

Effective Family-based Child Maintenance Arrangements following contact with CM Options

Background information and methodology

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Purpose of the statistics

Context of the statistics

The Government is reforming the child maintenance system with a greater emphasis on supporting and encouraging separated parents to work together. The Child Maintenance service (CMS) was introduced in December 2012 to replace the previous Child Support Agency (CSA) with the aim of maximising the number of effective child maintenance arrangements. These arrangements can be through the court system, the CMS or a Family-based Arrangement (FBA).

CM Options was created to help separated parents choose the child maintenance arrangement that best suits them, for the benefit of their children. They provide information and support on the different types of arrangements and are the mandatory gateway to accessing the statutory CMS.

Now well-established, CM Options continues to provide information and support but encourages separated parents to choose an FBA where this is a viable and appropriate option.

Purpose of the statistics

These statistics allow people to see how many children are benefiting from effective FBAs after contacting CM Options.

The statistics are used by a wide variety of people within the Child Maintenance Service, the Department for Work and Pensions (DWP) and CM Options. They are used to assess performance and drive further increases in the number of children benefiting. They are also used to answer parliamentary questions and requests under the Freedom of Information Act.

Limitations of the statistics

To calculate the total number of Effective FBAs as a result of contact with CM Options, the results from surveying customers are combined with figures from the previous year. Each part of the calculation will have its own survey error associated with it, so the final figure will be an approximation. Therefore, these estimates should be treated as a guide to the performance of CM Options over time, rather than an absolute.

The statistics are based on surveying CM Options customers; this leads to three key limitations within the results.

- 1. A large proportion of customers refuse to take part in the survey, therefore non-response bias in the results is a concern.
- 2. CM Options agents have the dual responsibility of conducting Options conversations with customers and surveying customers at a later date. These agents are provided with interviewer training by DWP but they are not classed as professional survey interviewers.

- 3. Certain CM Options customers are removed from the sampling frame for practical purposes.
 - Non-English speakers.
 - Domestic Violence Cases.
 - Customers who have not given permission to use their survey results.
 - Customers who have not declared any types of child maintenance arrangement
 - Customers who have not declared the number of children the arrangement applies to.

Source of the statistics

The data is collected through quarterly surveys and an annual longitudinal survey conducted by DWP. The sample population are separated parents who have phoned the CM Options service in each quarter.

The sample is drawn to a stratified simple random sample design, where the strata are Call Type (inbound/outbound) and Month of Call (calendar month). Results are weighted to be representative of the population.

It is important to note that there is a minimum two month lag between the customer's first contact with CM Options and the time they are first contacted in the quarterly survey. This is to allow time for child maintenance arrangements to be set up.

Survey	Customer contact with CM Options	Customer Surveyed
Quarter 1	February to April	June
Quarter 2	May to July	September
Quarter 3	August to October	December
Quarter 4	November to January	March
Annual	February to January	March

Definitions and terminology within the statistics

The report contains two main measures of CM Options performance:

- 1. Effective FBAs Child maintenance arrangements between separated parents defined as either:
 - a. A regular financial agreement where at least some of the agreed maintenance amount is always/usually received on time and the parent being surveyed considers the arrangement to be working very/fairly well.
 - b. An ad-hoc arrangement which includes a financial element (or transaction in kind e.g. school uniform) and the parent being

surveyed considers the arrangement to be working very/fairly well.

2. Children Benefiting - The number of children benefiting from an effective FBA.

There are effective FBAs in place that were not secured as a result of contact with CM Options. These are referred to as "Other effective FBAs".

A parent may have multiple Child Maintenance arrangements. To avoid double counting, only a parent's primary or secondary arrangement are considered and the following hierarchy is applied.



The calculation of the volume of Effective FBAs involves:

- 1. The Decay Rate The percentage of Effective FBAs that cease to be effective over the year.
- The Quarterly Decay Rate It is assumed that the decay rate is constant throughout the year. Therefore, the more time that has passed the more a quarter is affected by the decay rate. So the quarterly decay rate is divided by 4. Quarter 1 would be affected by 3 times the quarterly decay rate, Quarter 2 twice the quarterly decay rate.
- The Effectiveness Factor The factor used to recalculate previously reported figures of effective FBAs in line with the stricter definition of effectiveness. This is calculated by averaging the percentage change

between using the stricter and original definitions of effectiveness for each year. This is currently 95.57%.

The calculation of the number of children benefiting from effective FBAs after contact with CM Options as of the end of March 2016 can be seen below.



Revisions to the statistics

The number of effective FBAs as of the end of March 2015 after contact with options (116,700) differs from figures in previous publications. The definition of effectiveness with regards to FBAs was improved for the second edition of this release, published in 2013. In the production of this release, an error has been detected in previous releases implementation of this, leading to the overestimation of figures of effective FBAs by 4 to 5%.

To correct the total number of effective FBAs, figures dating back to 2014's publication have been recalculated using the new definition of effectiveness. Data for 2013 is unavailable so these figures have been reduced by the effectiveness factor.

The full set of calculations and corrected figures can be seen in **Table 3** in the accompanying Data Tables for the annual publication in March 2016:

https://www.gov.uk/government/statistics/effective-family-based-child-maintenancearrangements-preliminary-estimates-march-2016.

Status of the statistics

Official statistics

These statistics are no longer badged as "Experimental" because the methodology has been improved and the results are now considered stable.

Quality Statement

These statistics have been developed using guidelines set out by the UK Statistics Authority and are new official statistics. Users are invited to comment on the development and relevance of these statistics.

Feedback

We welcome feedback

DWP would like to hear your views on our statistical publications. If you use any of our statistics publications, we would be interested in hearing what you use them for and how well they meet your requirements. Please email DWP at cm.analysis.research@dwp.gsi.gov.uk

Useful links

Previous Releases <u>https://www.gov.uk/government/collections/family-based-child-maintenance-arrangements-statistics</u>

How we plan to evaluate child maintenance reform: <u>https://www.gov.uk/government/publications/child-maintenance-reforms-how-we-will-evaluate-them</u>

The Child Maintenance Options website has further information on their work: <u>http://www.cmoptions.org/</u>