues. For example, paying parents reported that their calculated liability did not adequately take into account:

- **Income flow** – e.g., due to seasonal, yearly or constant flux in income due to self-employment. This could occur during times of illness or unemployment; or at points of unexpected difficulty securing adequate income to cover basic survival needs and/or other bills (e.g., due to loss of a major contract). Some respondents also raised the issue that their financial situation had changed since the year before, and they were uncertain whether or how liability could be adjusted to reflect this.

'There's no way I can make these amounts...'

(C)

- **Support provided outside the statutory system** – e.g., in situations of shared care, or when the parent was providing goods or cash via private arrangement. Those who were in regular contact with their children and had a significant amount of shared care responsibility were particularly likely to query the legitimacy of statutory payment. There were also instances in which respondents' queried the legitimacy of calculated arrears; for example, in cases where a family arrangement had broken down, leading to statutory case being opened, but where previously provided payments did not seem to be taken into account in retrospective liability calculations.

'I pay for all the school uniforms and haircuts and stuff but she still chases me for CSA'

(NC)

'My daughter lives with me at least 3 days a week – why isn't that taken into account?'

(NC)

- **Ex-partners' situations or imbalances in financial contexts** – e.g., where receiving parents were viewed as having the ability to provide for the child independently, or where receiving parents had a new partner who also provided financial support.
- **Other financial pressures and obligations** – e.g., where respondents felt that the addition of new children or partners made it less feasible to meet their child maintenance obligations.

Frustrations around the perceived 'unfairness' of child maintenance payments were exacerbated by respondents' very **low understanding of exactly how liability was calculated**, what it took into account, and what the procedures were for adjusting liability to

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reflect changes in circumstances. For example, many respondents were surprised to find out that liability could be adjusted to take into account changes in family circumstances (e.g., new children).

There were also instances of requests for payments which parents perceived as **incorrect**, and, as above, a sense of limited efficacy in terms of working within the CSA system to adjust arrangements accordingly. For example, in one case a respondent recorded that his child had been living full-time with him rather than the receiving parent for over a year. But because the receiving parent was the only one who could 'close the case,' he was registered as non-compliant in the statutory system. In other cases, respondents stated that when they had queried the accounts or believed that payments had not been recorded, CSA staff had been unable to provide up-to-date details or respond to queries. This could reduce perceptions of the system's integrity and reliability.

Finally, as linked to barriers around the perceived **moral status** of the child maintenance system (see above), many respondents reported that they did not believe that payments legitimately benefited their child. For some, this was due to the positioning of the system as a 'punishment' rather than support, with the money provided linked to 'meeting one's obligations to the system' rather than with 'supporting the child.' For example, respondents sometimes assumed that CSA currently 'takes a percentage' or a fee. In others, this was linked to suspicions that the receiving parent was not spending the money appropriately, and frustrations about the lack of transparency of how financial support was used. Where respondents felt that the money collected was misspent, this strongly reduced motivation to comply.

'She gets the payment on Friday – Friday night it goes straight up the nose.'

(NC)

'In effect, I'm probably paying for the drinks with the new fellow.'

(C)

3.1.3 Efficacy and Costs/Benefits

This research identified a wide range of barriers related to respondents' efficacy – that is, their ability to successfully budget for and pay their child maintenance in a compliant fashion – and calculation of the costs and benefits of compliance.

Firstly, motivation alone is not sufficient for compliance. In order to maintain compliance, paying parents must have **adequate income** to meet their basic needs and juggle bill payments. While many in the sample had adequate income to meet this minimum threshold, those with very low or fluctuating income reported that they felt compliance was simply not an option; they did not have enough money to meet their day to day living requirements, let alone further bills and child maintenance payments. Again, perceived inability to make required adjustments to calculated liability exacerbated paying parents' frustration around income-related barriers to compliance, with unemployed or minimally employed individuals feeling there was 'no way out.'

'It makes you feel horrible, like a horrible man – but how am I supposed to pay?'

(NC)

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For those that had adequate income to potentially make child maintenance payments, **low budgeting ability** could also be an issue. Respondents characterised self-employment as requiring a ‘juggling act’ – requiring a constant and careful balancing of (often unpredictable) incoming funds with the steady stream of outgoing bills and living expenses. Many respondents had little experience of putting money aside proactively for future payments, and variability in income could also make budgeting tools such as Direct Debit less feasible. Again, for some this was linked to histories of low income which allowed for little savings, focusing incoming funds on meeting day-to-day expenses. However, there was also some evidence of individuals with relatively higher incomes clearly not having the budgeting skills required to plan ahead and stay on top of bills; for example, one individual earning over £2000 a month with fairly minimal housing and living expenses, who nonetheless felt that running out of funds at the end of the month was ‘inevitable.’

Within the context of this ‘juggling act’, there was also evidence that **child maintenance was not prioritised** to the same extent as some other payments. For example, respondents widely raised that they would prioritise ‘survival’ and job-related costs first – for example, rent, utilities, petrol/travel, and job-specific costs such as vehicle insurance. Paying parents noted that unless these basic bills were paid, they would be unable to function and work.

‘If I can’t work, they’re not going to get any money out of me at all...’

(NC)

Those able to meet their financial obligations beyond these basic costs at times evidenced that other payments still took higher priority than child maintenance due to the perceived **higher cost of non-compliance for other bills**. For example, one respondent made the point that they would be more likely to make the effort for timely payment for bills which affected their credit rating, such as mobile phone contracts. There was also some suggestion that bills related to supporting one’s ‘new family’ often took priority, due to the visibility and immediacy of feedback when support was not provided.

Conversely, non-compliance within the CSA was perceived as having only long-term and inconsistent costs. Respondents noted that they had experienced long periods of building up arrears – either knowingly or mistakenly – before any action was taken. There was awareness that the CSA could threaten court action, but this had been experienced only after long-term non-compliance, and seemed to be an effective deterrent only for some. The most likely and immediate cost of non-payment was typically felt to be ‘harassing’ phone calls from CSA staff. Whilst these were widely considered stressful and were motivating for some individuals, for those with more habitual patterns of debt and experience with debt collection contacts (from the CSA or other bodies) these calls were often simply ignored.

‘It does bother me, but you tune it out – it’s just like any other bill chasing you up.’

(NC)

3.1.4 Social and Cultural Norms

Research also identified barriers to compliance related to social and cultural norms – both in terms of a lack of stigma around ‘debt’ per se, and in terms of negative perceptions of the CSA or the Government helping to legitimise non-compliant responses.

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For some, particularly for those on lower incomes, there was a clear **normalisation of debt**. Some respondents spoke of debt being ‘unavoidable’ for many in their immediate and extended social groups, related either to financial hardship during the recent economic downturn or to perceived low opportunities more broadly. Being in arrears with the CSA was viewed as comparable to being in debt more generally, and as an inevitable consequence of limited incomes. There was also some evidence of a perception that debt is becoming more common and socially acceptable across society in general. Overall, the avoidance of debt per se was not a hugely motivating trigger for compliance in this group.

‘Borrowing is a fact of life.’

(C)

Negative perceptions of the CSA – via either first-hand experience or second-hand reports – also seemed to contribute to the justification of non-compliance for some individuals. For example, respondents tended to view non-compliance as the consequence of being ‘unfairly treated’ by the CSA rather than as a result of their own personal choices. This could further link child maintenance payments to a larger narrative of victimisation (as discussed above in Section 3.1.1), rather than more helpful associations (e.g., a way to support my child).

Linked to this, there was also some suggestion that social and cultural norms of **rebellion against authority** or Government – particularly when linked to doubts around the legitimacy of the CSA or the payments requested – were contributing to non-compliant behaviour for a small number of individuals.

In its extreme form, this could result in total disengagement with statutory maintenance obligations. For example, one individual reported that he chose not to pay child maintenance payments because it was another ‘way for the Government to pick your pocket’, as part of his personal rebellion against ‘being a slave for the Government.’ Another stated that he was not interested in becoming compliant as he was simply not interested in having others telling him what to do.

‘I can just do what I want ... I’m not going to pay.’

(NC)

There were also suggestions that this impulse furthered non-compliant behaviour more widely in the sample, with respondents noting that when they felt that their ‘backs were against the wall’ it encouraged a desire to ‘fight back.’

‘It’s b ... – you’re going to come in here and tell me what to do – that’s not your place.’

(NC)

3.1.5 Physical environment/system structure

Research identified a range of barriers to compliance related to the structure and practices of the CSA system itself. These centred around the perceived difficulty of interacting with the CSA to obtain information or adjust payment arrangements, and around the timing of the key contact points between paying parents and CSA staff.

Respondents frequently noted that they experienced the CSA as **disorganised**, and complained that they found it **difficult to liaise with** the CSA (via letter or via conversation with staff) to obtain needed information. For example, paying parents reported that when they had requested details about their case in the past – such as their recent payment

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history, the status of Direct Debit arrangements, or specifics around how liability was calculated – staff had been unable to access the requested information. Instances of repeat letters and delays in registered changes in circumstances were reported. Respondents also voiced frustration about needing to repeat their circumstances on multiple occasions – feeling that when they tried to explain or respond to instances of non-compliance, these were not taken into account or followed through. Overall, frustrations around any perceived disorganisation reduced faith in CSA communications and contributed to a sense that the system was not as efficient as it could be.

‘Sometimes I receive the same letter 5 times – you wonder where does the money go? To our children, or wasted at the service they’re providing ...’

(C)

Respondents also perceived the CSA system as highly **inflexible** – which was reported as sometimes making it **difficult to pay**, even when paying parents were willing to do so. This was in part linked to specific concerns around arranging payment within the context of variability in income due to self-employment. For example, some noted that they had not been able to easily switch between weekly and monthly payment to respond to shifting income variability, or the ability to ‘bank’ payments in advance rather than pay the same set amount for each payment. However, broader issues were also raised. For example, respondents perceived that paying parents could not easily adjust maintenance liability in response to variations in shared care responsibilities, to take into account periods of increased or primary care provision. Frustrations in this area were linked both to low understanding of the potential adjustments that could be made, as well as to some negative experiences of inflexibility on the part of case workers.

‘I rang up and said I want to pay, can I pay X – they said no that’s not enough – and I thought F... you – I haven’t paid since.’

(NC)

Finally, the **timing and focus of contact** from CSA staff was perceived as unhelpful, and contributed to negative positioning of CSA as a system which primarily ‘chases payments’ rather than serving as a support service for parents to manage child maintenance. Some respondents noted that their first contact with the CSA had been notifications around arrears – for example, when backdating for a newly opened case resulted in an initial arrears notification of several thousands of pounds.¹² When asked to describe their contact points with CSA, ‘hectoring phone calls’ were also respondents’ top of mind response; reminder calls from CSA staff, taking place after non-compliance had occurred, served as the ‘face of the CSA’ for most paying parents. Of necessity, these contacts centred around the negative event of having missed a payment. Respondents’ perception that the tone of these calls was quite negative, and that they felt ‘judged’ by staff, also meant that these calls often produced a desire to avoid contact with the CSA.

‘First thing was a bill for thousands of pounds, that’s the first contact they gave me.’

(C)

¹² Research could not establish the accuracy of these perceptions, and respondents’ recall of written contacts from CSA were overall quite low; it is possible that in some cases, earlier notifications and contacts had occurred, but that memories of arrears notification were more vivid. Regardless, these perceptions of arrears notifications as first contact did set the tone of their relationship with CSA for many respondents.

3.1.6 Habits and Heuristics

Finally, a range of less conscious barriers were evident in terms of respondents' habits and processes of automatic decision-making in relation to the CSA. As discussed previously, few respondents had developed good established practices around budgeting. This included individuals on lower incomes who felt they had not been able to move beyond more 'reactive' bill payment due to a lack of incoming cash flow, as well as individuals who were newly employed/self-employed who had not yet developed positive budgeting behaviours.

There was also evidence that some individuals had fallen into fixed habits of non-compliance – both for child maintenance payments specifically and for bill payment more generally. Particularly for those on lower incomes, there was an acceptance that not all bills were likely to be paid on time, and a feeling that more proactive approaches were either not feasible or worth it. This could result in paying parents' using non-compliance contacts as 'reminders' to pay. This was linked to the limited perceived costs of non-compliance as discussed previously; respondents prioritised bills where there was higher perceived loss associated with non-payment.

'If I remember that's fine, if I forget they ring up and harass me ... So then you pay.'

(NC)

'The consequences? I'm not really sure ... I guess they can take you to court eventually?'

(NC)

Finally, there seemed to be a common influence of the availability of heuristics in terms of respondents' priorities around how they would prefer to support their child – linked to previously discussed preferences for more in-person rather than arms-length provision of support. Respondents frequently mentioned that when paying through the CSA they 'can't see where the money goes' in the same way as when they provide tangible goods and activities to their children. Paying parents thus noted that when funds were tight, they preferred to spend money in person – for example, providing food, nappies, clothing, entertainment, and so on – during visitations. Research sessions could not establish the degree to which this provision of tangible support might 'equal' the financial amount calculated as respondents' formal liability. In some cases, this seemed quite substantial; on others, there was some suggestion that respondents may be overestimating the financial value of tangible supports provided, as these were more emotionally salient.

'I don't see where the money is going to – it's just another bill coming out of my account. Whereas if I have the opportunity to take care of my children, that obviously makes me feel better – I can see where the money is going.'

(C)

3.2 Triggers for compliance

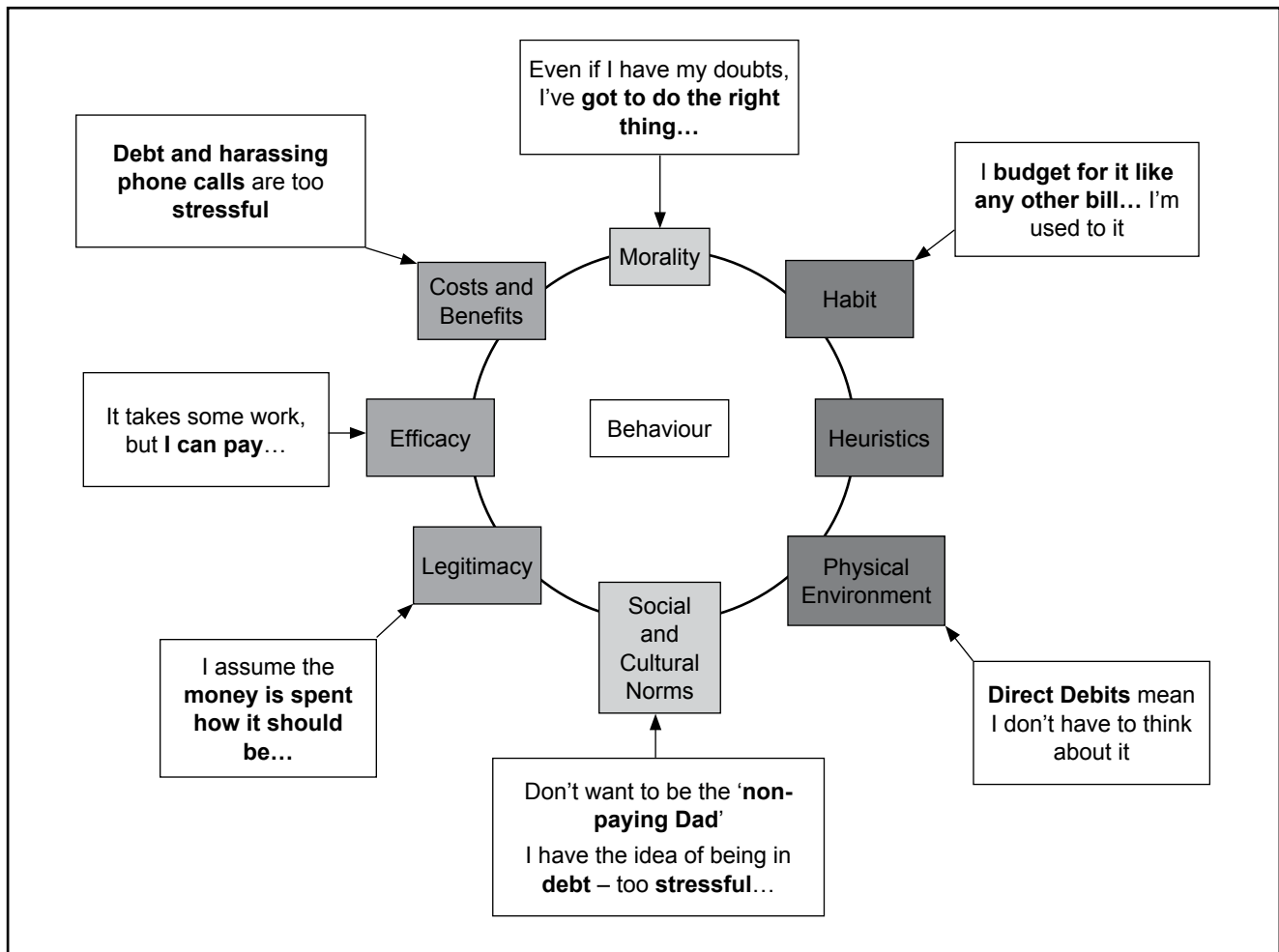
Overall, compliance seemed to be a shifting status for many in the research sample. Many of the currently compliant individuals included in research had been non-compliant at some point in the past, and there were suggestions that some were actually non-compliant at point of interview – but that this had not yet been registered in the child maintenance system. Few, if any, experienced none of the barriers identified above; for example, compliant parents

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often raised similar concerns around legitimacy and beliefs about being unfairly ‘judged’ by CSA. However, overall they tended to experience fewer of these barriers and to a lesser degree – and, in some cases, to have key behavioural triggers for compliance which were not observed in other respondents.

The key drivers for compliance which seemed to be most successful in overriding the range of attitudinal and practical barriers discussed above are summarised as follows:

Figure 3.2 Triggers for compliance under CSA



Firstly, within the research sample, compliant clients were more likely to have higher or more stable incomes overall.¹³ This basic differentiator played a key role across multiple behaviour drivers, including efficacy, habit, and costs and benefits. For example, relatively higher and less variable incomes:

- tended to mean that respondents felt **fundamentally able to pay** both their basic living costs as well as monthly bills, including child maintenance.

¹³ Anecdotally, recruitment of compliant respondents working 16 or fewer hours per week was very difficult – and limited representation of this group within the sample provided meant that more depth interviews and paired depths or trios were undertaken with this group rather than an originally intended focus group approach. In contrast, a focus group of compliant individuals working 16+ hours or more per week was recruited with ease.

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'If you can pay and don't pay, your moral compass is skewed.'

(C)

- were associated with the development of **budgeting skills and habits** which allowed respondents to be more proactive about putting money aside for maintenance payments and to plan ahead for any potential dips in income.
- enabled the use of budgeting tools such as **Direct Debit**. This was a strong driver of compliance – effectively removing the monthly 'choice' to pay maintenance, and thus mitigating the impact of any existing barriers around payment.
- tended to have **less normalisation of debt** – which seemed to amplify the impact of any notifications from CSA around arrears or non-payment. For example, those who had not previously experienced frequent debt found phone calls from CSA staff to be much more stressful, and preferred to avoid them.

'I don't like things hanging over my back – the longer you leave it the worse it's going to get. I like to stay on top of things.'

(C)

Other drivers for compliance were more attitudinal, based on respondents' **personal priorities and identity considerations**. For example, a few individuals reported that they felt a strong moral obligation to support their children, in part linked to fear of being viewed as a 'deadbeat Dad', or a 'non-paying father.' In one case, this basic driver overcame significant barriers around the perceived legitimacy of payment; the paying parent had doubts that the funds provided were being spent appropriately, but nonetheless wanted to be able to have a clean conscience that he had 'done his part.' Others had strong personal orientations that one should avoid debt and non-payment – seemingly in part linked to social norms within his family and peer group about appropriate behaviour.

'As a parent of my children I have a moral responsibility to support them.'

(C)

4 Child Maintenance System – self-employed paying parents' responses and likely behaviour

After providing a brief overview of the key aspects of the new Child Maintenance System (CMS), this chapter:

- summarises the key windows of opportunity and potential risks around positive behaviour change within the CMS – drawing on the range of triggers and barriers for compliance as outlined in the previous chapter;
- explores self-employed paying parents' responses to key aspects of the new CMS;
- details current experiences of self-employed paying parents who have already interacted with the CMS; and
- discusses potential communications and other support which may help promote positive behaviour change as the new system is rolled out.

4.1 Summary of levers in the new Child Maintenance System

During research sessions (which took place before charging was put in place), a summary of the new CMS was introduced to respondents, including the following four key aspects:

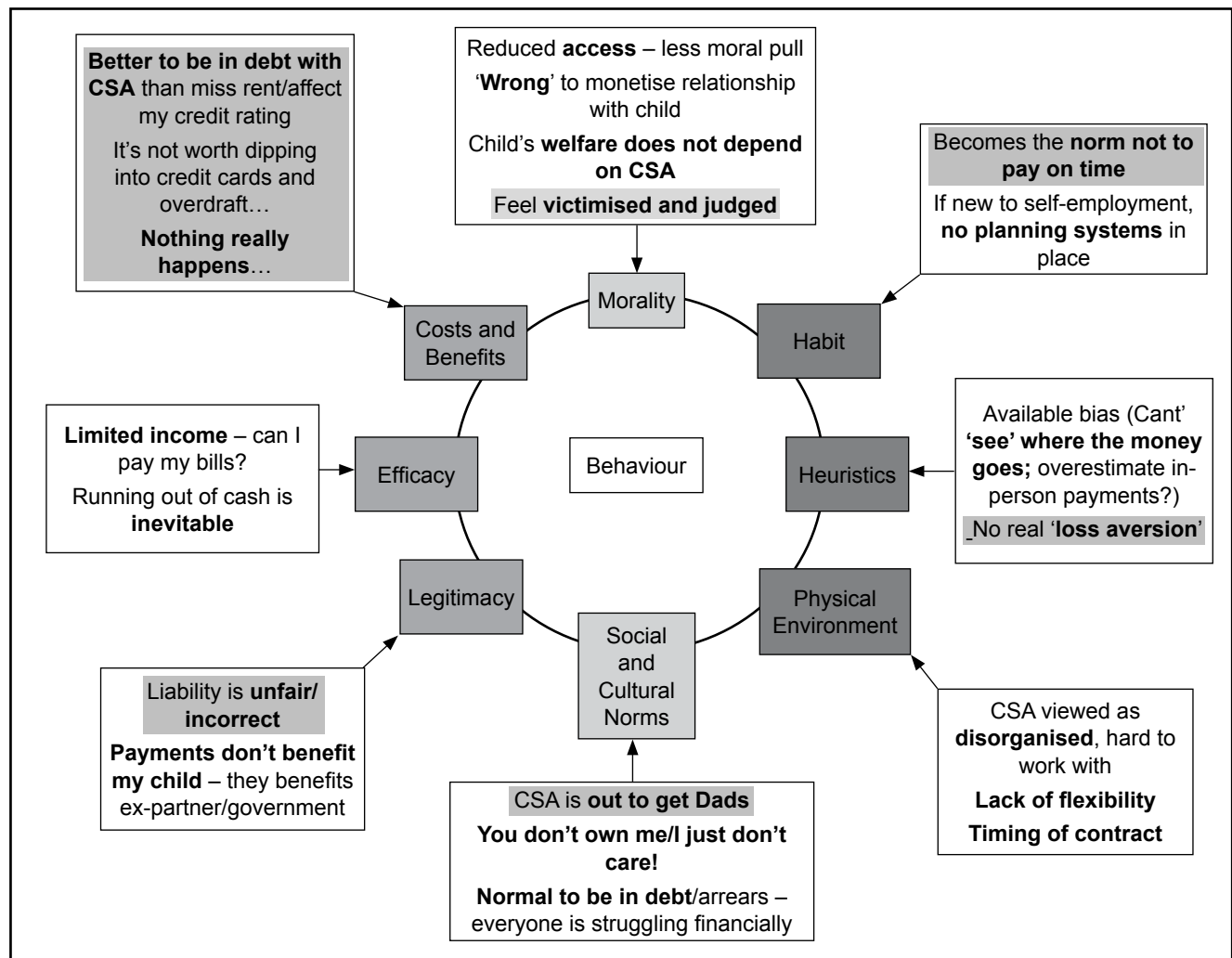
- 1 Under the Government's proposals, the CMS will charge a **£20 application fee**;
- 2 There will be a **20 per cent collection charge** for paying parents on top of their calculation;
- 3 There will be a **four per cent charge on** payments for receiving parents;
- 4 These ongoing charges can be avoided if parents opt for Direct Pay, where parents pay each-other directly at arms-length from the CMS. If payments stop, the CMS will step in and enforce payments, where they are informed;
- 5 **Maintenance liability** will be calculated based on Her Majesty's Revenue and Customs (HMRC) figures from the last full tax year. Unless income changes by more than 25 per cent HMRC will not reflect any change in income in their liability until the next annual review.

4.2 Windows of opportunity and potential risks

As part of the analysis process, researchers mapped out the potential windows of opportunity and risk areas for the new CMS. Using the map of behavioural drivers, we identified likely points of intersection between the range of barriers to compliance (explored in Section 3.1) and the key levers for change in the new system (primarily around the introduction of charges).

These are summarised in the figures below in the rectangles.

Figure 4.1 Windows of opportunity for CMS in overcoming compliance barriers



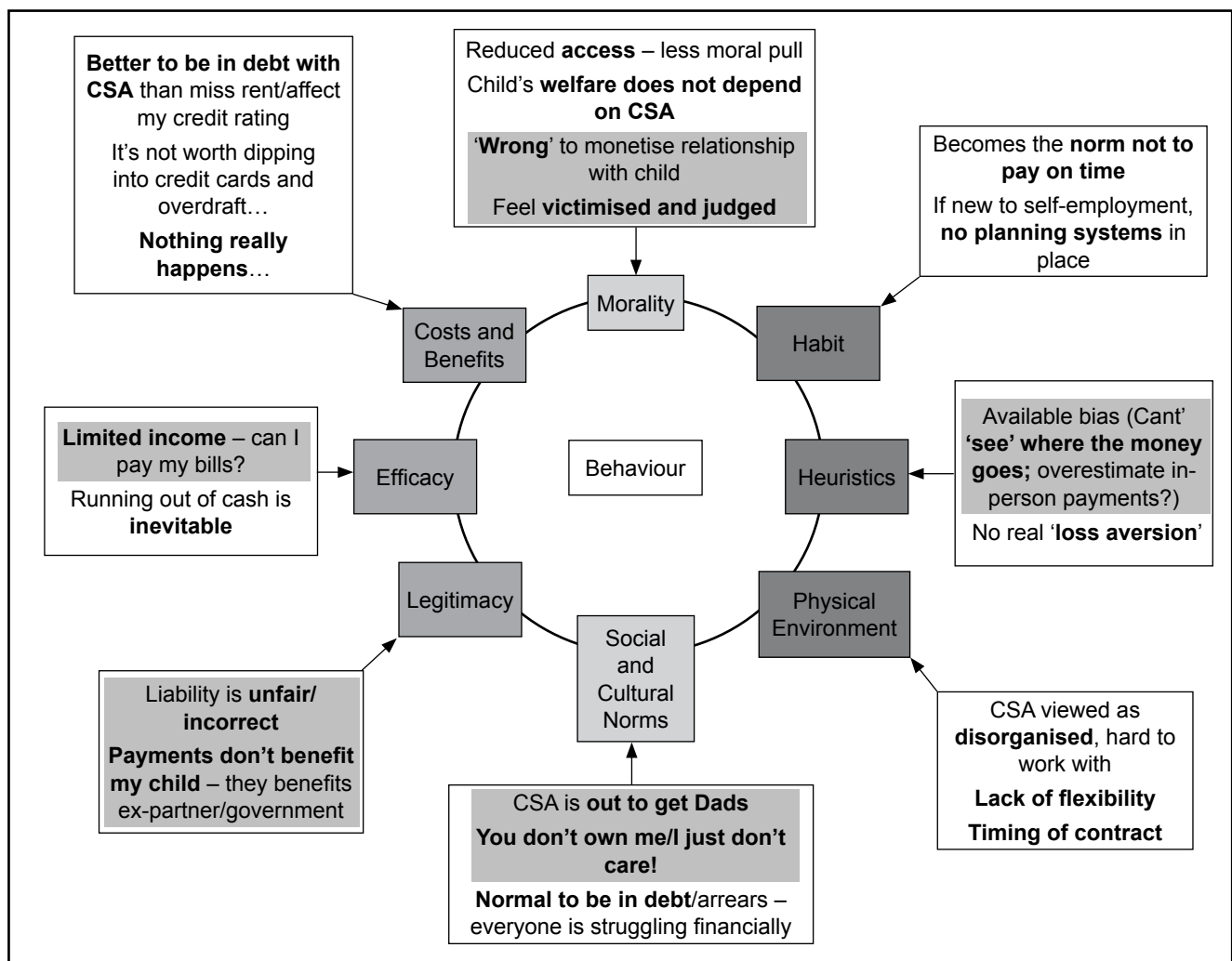
As outlined above, the key windows of opportunity for the introduction of charging in terms of promoting positive behaviour change are around disrupting perceptions that non-compliance is 'low cost' by providing more motivation around loss aversion (i.e., via introducing a direct cost for non-compliance such as enforcement charges, or other consequences that are clearly linked to non-compliant behaviour) – potentially disrupting patterns of habitual non-payment and passivity around proactive budgeting.

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The introduction of application fees also went some way to redress feelings that the CSA treats fathers unfairly, or does not hold both parents accountable for working together to agree the best solutions for arranging child support. Finally, there was some sense that calculating maintenance liability from the full tax year might result in fairer calculation of liability for self-employed individuals – although there was low understanding of how this might work as compared to the current calculation approach.

However, the introduction of charges also involves some risks in terms of amplifying existing barriers around child maintenance payment, which must be addressed in order to promote positive behaviour change. These are summarised in Figure 4.2 (in the rectangles) as follows.

Figure 4.2 Potential risks around the introduction of charging via CMS



Detailed audience responses, and insight on likely behaviour to key aspects of the new system are explored in Section 4.3 below.

4.3 Detailed responses to CMS

This chapter explores respondents' understanding of and response to key aspects of the CMS system, likely windows of opportunity and potential risks in terms of responding to the key barriers to compliance under CSA, and initial experiences of CMS thus far.

4.3.1 £20 application fee

Perhaps unsurprisingly, paying parents were largely positive about the introduction of the £20 upfront application fee for individuals who wanted to open a statutory maintenance case.

For some, this concept produced a visible emotional response; respondents felt that an application fee went some way to redressing the perceived power imbalance between receiving and paying parents. They noted that application fees might help reduce (perceived) 'spiteful' claims, partially addressing legitimacy concerns that maintenance cases were opened not for the benefit of the child in question, but as a way to 'punish' the paying parent. And, crucially, many hoped that the introduction of fees would prompt new consideration of and conversations around potential alternative arrangements – motivating ex-partners to consider Direct Pay or family-based arrangements.

'I don't think it would be worth it for her to pay £20 just p.. me off ...'

(NC)

However, respondents also expressed some doubt that the £20 application fee would be sufficient to achieve the above outcomes. For example, some mentioned that relationships with ex-partners were so poor that they felt that ex-partners would still be willing to pay the fee rather than open a conversation about alternatives, and that the amount was also not sufficient to dissuade less 'well intentioned' applications.

'It's not a lot – it's nowt really.'

(C)

Additionally, a minority of respondents raised more general concerns that the application fee may inappropriately dissuade some parents from opening a statutory child maintenance case where this was useful and needed. For example, one respondent noted that he would worry that a mother who did not have the money to pay might thus be prevented from opening a statutory case where there was a 'legitimate' need for one.

4.3.2 Collection charges

The idea of collection charges, as introduced under the CMS policy changes, also resulted in a strong emotional response from paying parents in this research. There were clear impacts in terms of collection charges amplifying existing unhelpful perceptions of the child maintenance system as lacking legitimacy. Respondents were quick to declare this as additional proof that the system is set up to 'penalise fathers', and reported that this would contribute to a feeling that the CMS would 'benefit the Government' rather than the child in question. There thus seemed to be some risk that charges may further intensify the perceived disconnect between payment and 'the good of the child' – reducing what should be a key moral driver for compliant payment.

'This is just extra revenue from the Government, coming from the working classes.'

(C)

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Likewise, there were initial reactions suggesting that the introduction of charges might exacerbate feelings that a focus on financial support due raises associations with inappropriate or 'immoral' intervention. At the point of discussion at which the idea of charges were introduced, respondents often repeated earlier assertions that the system did not take into account their desires or actual behaviour around supporting their children in other ways. Some reported that, for them, charges would send the message that 'making' fathers contribute financially was the only thing that mattered to the CMS – as opposed to, for example, encouraging parents to work together collaboratively to support their children in the best way possible.

This raised strong feelings of anger and frustration for many – as well as, for many respondents, feelings that they should 'fight back' against what they perceived as unjust 'punishment' or controls around child maintenance. As discussed in Section 2.2, many parents reported that they would prefer to be more directly involved in their children's lives, but did not feel this was currently feasible due to existing tensions and difficulties around communications with the receiving parent. For example, some non-compliant individuals with existing barriers around the legitimacy and morality of the CSA system declared that under CMS they 'simply wouldn't pay.' Worryingly, this kind of reaction was evidence in some currently compliant respondents as well.

'If I saw this, that's it – I'm not going to pay.'

(NC)

'All of these penalty charges are just going to make people even more unable to make a private arrangement – they'll be too angry.'

(NC)

Respondents expressed a strong desire to avoid collection charges, and in theory viewed them as an incentive for parents to move out of the statutory system. Those in amicable relationships with their ex-partners were generally supportive of this change and felt it would be effective in moving themselves and others into private arrangements, or to use Direct Pay. However, many respondents contended that their difficult relationship with their ex-partner would prevent them from leaving the statutory system or paying via Direct Pay, despite being willing to do so. It was expected that in practice it would be extremely difficult for them to set up a productive dialogue with their ex-partner without mediation or external support, let alone set up and maintain private arrangements. Those who reported particularly negative relationships felt that collection charges would simply represent another 'weapon in the arsenal' for their ex-partner, further enabling them to use the statutory system to 'punish' fathers following tumultuous relationship breakdowns.

'Direct Pay won't work with me – she'll do it just to cripple me'

(NC)

This in turn accentuated feelings of frustration and disempowerment, as these respondents felt they would be completely unable to avoid collection charges. It also raised anxieties amongst those who were already struggling to afford their child maintenance payments, expecting the additional charges would exacerbate their financial worries and make their child maintenance payments unmanageable. Whilst these respondents often became despondent during these discussions, other respondents (including the compliant) reacted more angrily. Again the desire to 'fight back' was reiterated, as parents rejected

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the legitimacy of payments and reported they would try to 'game the system' as a result. Respondents began to brainstorm ideas of how they could reduce their liability calculation as much as possible, by either reducing their hours worked or decreasing their taxable income by various methods. Others suggested they would consider under-declaring their income or becoming unemployed, as they would feel disincentivised to earn money. Collection charges posed several risks in terms of respondent's feelings towards the system, that it would be punitive towards fathers and 'force' them to pay extra to fund a government agency, and ultimately for some raised the risk of proactive non-compliance.

'This will be the straw that breaks the camel's back – I'm already living on credit, I'll have to go on benefits if they do this.'

(NC)

'I would be angry – and I would reduce my income.'

(NC)

4.3.3 Enforcement charges

Charges were viewed by some as an appropriate and reasonable lever to promote on-time payment for those that chose to open a statutory maintenance case. Within the context of alternative options such as Direct Pay, there was a sense that those that chose to use the statutory system should then meet its terms.

'Fine. if you've made the choice to be in the statutory system, you should pay!'

(NC)

Additionally, for those with the means to pay, there was evidence that enforcement charges could disrupt habitual patterns of non-compliance and encourage greater prioritisation of child maintenance payments when 'juggling' this against other bills.

However, the introduction of the concept of enforcement charges also seemed to amplify barriers in relation to respondents' existing concerns around the legitimacy and morality of the child maintenance system and maintenance payments. Respondents raised a variety of concerns about whether these charges would be levied in situations where they perceived that parents might have 'legitimate' reasons not to pay, or to fail to pay on time. These were considered particularly problematic for self-employed paying parents, who both had more variable income and had less income protection in cases of unexpected sickness or inability to work. Some respondents also raised concerns that if funds were unexpectedly taken out of their account there was so little 'cushion' in their financial circumstances that this could have knock-on effects in terms of their ability to stay afloat financially.

'If Mister X has zero pounds in his account, what's the point of penalising him?'

(C)

'If you're on the sick and you can't afford to pay ... there's got to be some common sense.'

(NC)

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Respondents reacted with fear and anger at the prospect that enforcement charges would be applied in what they deemed as ‘unfair’ circumstances. There was an assumption that under the CMS, relevant circumstances affecting payment would need to be taken into account, and that there would need to be clear avenues of influence for paying parents to interact with the system to adjust liability and payment appropriately. In the potential absence of this kind of flexible adjustment to how enforcement charges were applied, there were suggestions that enforcement charges could further amplify barriers around legitimacy.

4.3.4 Liability calculation

Paying parents generally viewed the changes to the liability calculation – with information coming directly from HMRC, and liability being based on a full year’s income – as a small benefit. Only a minority experienced the current system of calculating and declaring their income to be a slight burden – e.g., if running their own business. The increased speed of calculation was also not viewed as a strong benefit.

However, this response was in the context of a very low awareness of how liability was currently calculated, and respondents found it difficult to respond to information about changes in calculation. Likewise, there was some suggestion that current declarations of income might be approximated or not currently match up with HMRC data. For example, those individuals who had misappropriately identified themselves as ‘self-employed’ at the point of entering the statutory system had not actually themselves registered as self-employed with HMRC or submitted the corresponding annual returns. To the degree that direct linkages with HMRC data would enable the identification of inappropriately categorised parents, however, this could have significant impact on some paying parents.

Respondents also raised the issue that the CMS adjustment to the way that liability is calculated did not address their current concerns under the Child Support Agency (CSA). For example, they noted that a system based on a 12-month calculation does not obviously respond to the flux and variability in income which characterises self-employment, and expected that there still may be some mismatch between what one was able to pay a year ago and what was feasible at present. There were also concerns that this system would not take into account sickness or periods of unemployment, and questions around how this would be reflected in liability calculations. Some respondents also mentioned that a 25 per cent difference in income (the minimum difference required to trigger an automatic recalculation of liability) was quite high; for example, particularly for those on low income, a 20 per cent drop in earnings could make the difference between having to focus only on ‘survival’ costs and being able to pay other bills above and beyond this.

‘It’s not better, it’s still based on your previous year’s earnings – it needs to be calculated every 3-6 months not every 12.’

(C)

‘You might have a bad year but you’d still have to pay a high rate, it might cause businesses to shut down; it’s based on assumption and probability, it’s like gamble, like throwing a dice and expecting to get six, you might not get a six but will be charged for it.’

(C)

4.4 Experiences of the CMS thus far

As noted previously, the transition to the CMS from the current CSA system had only recently begun when this research was undertaken; as a result, some of the individuals indicated as being registered within the CMS system within the DWP child maintenance database actually had limited experience with the system at point of interview. The following findings are drawn from relatively few interviews, and there may be aspects of users' experience under early implementation of CMS that are not captured here.

There were some initial reports of **positive experiences** under the new system – particularly centring around staff communication and treatment. For example, several respondents mentioned that they had found CMS staff to be helpful and constructive in their verbal interactions with them, creating a positive experience at the point of interaction with the system, and contributing to positive impressions of CMS overall. Positive experiences with case workers seemed to reduce the feelings of victimisation and resentment towards the system so commonplace for respondents under the CSA – and did not raise the same kind of 'knee jerk' impulse not to comply or sort out payment solutions. One respondent noted that he had been pleasantly surprised with the experience overall, making a direct comparison with the overall negative reputation of the CSA.

'I've heard horror stories about the CSA, they're like the police aren't they?'

(C)

Likewise, although there was some evidence of **delays** in respondents' cases becoming 'active' in the new system – for example, where the transition from CSA to CMS took longer than expected, or there were delays between a case being opened and payment actually being required – frustration about this had been countered by **proactive, positive and clear communications** from CMS staff. For example, one respondent noted that he appreciated being 'kept in the loop' at a stressful time. Another noted that a CMS staff member had clearly explained the Service's rationale behind encouraging private arrangements, and how the various charges under the CMS worked.

'They told me how much I needed to pay right away, but I needed it in writing, and that took months ... it was very stressful but they handled it very well ... they've been very fair and kind and great and non-judgemental.'

(C)

Despite some evidence of very clear communications, as discussed above, other respondents had very **low awareness** of being in a 'new' system and the implications of this – both for those who had only recently opened a statutory case within the CMS, as well as those who had recently been transitioned over from existing CSA-based arrangements. Some newly registered individuals could not recall any contact to date (either from the CSA or the CMS). CMS-registered respondents tended not to be aware, for example, of the range of charges that had been introduced or what this might mean for them personally. Most were also not aware of alternatives to statutory arrangements, such as Direct Pay; no respondents in the sample were able to provide a summary of how Direct Pay worked.

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This research was not in a position to identify to what degree this was due to information not having been provided, and to what degree it was due to paying parents not taking notice of or understanding CSA communications. There were some reports of letters not arriving, of finding the explanations provided difficult to understand, or of receiving 'duplicate' letters rather than case updates.

'Why not say we're making these changes, here they are ... it's a one page letter that says they'll be doing something, but doesn't say exactly what.'

(C)

However, there were also some indications that some respondents – particularly those with prior experience of the CSA – may have taken **little notice of letters** provided, relying instead on staff phone calls as their key contact point in the system. In some cases, it is possible that communications had been received, but had been disregarded, particularly if they did not clearly signal that they were 'new' or 'different' (e.g., via clearly differentiated branding or formatting).

Where respondents were aware of the key aspects of the CMS system, there was also some evidence that the introduction of charging in the new system was **exacerbating existing barriers** and negative orientation towards maintenance payments. This centred around frustrations from parents who would have preferred to arrange alternative arrangements (either family-based arrangements or Direct Pay), but did not feel able to do so as their ex-partners had not agreed. This could amplify barriers discussed in Section 3. 1 around the legitimacy and morality of the maintenance system, and make paying parents feel they were being unfairly treated or victimised. For these parents, the key 'experience' of the CMS was a perception that they were being 'punished' for something that was out of their control. Within the small CMS sample (with experience of the system) included in this research, it was not possible to draw direct links between these attitudes and behaviour around compliance. However, it does raise concerns about potential risks of amplification of barriers and non-compliant response for some paying parents.

'There's no support for the man, not at all ... no justice.'

(C)

5 Communication and support needs

Once respondents had been introduced to the aspects of the Child Maintenance Service (CMS) system and initial understanding and reactions had been identified, research sessions also explored paying parents' potential communication and support needs in relation to the CMS.

Principally, respondents were keen to understand more about the practical steps required to set up alternative arrangements to statutory child maintenance cases, both via family-based arrangements and Direct Pay. As noted previously, most respondents were already keen to avoid government involvement in 'private' matters where this wasn't necessary – even under the current CSA system – and the introduction of charges under the CMS only enhanced this. Many noted that the introduction of the CMS may be a good opportunity for a 'fresh start,' and thus a reconsideration of the best maintenance arrangement for their child.

'It will be good for people that have been in the system for a while to have to start over ... have the conversation again ... it's a new system ...'

(NC)

In order to support decision making, respondents thus indicated that they required **clear communications and guidance on the options** available – as well as any **available support** to help them achieve non-statutory arrangements. This was particularly relevant around the potential to set up Direct Pay arrangements; respondents wanted to know what information would need to be provided in practice, and whether and what kind of information would be provided to ex-partners to encourage them to consider this option. Many expressed strong concerns that these would not be achievable without Government or **third-party assistance** – often indicating interest in the help of a liaison officer, mediator, or other independent party to help them open up conversations with their ex-partners and help set up new arrangements. If this was not possible, they were eager for advice about other third-party solutions; for example, about the potential to hold conversations regarding arrangements via a trusted family member or relative, or even to pay child maintenance to this individual rather than the other parent.

'I wouldn't want to have the conversation with my ex – she's too bitter – but if no contact was needed, great.'

(NC)

'We just really need mediation so the parents can communicate ...'

(C)

Research also explored potential responses around shifting the timing of communications under the CMS, to help reposition the CMS as 'supporting' rather than 'punishing parents.' Respondents were asked how they might respond if the CMS provided **proactive reminders** around payments due, rather than primarily focusing contact with parents around communications about missed payments or money owed, after the fact. As per the behaviour barriers outlined above, this might also provide an opportunity to help inspire action due to

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instincts for **loss aversion**.

Overall, paying parents welcomed more proactive reminders within the context of potential penalties and charges under the CMS (e.g., either collection charges, due to being placed within the statutory system after any missed payments, or enforcement charges). However, some raised the issue that this should include some practical boundaries around contact. For example, some respondents raised requests for targeting, so that those who had Direct Debit payments or had been historically compliant would not receive notices. Respondents had mixed channel preferences for these kinds of reminders overall, but tended not to think that reminders should take letter form – and the clear problems around engagement with these currently supports that this may not be the best channel to use. The potential for text or email reminders was raised spontaneously as a good way to reach parents without being intrusive.

Respondents also mentioned that they would welcome a more positive, empathetic tone in communications from the CMS as the new system rolls out – particularly from CMS staff. Paying parents raised that being ‘treated well’ would reduce their aversion to making contact with the child maintenance system, and their ‘knee jerk’ negative responses. Working to ensure that the more positive tone that seems to have been used so far by CMS staff continues is likely to be beneficial in terms of helping reduce emotional reactions anger and rejection which often seem to underpin non-compliance under the Child Support Agency (CSA). Exploring a more positive tone in written communications may also be beneficial – as would potentially providing differentiation in branding to mark a clean ‘break’ with the old system.

‘The communications need to be encouraging – so that you are happy to communicate, not terrified to open it.’

(C)

‘Cut parents a bit of slack – find out a bit more before coming down on them.’

(NC)

Finally, respondents also stressed that they were eager for more recognition that parenting and child maintenance is a shared responsibility, and welcomed any communications from the new CMS system which acknowledged this. For example, they were eager to hear about any efforts that the CMS would undertake to encourage the receiving parent to consider alternative arrangements, so that they would feel this task wasn’t solely ‘up to them.’ As above, a tone of ‘shared’ responsibility may help reduce the anger and resistance evidenced under the CSA, counteracting existing narratives of victimisation and a sense that the CSA ‘punishes fathers.’

5.1 Conclusions

Understanding ‘self-employment’

- Although ‘self-employment’ is officially defined by Her Majesty’s Revenue and Customs (HMRC) rules, paying parents self-categorise their employment status for child maintenance purposes. This research indicates that this has led to some miscategorisation of individuals within the Department for Work and Pensions (DWP) child maintenance database. This seems to include some individuals who have misunderstood their

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employment status (e.g., because they are on zero-hours contracts) as well as some individuals who are essentially unemployed (but identify as 'self-employed' to capture minimal income they do earn outside of a formal work context).

- For individuals who are essentially unemployed or have only limited self-employment, lack of adequate income flow is a significant barrier to compliance. Some respondents noted that they struggled to pay basic living expenses; others noted that they 'juggled' payments and bills, but were typically unable to manage to pay all on time every month. Whilst cash flow management was an issue across the self-employed audience due to increased variability and unpredictability of income, those on very low salaries reported that they simply did not feel able to pay.
- There was also some limited evidence of more 'strategic' self-employment, with individuals preferring to remain self-employed to 'block' the statutory system from being able to take maintenance payments directly out of their wages. Whilst this was only minimally observed in the sample, it does suggest that at least some individuals in the self-employed audience are inherently predisposed not to comply.

Journey to use of the statutory system

- Respondents spoke of family relationships (i.e., with ex-partners) as fraught with conflict and turmoil. Communications were typically very problematic or had broken down completely; many respondents had no contact whatsoever with their ex-partner, and often had not done so for many years. This conflict and communication difficulty was felt to be a fundamental driver for the need for statutory services, and due to their entrenched nature, respondents often felt it difficult or impossible to make alternative arrangements.
- When describing their reasons for use of the statutory system, respondents also raised a range of relationship-based issues which underpinned their attitudes towards child maintenance and motivation to comply. For example, statutory cases were often opened due to concerns that maintenance supports were not being used appropriately (e.g., due to suspected substance issues or 'selfish' uses of funds by receiving parents), or were not needed (due to imbalances in earnings between parents).
- Where opened by receiving parents, cases were often a result of existing disputes about payment amounts or frequency. However, respondents also often felt that statutory cases were opened 'strategically' by ex-partners, for example, used as a 'threat' during times of conflict, or as a 'punishment' following disagreements. This was tied to a perceived negative reputation of the CSA as something that was 'punishing' and should be feared by fathers.
- However, there was also more minimal evidence of some respondents having entered the statutory system 'by default' – e.g., assuming that this was the 'normal way' to arrange for child maintenance after separation. This group may be the most open to discussions about alternative arrangements (e.g., Direct Pay or family-based arrangements) under the CMS.

Drivers of non-compliance under the CSA

- Respondents evidenced a wide range of behavioural, attitudinal and practical barriers around compliant payment of child maintenance under the CSA. Many of these were specifically related to issues of income and self-employment, but typically these were less top of mind and seemingly less influential than other issues. In consequence, research mapped out the full range of barriers raised in discussions to understand the full context of drivers of behaviour around payment.

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- Efficacy issues were frequently raised as key barriers, particularly for those on lower incomes. As noted above, many expressed frustration and anxiety around being able to pay their basic living expenses; others found that they had to prioritise payment of certain bills over others. This was related to issues around perceived costs and benefits of non-payment; there was some evidence that child maintenance payments were prioritised less than other bills and expenses due to perceived limited 'costs' of non-compliance under the CSA system. Variability in budgeting behaviour, and often quite low budgeting ability due to both lack of funds and lack of experience in money management, also contributed to non-compliance for many.
- Key to non-compliance were issues around the perceived legitimacy of the CSA and of the child maintenance system, with respondents raising a range of barriers around believing that payment was actually 'the right thing to do.' Many felt the liability payments calculations were unfair, not adequately taking into account problems around income flow (either due to self-employment or low income), support provided outside the statutory system, their ex-partner's financial situation, and other financial pressures. There were also reported errors with the system, and a perceived inability to work with CSA staff to amend these – tied to feelings of inflexibility of the system structure and of staff themselves. Overall, these barriers could unhelpfully reduce respondents' perceived link between 'paying maintenance' and 'supporting my child.'
- Issues around morality and social or cultural norms also supported non-compliant behaviour for many. Respondents tended to perceive the statutory system as a 'punishment' rather than a support, and often felt that they were treated unfairly by the system and staff. They reported a sense that they were assumed to be 'at fault' rather than part of a parenting partnership, and were frustrated that they were 'forced' into paying, rather than given the opportunity to be more involved with their children. This could result in anger at being treated 'like a criminal' that resulted in defensiveness and anger – and often, less willingness to pay. For some, this linked to wider cultural norms around believing that the Government more widely treated them unfairly, and that it was thus legitimate to 'fight back' with non-compliance. Parents also felt it inappropriate for the emphasis in support to be placed on arms-length financial support rather than more embedded care, which they also found more satisfying. Furthermore, normalisation of debt supported non-compliant behaviour for many.
- Finally, perceptions of the CSA as disorganised and inflexible further reduced respondents' willingness to comply. For example, respondents noted delays in registering change of circumstances, the need to repeat details over and over, and instances of repeat letters. This could lead to a sense that it was not useful to try to engage with the system, and reduced motivation to sort out payment solutions. Perceived 'harassing' case worker tone and the timing of CSA contact – usually after non-payment, so positioned as punishing rather than helpful – further demotivated compliance.

CMS – responses and likely behaviour

- The key windows of opportunity around the CMS seem to centre around the ability of charges to combat a sense of limited cost of non-compliance, inspiring more loss aversion via the desire to avoid collection or enforcement charges. This may help disrupt current habits of non-compliance and result in greater prioritisation of child maintenance for those that can afford to pay.

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- Respondents were keen to avoid charges under the CMS, and felt that the introduction of charges might inspire new conversations about sorting out alternative arrangements. These were typically welcomed, although many expressed concerns that family-based or Direct Pay arrangements would not be feasible without significant support due to poor communication and contact with ex-partners.
- Paying parents thus worried that they would be 'forced' into the statutory system by circumstance despite their own interest in other arrangements – which could raise significant frustration and anger, as well as amplifying existing barriers to compliance around the perceived legitimacy and morality of the child maintenance system. Many felt that charges would only exacerbate their current sense of being unfairly 'punished,' and raised real concerns about their ability to pay. Worryingly, anger and frustration about this led some to state that the introduction of charges would lead to outright rejection of payment. Others suggested that they would look to 'game the system' (e.g., by misdeclaring their income) in order to reduce their liability.
- Respondents were also fairly positive toward the idea of an application fee, which they felt might reduce the number of 'unjust' statutory cases borne of 'punishment' rather than need. However, the application fee was not felt to be sufficient to deter many.

Experiences of CMS thus far

- Understanding and direct experience of the CMS was fairly limited within the research sample. Many of those transitioning from CSA to CMS were not aware that they had been moved into a 'new' system or what was different about this, and most of those with new cases had only limited contact, if any, with the system thus far. Research was unable to evidence to what extent communication had not yet occurred with these individuals versus communication having happened but not engaged with.
- Within the limited sample of those who had interacted with the CMS, there were some positive reports around communications and interactions thus far. This included a sense that CMS staff had adopted a helpful, encouraging and positive tone in interactions – leading to much more positive views of the system, and an increased willingness to sort out payment solutions. There was also some evidence of proactive communications to clearly outline what the upcoming changes were including the introduction of charges, which was appreciated by those who had received such communication.
- However, there were also some reports of unclear communications or letters not arriving when expected. For example, letters, which explained the changes in the system, being difficult to understand. Some who were aware they were in the new system did not understand that collection and enforcement charges had been introduced, or that they were being encouraged to consider alternative maintenance arrangements.
- There was also evidence that for some, charges under the CMS was exacerbating existing resentment of the statutory system. Some respondents were angry and felt disempowered about being 'forced' into a statutory system which had increased payments despite being interested in sorting out alternative arrangements – feeling unable to do so because of relationship-based issues and communication difficulties with ex-partners. Although there was no evidence that this had increased non-compliance, this would seem to be a risk given the evidenced rejection of the CSA under similar circumstances.

5.2 Recommendations

- Further internal investigation and research on DWP's 'self-employed' sample is required, in part to understand whether there is higher representation of low-income and/or unemployed individuals in this group than the wider audience of paying parents. As income was a key driver of non-compliance for some, it is possible that non-compliance amongst the self-employed audience may be partially explained by income.
- Paying parents were typically keen to sort out alternative arrangements (e.g., Direct Pay or family-based arrangements). However, they will need clear guidance on how to do this – likely via both written communications and verbal communications, given the current reliance on discussions with staff. In particular, this needs to include explicit guidance on how to arrange non-statutory agreements when communication with ex-partners is poor – either via mediation or liaison services, or via family members and other third parties. Ideally, paying parents are eager for face-to-face support to help set up arrangements. They would also welcome any information about how receiving partners are being encouraged by the system to consider other options; this may also help reduce barriers around perceptions of being unfairly targeted or 'punished'.
- There is currently a lack of understanding of how liability is calculated, and how paying parents can work with the system where there are perceived errors, income flow issues, or other needed adjustments. Clear communications around this (written and verbal) will help to reduce barriers around legitimacy of payments. This will need to be supported, however, with adequate follow-through to help build parents' confidence that they can work with the system successfully.
- Support and education on budgeting ability would be beneficial. This may be particularly useful for newly employed or self-employed individuals who are beginning to form budgeting habits. However, given evidence of limited budgeting ability for many in this research sample, budgeting advice may benefit the audience more widely. Tailoring of information for those on lower incomes would be useful given more difficulty in meeting payments obligations in this audience.
- Given suggestions that early letters from the CMS might have been disregarded or not recognised as 'new', communications may benefit from branding which clearly differentiates it from the CSA. This will help to signal to individuals transitioning from the CSA that they have entered a 'new' system, and may also help support helpful positioning of the CMS as a 'fresh start'.
- CMS communications would strongly benefit from continuing what seems to be a shift in tone; initial indication would suggest that this is successful in helping to build a more positive reputation than that of the CSA, and to encourage more collaborative and positive responses from paying parents. The tone and perceived flexibility of CMS staff will be critical. Under the CSA, staff are very much the 'face' of the system for paying parents, and tone taken in verbal interactions seems to be much more influential than that of letters. Likewise, proactive reminders might help re-position the statutory system as 'helpful' rather than 'punishing' – whilst also capitalising on loss aversion instincts to promote on-time payment.

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- As above, any emphasis on the need for ‘parents to work together’ will help shift perceptions that the child maintenance system unfairly targets fathers. It may be beneficial for communications to focus more on ‘supporting children’ rather than ‘meeting obligations’ – emphasising the link between payment and child welfare rather than payment to meet the terms of ‘government’ requirements. However, this will need to be supported by action to be perceived as credible in the long term – e.g., via active encouragement of receiving parents to consider family-based and Direct Pay options, and via encouragement of more direct parental involvement rather than arms-length payment. Concerns about how child maintenance funds are spent may also continue to present real barriers unless paying parents perceive that they have avenues for these concerns to be taken into account.
- Clear communications will also be required about the consequences of non-compliance in terms of late or absent payment – ideally, backed up by immediate feedback when non-compliance has occurred. The CMS will need to counter a sense that the statutory system is disorganised and unpredictable, and help to encourage more consistent payment behaviour via more consistent action when non-payment has occurred (e.g. in the case of the CMS collection service, an immediate letter or phone call). However, this will need to be managed sensitively; paying parents are likely to respond highly negatively if the CMS is perceived as applying penalties inappropriately, and will be eager for ‘grace periods’ and other recognition by the system that there can be legitimate difficulties in payment. Again in the case of the CMS collection service, the use of more proactive reminders – prior to payment deadlines rather than after payment has been missed – may also promote compliance.
- There may also be an opportunity to adjust social norms around debt and non-payment – both by helping individuals more readily ‘identify’ as meeting their child support obligations, and by helping raise perceptions that compliance is standard. For example, communications could include reminders that X per cent of parents pay on time; where possible, staff could preface discussions about non-payment with recognition of previous positive history (‘I’m calling because you’ve missed a payment, and I can see from your record that’s not like you).
- Tied to the above, helping parents ‘see’ the impact of the money they have provided may be beneficial – both in terms of inspiring confidence that the money is helping their child, and in terms of building a self-perception of having a history of positive support. For example, paying parents may be interested in ‘proof of payment’ or receipts to recognise support provided, or be receptive to communications which focused on the history of payments provided rather than money owed.
- Paying parents would also likely welcome adjustments to liability calculations, or provision of alternative support arrangements, which recognise both financial support and provision of tangible goods. For those with an interest in supporting children but concerns about how money is spent, or a belief that money is not ‘required’ currently, there was also interest in alternatives such as ‘banking’ money in a child savings fund.

A visual summary of the potential opportunities, risks and potential levers is provided in Figure 5.1 below.

