

caution to when the interview was carried out. A further delay was identified following the issue of a deduction from earnings order. When payments were not forthcoming it was three months before the case was referred for non-compliance action against the employer. A further delay of over seven weeks occurred from conducting an interview under caution to sending a further warning letter to the non-resident parent's employer. Ms W was given an advance payment of arrears of £1,146.23, and an apology letter was sent by the correspondence manager for the delays in taking enforcement action.

Example 2

Mrs X complained that she had applied for maintenance in May 1997, however she did not receive her first maintenance payment until 1999, despite being assessed in December 1997.

We found that the Agency had problems enforcing the case because the non-resident parent worked for a foreign employer. Although the non-resident parent had been responsible for some delays, our investigation also found delays attributable to the Agency. The Agency accepted that they had delayed on the case and awarded an advance payment of maintenance of £1,442.80 (plus interest) to Mrs X. A consolatory payment of £100 (plus £20 contact costs) was also awarded.

Consolatory payments for inconvenience – setting a suitable level

The Independent Case Examiner sees many cases where the normal range of awards for inconvenience feels inadequate for clients who have received a particularly poor service from the Agency. The Department's scheme has always provided for this and during the past year we have been in discussion with the Agency and the Department about this aspect of the compensation scheme.

While recognising that each case should be judged on its individual merits, we have tried to reach agreement on the type of cases that might merit an award outside the normal range. So far it has proven difficult to define a set of characteristics that would trigger such treatment and so we have concentrated on individual cases, asking the Agency to look at the level of individual awards where we feel the circumstances justify it.

The Public Accounts Committee has also expressed concern about the average level of consolatory payments, although accepting that public money should only be disbursed where and as necessary. The Independent Case Examiner shares this view.

Redress achieved in cases investigated by the Independent Case Examiner

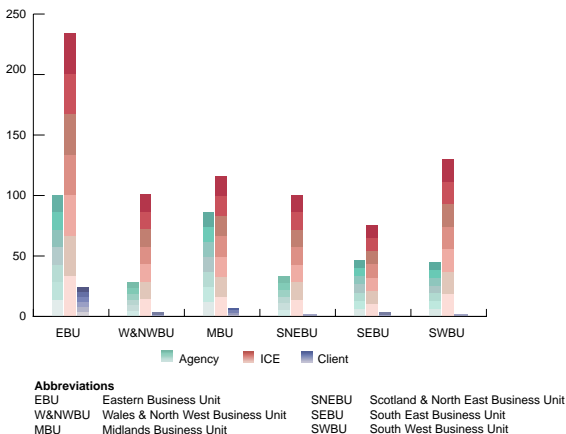
It is important to recognise that explanations, apologies and changes in procedures for the benefit of future clients, can all help to satisfy a client that their complaint has been dealt with satisfactorily. Above all clients want their cases put right, and want them to stay right. This office has worked with the Agency to ensure that once cases are investigated they are not forgotten. For this reason an Aftercare process was introduced, whereby the Agency agreed to conduct a check six weeks after completion of an ICE investigation to ensure that all the agreed action had been taken or completed in accordance with the implementation plan and that no new issues had arisen.

We have been pleased to see that the Agency has maintained its improved performance in offering apologies in the cases we see. In many of these cases, a special payment is also awarded either on our recommendation or in response to a customer request. We are pleased to report that in a growing number of cases the Agency recognises that redress is due and takes the initiative to make a consolatory payment, offer deferred debt, or agree an advance payment.



Instigation of redress

The chart below shows when the Agency, our office, or the client has instigated redress. The relatively small number of cases dealt with by the Independent Case Examiner's office compared to those handled by the Agency as a whole, means that these figures are not necessarily representative of the Agency's entire caseload. (Further details can be found at Table 5 in Annex A.)

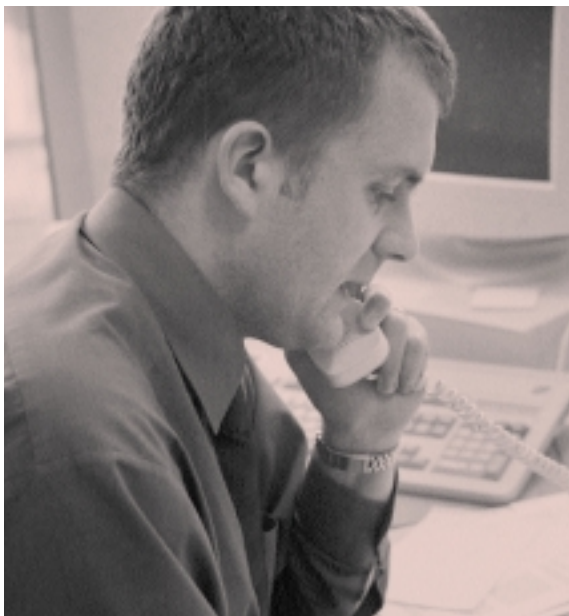


We are pleased to see that the Agency is increasingly instigating these requests often before our investigation has begun. This is particularly noticeable in recent cases. We are also pleased to note that in a significant proportion of cases the level of financial redress offered was appropriate.

ICE satisfaction with redress

The following table shows our level of satisfaction with the redress offered before or during the investigation. A case may have several elements of redress and whilst we might accept that in many cases redress is adequate there remains a proportion where we feel the redress does not adequately address the problems we found. In these cases we ask the Agency to look again to see whether they will offer further redress. The table reflects the percentage of satisfaction with every one of the elements. We do not have comparable data from previous years but we will be monitoring this issue and reporting progress in the next report.

Eastern Business Unit	84%	Scotland & North East Business Unit	81%
Wales & North West Business Unit	89%	South East Business Unit	85%
Midlands Business Unit	89%	South West Business Unit	85%



Financial redress

The following table gives details of the Independent Case Examiner's recommendations and redress that has been awarded. It should be noted that a number of cases include several recommendations under different headings. For 2000/01, some of the previous categories have been further subdivided. The figures include all recommendations made in any case we have investigated irrespective of whether the initiative for the payment came from the client, the Agency or the Independent Case Examiner's office.

Type	Number of recommendations		Amount awarded 2000/01	Average payment 2000/01
	1999/2000	2000/01	£	£
Consolatory ⁽¹⁾	129	*		
– gross inconvenience		462	48,094.08	133.46
– gross embarrassment		32	3,135.00	130.63
– severe distress		69	12,791.00	224.40
Ex gratia ⁽²⁾	215	44	14,958.13	997.21
Financial loss ⁽³⁾	86			
– costs		278	13,226.48	56.52
– income		58	65,543.12	1,724.82
Rationalisation/deferment of arrears ⁽⁴⁾	44	6	45,383.60	2,836.48
initial payment period ⁽⁵⁾		35	65,652.21	2,181.74
– Section 16 reviews	91	16	47,974.03	3,426.72
– Section 17 reviews		9	14,556.16	1,819.52
– appeal cases		2	30.56	30.56
– departure cases		0	0	0
– others		5	1,763.25	881.63
Advance payments to PWCs ⁽⁶⁾	24	15	108,382.77	3,668.95
Refund of maintenance ⁽⁷⁾	96	41	57,775.25	1,561.49
Interest		45	19,067.39	493.36
Totals	685	1117	518,333.03	–

Notes:

- (1) Gross embarrassment, inconvenience, humiliation, personal intrusion or distress
- (2) Ex gratia payments for delay in issuing a maintenance enquiry form, in calculating arrears, in taking enforcement action, loss of income, interest on financial loss and advance payments
- (3) Reimbursement of telephone calls, postal costs, solicitors fees etc
- (4) Deferment of arrears in the Initial Payment Period which will not be collected if the NRP meets certain criteria
- (5) Deferment of arrears outside the Initial Payment Period
- (6) Where the debt is deferred to the benefit of the non-resident parent, the parent with care will receive compensation if the arrears are owed to her/him
- (7) Maintenance incorrectly collected

* Some recommendations did not result in a consolatory or compensation payment or included more than one payment

Delays in making compensation decisions

For some time we have been concerned about the length of time it takes for the Agency to make decisions about compensation.

The Agency has a group of staff who are responsible for considering applications for compensation – the Special Payments Team. In addition to this, it has delegated certain decisions to staff in each of its six centres. These delegated decisions consist of advance payments of maintenance to parents with care and deferred debt for non-resident parents. Other examples include; interim maintenance assessment refunds and court costs.

The Special Payments Team was reorganised and relocated in 1997 with a view to dealing with applications more efficiently. This was following a steady increase in the number of applications made by dissatisfied customers. The office of the Independent Case Examiner has on-going dialogue with the Agency in respect of the number of applications outstanding.

Delays remain an issue, and we are working with the Agency to improve the progress of our cases through the process with a view to further improving the service.

2.6 Working with the Agency and external organisations

Feedback reports

It is part of the remit of the Independent Case Examiner to assist the Agency in improving its procedures. As well as recommendations made during the investigation of specific complaints, where it appears that a particular procedure may disadvantage many other customers of the Agency, we also issue reports to the Agency's Senior Managers on particular issues that are causing the Independent Case Examiner concern. In the past, we have issued reports about:

- the standard of apologies the Agency issued to its customers (October 1997);
- problems arising from the way the Agency maintained accounts for child support maintenance (October 1998);
- the way in which the Agency continues to deal with its customers after their complaints have been investigated by ICE (August 1999); and
- issues surrounding the enforcement of child support maintenance arrears (January 2000).

This year, we reported on the process for resolving complaints. In our report, we highlighted examples of good practice within the Agency in seeking to resolve complaints at an early stage. We also identified occasions where our attempts to achieve early resolution of complaints have become unnecessarily protracted.



Anne Parker in discussions with the Child Support Agency's Chief Executive – Doug Smith

Secondment programme

Since October 1999 we have been pleased to offer secondment opportunities for a limited number of Agency staff. There are significant costs to both organisations and we are grateful for the Agency's continuing support of the initiative. The objective of the programme is to afford Agency staff an insight to our work and to develop their skills in the handling of complaints. Staff who have completed the programme are expected to use these skills on return to the Agency, to improve the service it offers to clients.

In April 2001, the third group of secondees returned to the Agency bringing the number of staff who have completed the programme to 15. Set against the size of the Agency's workforce, there is a limit to what can be achieved by such a small group. Nevertheless, we believe that even a small number of well trained and well motivated staff can make a real difference if the Agency seeks to capitalise upon their experience. Agency managers are recognising the value of returning

secondees, using them in customer service areas to the direct benefit of customers and to pass on their skills to colleagues.

The Independent Case Examiner is aware from feedback received at client forums that there are some who have reservations about Agency staff being involved in the investigation of their complaint and calling into question their independence. We have been careful to explain how the training and mentoring we undertake and the 100 per cent check, to which all work is subject, ensures that clients receive a consistent and impartial level of service.

ICE and the wider DSS

The Departments and Agencies of government are developing closer working arrangements to reduce bureaucracy and ultimately to benefit the customer. The Child Support Reforms are a part of these changes and there are a growing number of instances where the Benefits Agency (BA) undertakes tasks on behalf of the CSA. Much of this work will be drawn into the new JobCentre Plus Agency. It is expected that some customer complaints will raise issues that involve both Agencies and, in order to conduct a full investigation, the Independent Case Examiner could require evidence or information from either the Benefits or the JobCentre Plus Agency.

In the event that such a complaint is investigated, the Independent Case Examiner may have cause to comment on BA/Jobcentre Plus actions and recommend redress.

This issue is addressed within an agreement between the Child Support Agency and the Benefits Agency. The National Service Statement (NSS) and the Closer Working Service Level Agreement (SLA) make reference to the handling of complaints. A revised SLA came into force from 2 April 2001, and the NSS is to be amended to make clear the demarcation for the investigation of complaints and timescales for exchange of details between the two Agencies. In all cases, where Child Support Agency business has been involved, the CSA will decide compensation. Where the claim for compensation relates to both BA and Child Support, Agencies will liaise and decide on responsibility for payment of compensation where it has been claimed.



Anne Parker in discussions with Jodi Berg, the Independent Complaints Reviewer for HM Land Registry.

2.7 Child Support Reform

Child Support Reform (CSR) is undoubtedly one of the most important issues facing the Agency, calling for changes across the board.

The aims of the scheme are welcomed by the Independent Case Examiner as they address the root causes of many of the complaints which she sees. The aims of the Child Support Reforms are to provide a streamlined, customer friendly service which puts the needs of children first. It is intended to be clear and easy to understand and to offer a personal, localised service that integrates child support with other family support services. Maintenance will be assessed by applying a set percentage to the non-resident parent's net income, based on the number of children involved. There will be lower rates of maintenance for people with children in a second family or with a net income of less than £200 a week, and those who are on benefit.

The new scheme will be introduced for new cases in April 2002. When the Government is sure that the new arrangements are working well, a common effective date will be used for the transfer of all cases, and transfer to the new scheme will begin from that date.

The Independent Case Examiner is grateful to the Agency for their co-operation in keeping her informed about the development of the Reforms. She and her staff have been invited to attend discussion groups, presentations, and roadshows, and to comment on various papers/proposals. It is pleasing to note that the Agency is not waiting for the new scheme to make much needed improvements, but is actively engaged in improving its existing service, whilst preparing for the new changes.

Agency performance management

The Independent Case Examiner has offered to assist the Agency in any way she can during this challenging time. One of the CSR initiatives mentioned earlier in the report where we had the opportunity to offer advice was in the area of the Complaints Improvement Programme and its Performance Measurement arrangements.

Our clients often ask us if the Agency's performance is improving. For the last couple of years we have been monitoring the Agency's work and are pleased to see it has now developed a much-improved Performance Management Framework which will help it to answer that question.

Five performance dimensions have been identified which are directly linked to the Agency's key business outcomes and focus on the areas of Productivity, Accuracy, Compliance, Timeliness and Service. Thus the management system will be known as PACTS. The PACTS measures cover the Agency's three principle performance dimensions of Mission, Value for Money and Service.

Productivity	Work is completed efficiently
Accuracy	Accurate data is collected and correct assessments and decisions are made
Compliance	Customers conform to the Agency's requirement for payment provision
Timeliness	Work is completed and services are delivered in a timely manner
Service	Overall quality and responsiveness to stakeholders, particularly customers

It is intended PACTS will create an environment where there is a link between initiatives implemented by managers and accountability for results. PACTS establishes a baseline for performance, and once this position is understood,

improvement targets can be set, taking into account other factors such as resources and training. The first reports in the new format were issued in May 2001.

In future, our findings will be reported in a way which will be consistent with the Agency's own performance measures.

Complaints and enquiries arising from the reforms

We asked the Agency whether arrangements are being made to handle the potential increase in the number of enquiries the new system could generate. We asked whether arrangements would be made to handle the anticipated number of complaints about the new legislation, and the staggered take-on of the existing caseload. We also asked about the advance publicity for the Reforms since there are bound to be winners and losers in every new assessment. Our concern was that if the first a client hears about the Reforms is when a revised assessment falls through the letterbox, there is potential for an avalanche of enquiries or complaints.

However well advance publicity is handled during the transition from the old to the new scheme, clients are likely to raise concerns with us about the legislative changes (which we would not be able to investigate), or simply swamp the Agency with queries or complaints about their cases. It would be unfortunate if the volume of complaints and queries was overwhelming for Agency staff, since this could have an adverse effect on operational activities. The potential for disruption to the Agency's business is very real, particularly as so many clients now have access to their case officer via direct dialling. We have been in discussion with the Agency about the way they intend to handle this problem and also in discussion with the Department about their plans to assist others such as the Citizens Advice Bureau and Members of Parliament who are likely to receive enquiries or complaints about the changes. We understand that the Agency is assessing the potential number of complaints and queries it will handle and considering plans for handling these efficiently. We are also working with the Agency to assess the likely impact on our office.

During this period it is expected that clients whose cases have not been converted to the new system, non-resident parents in particular, could well be dissatisfied that their assessment will not reduce immediately. In order to minimise any difficulties that might be caused by the changes in liability in existing cases and to allow both parents time to make the necessary adjustment, phasing arrangements will apply where the difference between the existing amount and the new amount is at least £5.00. This will be regardless of whether this is an increase or a decrease in the liability. Phasing can apply for up to five years and there will be three phasing rates, £2.50, £5.00 or £10.00 based on the net income of the non-resident parent.

During the preparations for the new legislation the Agency is taking proper steps to ensure that the information which it holds is up to date. We recommended that sensitivity of cases be checked when updating occurs, particularly in relation to cases that have been suspended for a long time.

We are also concerned that case data may be distorted during the process. This would make it more difficult to determine compensation. In addition we are also seeking assurances that old case records will remain available to us as some investigations go back a long way. We have been advised that whilst data on the new system will not go back before 1995, arrangements will be put in place to provide access to historical data which will be available via archive prints.

We are also looking to ensure that transitional arrangements will be made for cases to which the old compensation scheme applied.

In December 2000, the Agency announced the introduction of some early legislative changes.

Changes introduced from 31 January 2001

- **Criminal offence** of withholding information (making it an offence without reasonable excuse to refuse to provide information when required to do so).
- **Criminal offence** of supplying false information (making it an offence to knowingly provide false information).
- **Increased** use of inspector's powers (removing the need for case by case appointment in favour of full time inspector, therefore allowing the Agency easier access to inspectors in order to aid compliance).
- **Presumption of parentage** – allowing the Agency to presume parentage, where a man is married to the mother of a child at any time between conception and birth of the child, and, if unmarried, he is registered on the birth certificate as the father of the child; and allowing parentage to be presumed where the alleged non-resident parent refuses to take a DNA test or accept its positive result.
- **Habitual residence** (extending the Agency's jurisdiction to non-resident parents who are not resident in the United Kingdom but are living abroad while employed as civil servants or by the British Armed Forces; or are privately employed living abroad and paid via a United Kingdom payroll).

Changes introduced from 2 April 2001

- **Removal of driving licences** (allowing a Magistrate to remove a driving licence as an alternative to imprisonment where a person wilfully refuses to comply).
- **Increased powers** in the information, evidence and disclosure regulations (allowing the Agency to approach other bodies for information as a last resort to help trace missing non-resident parents as an aid to compliance).

The Independent Case Examiner expects some powers to be used more widely and earlier than others, however, it should be emphasised that these powers are not retrospective. In relation to old cases where information is outstanding this must be requested again on or after 31 January 2001 and customers must be advised that it is a criminal offence not to provide information.

We welcome these changes and endorse the Agency's careful approach to introducing them. Successful delivery of these changes will be an important step by the Agency, and ensuring that the processes work before they are adopted more widely will help to ensure their success. Whilst we are aware that these changes will not be applied wholesale, we will nevertheless be looking to ensure that the Agency uses its new powers in appropriate cases, where they will have the maximum benefit for the children. The Independent Case Examiner is also aware that the Agency will need the support of their Solicitors Branch to enable them to move these cases through the legal system. She has been reassured to be told that a Service Level Agreement exists between the Agency and their solicitors, which should assist the Agency in making full use of these new procedures.

Whilst the Reforms will deliver simpler assessments and more understandable procedures, some of the features of the present system which can generate complaints will continue. This will be particularly evident in the area of compliance, specifically in relation to the self-employed.

A further area of complaint, which the Reforms will not address, but is often a cause for dissatisfaction for our clients, is that surrounding their wish to return to work when a regular payment pattern has not been established. Under the current scheme there can be lengthy delays while the Agency arranges payment and these delays are compounded when a deduction from earnings order is applied in cases when the non-resident parent fails to make a payment. In such cases the Agency currently has to follow strict procedures, which allows the non-resident parent time to comply. A deduction from earnings order can take several weeks to take effect if, in the case of salaried non-resident parents, the payment is not received in time

for it to operate during the month in which it is issued. In such cases the first deduction is made at the end of the following month. The payment can then suffer a further delay, as payments are not due until the 19th day of the month following the deduction. The Agency achieves the target to clear such payments through the banking system within a further eight days in 98 per cent of cases but it is not unusual for a payment, requested on the 1st of a month, to take up to four months before the parent with care receives it. This can be a very testing time for clients who come off benefit but then have to wait for payment of maintenance.

The Independent Case Examiner has asked if it would be possible for those clients in receipt of benefit, where the non-resident parent is non compliant, to remain on benefit and that monies be refunded to the Secretary of State when regular payments are established. (This is, however, within the Income Support rather than CSA legislation.) If not, we hope that some other procedure can be devised to address this problem which we see as having a significant impact on many of the Agency's customers.

The Independent Case Examiner has made every effort to engage in debate with the Agency and convey her concerns, particularly in connection with complaints handling and compensation issues. We do however, recognise the pressures the Agency face of having to deliver the Reforms whilst maintaining the existing service, and we support the Agency's stance in giving priority to its customer-driven work.

The Independent Case Examiner accepts that not every recommendation, particularly those which focus on the present system, can be automatically adopted by the Agency.

The Independent Case Examiner also recognises that the transition to the new system will inevitably generate an increase in complaints, in particular about the legislative changes that may cause a degree of overload in the system. The Agency has informed us that the work to cleanse the current database during the transition could also lead to complaints from previous non-compliant non-resident parents, as they intend to enforce their collection and enforcement procedures efficiently for the first time. The Independent Case Examiner does not see such increases as an indication of failure. Indeed and on a more encouraging note she has been impressed by the capacity of the new computer system, albeit in an early stage of development. The high levels of commitment shown by Agency staff and those engaged in the reform project are also impressive. This office is optimistic about the Reforms and look forward to seeing how the service is improved in the coming years.

2.8 The Northern Ireland Child Support Agency

The Northern Ireland Child Support Agency is an executive agency of the Department for Social Development, responsible for implementing the Child Support (NI) Orders 1991 and 1995. It is also responsible for the Eastern Business Unit, which provides a service, on a contractual basis to some Child Support Agency customers in Yorkshire and the Midlands.

The two Agencies deliver an integrated service throughout the United Kingdom.

During 2000/01 we have received 28 cases from the Northern Ireland Child Support Agency, this is an increase of 20 cases from last year. We established that nine of these cases were received after the introduction of the signposting initiative, to which we refer to in Chapter 1.

This increase in complaints could also be due to the introduction of a posting address in Belfast at the end of April 1999. This, as we explained in previous reports, was because it had been suggested that clients in Northern Ireland may find our Chester address off-putting.

However, a disproportionate number were not accepted as they were not appropriate to this office or had not received a response from or on behalf of the Agency's Chief Executive. It is a concern that 50 per cent of those people who approached the Independent Case Examiner had not exhausted the Agency's own complaint procedure. This suggests that customers of the Agency are confused about how to pursue a complaint. Better explanations at an early stage and signposting to the next appropriate stage would help to alleviate this problem.

The following table reflects the volume of cases from NICSA.

Cases brought forward at 31.3.2000	3
Received during 2000/01	28
Total	31
Not accepted: Not appropriate to this office	6
Not accepted – not dealt with at Agency Chief Executive level	14
Cleared by resolution	1
Cleared by full report	2
Complaint withdrawn by client	0
Total	23
Cases carried forward at 31.3.2001	8

What we found

Throughout this year we completed two full reports: both reports were partially upheld.

One case was cleared using the resolution process. The problem identified related to delays completing a periodic review.

Mr Y complained that the Agency had delayed in calculating a periodic review of his case, and as a result arrears had accrued.

Our investigation highlighted that a periodic review, due in February 1998, was not completed by the Agency until July 1999. The Agency recognised their delay and Mr Y was offered deferred debt, but as he failed to make regular payments of maintenance (plus arrears) and did not adhere to the criteria, deferred debt had been suspended.

Following our involvement, the Agency advised that if Mr Y made regular payments over the next six months, then deferred debt would be reconsidered. The Agency has since advised us that as Mr Y made regular payments his arrears were suspended.

The services of the Independent Case Examiner are signposted at the website address www.dhssni.gov.uk/child_support