

CHILD SUPPORT AGENCY STANDARDS COMMITTEE 2003/2004 ANNUAL REPORT

Executive Summary

Background

This is the fifth annual report of the Child Support Agency Standards Committee. The Committee was set up to provide the Chief Executive with independent commentary on the quality of decision making within the Agency, and on the process for assuring that quality. This report covers the period 1st April 2003 to 31st March 2004.

This year we have: -

- continued to monitor the quality and accuracy of decisions,
- followed up a number of issues we raised last year and
- monitored the implementation of the Child Support Reforms (CSR) and the new computer system (CS2).

Findings

2003-04 has been a year of transition, with the introduction of child support reforms (new scheme), supported by a new IT system (CS2). This year the Committee has monitored the quality of decision making on both old and new scheme cases. Last year, on old scheme cases, the accuracy of maintenance assessment decisions made by the Agency during the year was 83.8%. This year, accuracy on equivalent cases increased to 85.6%. The Committee welcomes this continued upward trend in accuracy over the last four years.

To meet its stretching 90% new scheme accuracy target by the end of 2003/04, the Agency would need to improve further. But the simplification produced by the Child Support Reforms supported expectation of a decrease in causes of error, because fewer things could go wrong. We also noted that the new IT system and processes and the high quality on-line guidance should contribute to enhanced performance.

In practice, the new system was unable to deliver, from the outset of the new scheme, the expected quality of support. In year monitoring of new cases did, nonetheless, produce a last decision accuracy figure of 79.5% for the period as a whole, including the very difficult early months. A special exercise at the end of the year indicated that accuracy of maintenance assessment decisions had increased to 81.8%. While below the 90% target, this figure has been achieved with a system that has still to reach its full potential.

As in previous years the Committee monitored the accuracy of all decisions made in a maintenance assessment. Again we saw a steady improvement with accuracy rising to 79.8% in 2003/04 (from 75% and 71.6% in 2002/03 and 2001/02 respectively).

Historically, the main causes of “inaccuracy” under the old scheme have been:-

- miscalculation of earnings
- errors over housing costs,
- wrong work on supersessions and
- inadequate documentation.

Although it is early days, we are disappointed that errors appear to be creeping into the operation of the new scheme rules, around setting of effective dates, earnings calculations and elements of client contact.

Of new scheme cases monitored, a number of those ultimately meeting the quality checking standard, had to be returned to the relevant Agency decision-makers by the Agency's Monitoring and Guidance Unit for the relevant documentation to be collated. We recommend that consideration be given to providing decision makers with checklists of documentation for both old and new scheme cases both for Agency purposes and to cover the needs of ICE and appeal bodies

The Committee also monitored Operational Accounting Accuracy. This year the targeted measure has changed to include qualitative factors such as notification and documentation and is not comparable with the purely quantitative based target of earlier years. The main finding was the inadequacy of notifications on many of the cases sampled.

More generally, documentation, notification and case ownership including forward planning has been of concern to the Committee. These are all addressed by the Agency Standard Model. Business Units have been empowered to depart from that model to deal with operating difficulties around CS2 introduction. As business stabilises it will be possible to consistently apply the model.

The Committee urge the Agency to ensure that recovery plans continue to include means of securing the benefits of accuracy of decision-making of the Agency standard model, that Agency staff understand the customer benefits of consistency of process and case ownership and that middle managers understand and play their role in delivering proper standards of decision-making.

Special Exercises

In addition to monitoring the standard of core decision making, the Committee also commissioned a number of special exercises.

Good Cause Decision Making

Last year we undertook a special exercise to consider the quality of “Good Cause” decision-making by Job Centre Plus, in response to stakeholder concerns that such decisions were not being monitored. We reported a reasonably high standard of decision making with over 88% accuracy, the main failures being due to inadequate documentation. We repeated the exercise this year and the findings were validated – with 90 accurate cases out of 100 and 4 failing because of inadequate documentation. Subject to reinforcement of the need for adequate documentation and procedural compliance, the Committee is satisfied with the standard of good case decision-making and does not intend to continue with specific monitoring next year.

Advance Payments

Last year, the Committee reported on the poor quality of handling of advance payments processes and decisions – partly due to non-compliance of Agency staff with the Payment Arrangement Guide. The guidance has since been written in clearer style. This year we commissioned a further exercise to monitor the impact of the new guidance. This exercise disappointingly showed 75% of cases still being actioned inappropriately and or inaccurately. The Committee recommends that the Agency ensure that staff are aware of and have access to the guidance and that managers are held accountable for ensuring that their staff comply with it.

Debt management

Last year, the Committee looked at the operation of the debt management procedures, in particular, arrears agreements. Again, these procedures have been the subject of re-written and improved guidance. This year's exercise looked at 40 cases and found an extremely disappointing degree of compliance with the guide. The Agency's Business Assurance Team also undertook a special exercise and its findings were consistent with MAGUs. The combined recommendations of these exercises aimed at improving compliance were accepted by the Agency. The Business Assurance Team will carry out a follow up exercise in June. The Standards Committee will consider the results and expect to see a substantial improvement in compliance with the Advance Payments procedures.

Deduction of Earnings Orders

The CSA may issue DEOs to secure maintenance payments and arrears. We undertook a review last year, which indicated an improvement in the handling of DEOs following the issue of overhauled guidance. This year, we tracked the progress of DEOs to ascertain their continued effectiveness. The DEO process proved effective in 94% of cases – DEOs either continuing in force or having been superseded by other payment means.

However, information from ICE and Agency management indicates that decision makers seem reluctant to use DEOs. The Agency's Performance Management Unit is undertaking a project to improve take-up. The Committee welcomes this initiative and will monitor its effectiveness.

Enforcement

Once front line debt management processes have been exhausted, decision makers hand over to enforcement teams. MAGU undertook an exercise, which highlighted areas of inaccuracy in decision-making. These were significant in 26% of cases, in the main due to delay or non-actioned follow through. In addition, MAGU found procedural inaccuracies in a further 65% of cases. This is an unacceptably poor result, given the management spotlight on enforcement effectiveness. We anticipate the in-year action taken by the Agency to improve the handling of enforcement cases will deliver considerable improvement. We also welcome the forthcoming review by the Business Assurance Team of the referral process by frontline staff to enforcement teams. We will further monitor the situation over the coming year.

Appeals

Appeals related decisions did not form a major part of the Committee's work programme this year. During the year, the process of CSR directed checking of appeals was introduced to speed up handling. This means that only the specific issues raised in an appeal are examined rather than as before an appeal triggering a review of all aspects of the case. The Committee propose to monitor the impact of directed checking on the number of appeals referred for hearing and/or appeals adjourned.

Conclusions

The Standards Committee recognises that this has been a very challenging year for the Agency and that recovery has been a priority. The benefits of CSR and CS2 support have yet to be fully realised. But the

new scheme and tools have the potential to improve case ownership and overall quality of decision making from assessment through to enforcement.

It is early days, but there are emerging concerns around the setting of effective dates, documentation, notification and timeliness. The Committee will monitor those aspects of decision-making as the new scheme position stabilises.

If the benefits of CSR are to be achieved, the Agency will need to ensure compliance with business processes and guidance, and that there is clear accountability for decisions including frontline compliance action and hand offs to specialist teams. Next year we also intend to revisit case ownership, compliance, enforcement and will look at the impact of directed checking on appeals outcomes. We noted the very low level of compliance with procedures in both debt management and enforcement, and are looking for considerable improvement over the next year.

We recognise the challenges that the Agency have faced over the year and the disappointment that CS2 was not able to deliver all that had been planned as early as intended. We also recognise the leadership of the senior Agency team and the efforts of the staff in managing through a difficult year. We wish them every success for 2004/05. We also want to thank MAGU once again for the valuable support it has consistently provided to the Committee throughout the year.

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Monitoring Findings

1.1 Maintenance Assessment / Calculation Accuracy

The accuracy is measured by monitoring the last decision taken on each case. Accuracy must be correct to the nearest penny. This may be one component of a maintenance assessment/calculation e.g. a change of circumstances due to a change in earnings, or it could be all the components of a new application or a periodic case check.

1.2 Old Scheme cases

During the year 1st April 2003 and 31st March 2004, of the 1025 cases monitored, 877 (85.6%) were found to be cash value accurate, 141 (13.8%) were inaccurate and 7(0.7%) were inaccurate due to insufficient evidence being available to support the decision.

The Committee recognise that Last Assessment Accuracy has significantly increased, however this remains lower than Last Decision Accuracy due to historical errors found

A detailed analysis of the maintenance assessment errors found is contained at Appendix 5.

The majority of errors were identified in the following areas:

Supersessions

Errors identified included agency staff implementing supersessions when tolerance rules had not been considered and failure to input information such as child allowances and new Tax Credit information.

Effective dates

Agency staff should ensure when further assessments are made on cases, the effective date remains the same day of the week as the initial effective date on the claim. In many cases this had been incorrectly applied. Also several incidences were identified when information requested from non resident parents was received late and correct procedures to refuse the application and conduct a supersession, with a later effective date, were not adhered to.

Inputting information into the Child Support Computer System and notifications

Agency staff are responsible for managing workloads and determining when each case should be checked at a future date in conjunction with procedures. Many examples confirmed this was not being complied with. There were also examples of Agency staff failing to issue correct notifications to customers. This is significant in cases where Interim Maintenance Assessments were calculated as failure to issue notifications makes the assessment invalid.

Regrettably, these error types have been a common trend throughout the five years we have been commenting on the Agency's performance and also featured in previous reports produced by the Chief Child Support Officer and ICE.

1.3 New scheme cases

In practice, the new system was unable to deliver, from the outset of the new scheme, the expected quality of support. In year monitoring of new cases did, nonetheless, produce a last decision accuracy figure of 79.5% for the period as a whole, including the very difficult early months.

Although it is early days, we are disappointed that errors appear to be creeping into the operation of the new scheme rules, around setting of effective dates, earnings calculations and elements of client contact.

This year the Agency provided the Secretary of State with accuracy details on new scheme cases by completing a Special Exercise of cases where decisions were made In February and March 2004.

The exercise indicated that,

New scheme last decision accuracy was 81.8%

While below the 90% target, this figure has been achieved with a system that has still to reach its full potential.

Although the Special Exercise in itself was statistically valid, the exercise was not designed to produce the case detail required to enable the committee to carry out further in-depth analysis.

2.0 Good Cause decision making

2.1 Background

Good Cause decisions are made when a parent with care, on a prescribed benefit, declines to provide details of the non resident parent on the grounds that they have goodcause to fear harm and undue distress to their children from the non resident parent. This would then prevent maintenance from being pursued. The decision goes in favour of the parent with care if they are able to show there are reasonable grounds for not providing details of the non resident parent.

If Good Cause is not established, Jobcentre Plus may impose a Reduced Benefit Decision (RBD), which has the effect of reducing by an amount equal to 40% of the personal allowance of the the Income Support/Job Seekers Allowance (Income Based) otherwise payable to the parent with care.

In line with last year's exercise, 100 cases were randomly selected and monitored from decisions made by Jobcentre Plus, between the 4th February and the 26th May 2003.

On the Committee's behalf the Monitoring and Guidance Unit examined 50 cases where Good Cause was accepted and 50 cases where a Reduced Benefit Direction Decision was imposed. Both these types of decisions have elements of discretion and judgement within them.

Decisions were treated as accurate where the decision to accept/reject Good Cause was reasonable and correct having regard to the relevant legislation, guidance and procedures.

From 'A' Day, 3rd March 2003, a further consideration for the Good Cause Decision Maker to consider is whether a Good Cause Decision should be reviewed. Section 46 of the Child Support Act 1991 (as amended by the Child Support, Pensions and Social Security Act 2000), now provides that Good Cause Decision-Makers set a date in the future to reconsider the Good Cause decision.

A variety of reasons for Good Cause were given by the Parents With Care and accepted by Jobcentre Plus. Physical abuse was the reason in the majority of cases, although many cases were a combination of physical, verbal and emotional abuse.

2.2 Accuracy Findings

The Committee were encouraged at the increased accuracy of Reduced Benefit Direction decisions.

Overall the Committee were confident that the exercise validated last year's conclusions and believes the Agency continues to have scope to reinforce procedures. There is no proposal to monitor this area in the forthcoming year.

3.0 Advance Payments

3.1 3.1 Background

Advance payments of maintenance may be paid where there is maladministration on a case by the Agency. Where an advance payment of maintenance is appropriate, a lump sum will be paid to the parent with care. This will be equal to the amount of maintenance that the parent with care would have received, had maladministration not occurred. The lump sum is recoverable from subsequent payments made by the non-resident parent, but only after all other child maintenance arrears have been satisfied. The scheme is only applicable when the case meets all the criteria of the advance payment of maintenance scheme and the non-resident parent is fully compliant.

On our behalf, the Monitoring and Guidance Unit considered all advance payments made by the Agency between April and May 2003. An advance payment was classed as inaccurate if the case did not fulfil all the advance payment criteria or if the calculations were incorrect.

The exercise confirmed a downward trend in the numbers of advance payments being made.

Of the cases examined, 15 (42%) were inaccurate for more than one reason e.g. there was no maladministration, no financial loss to the parent with care for the advance payment period, no regular payment pattern or arrears agreement in place, etc.

In 14 (39%) of the cases monitored calculations were inaccurate.

The Committee found these results very disappointing.

3.3 Decision Documentation

As with other areas in the Agency, there is a lack of consistent methodology across the Business Units in documenting reasons for advance payment decisions. Documentation had been locally modified and changed and this made it difficult to establish why payments had been made. The Business Units also failed to use documentation they agreed to use last year - guidance now reflects that this documentation must be completed for Audit purposes.

On 1st June 2003 a mandatory management check was introduced with the aim of checking the validity of both accepted and rejected requests for Advance Payments of Maintenance as well as validating the appropriateness and cash value of the payment made. However the decisions that were subject to the Monitoring and Guidance Unit exercise were made when there were no mandatory checks carried out on this work.

3.4 Recovery of advance payments

The advance payment must be recoverable from subsequent payments made by the non-resident parent. There is some evidence of a practice to suspend the non-resident parent's arrears account, after the parent with care has been compensated through the advance payment of maintenance scheme. This is being used to resolve customer complaints. Advance payments should not be made if the intention is to suspend the arrears, especially if the non-resident parent's circumstances remain unchanged

3.5 3.5 Level of staff knowledge about advance payments

Additionally this year the Monitoring and Guidance Unit undertook a phone survey to establish the

level of knowledge about advance payments of staff in Business Units.

The survey shows that whilst 67% of staff had heard of the scheme, only 22% knew how to make a referral and only 14% knew when or why they should make a referral.

This highlights the point that whilst there is a certain level of recognition of advance payments of maintenance within the Child Support Agency, there are still serious weaknesses in the lack of sufficient knowledge of Decision Makers to enable him to make a successful reference of a case for an advance payment of maintenance.

The above results confirm that in the majority of cases, Advance Payments are made as a result of requests made by parent with cares and not as a result of Decision Makers promoting the scheme. This contravenes Advance Payment of Maintenance guidance that states that action should be taken to consider a payment when a Decision Maker becomes aware of maladministration.

The Committee remain very concerned that, despite addressing issues raised in last year's report by:

- The Monitoring and Guidance Unit organising a workshop with the relevant staff from all of the Business Units to resolve any ambiguities

and

- Volume 7 of the Child Support Guide containing the Advance Payment procedures being re-written to clarify the procedures

the results shown in 3.2 were so poor.

Recommendation - The Committee recommend that further action is necessary by the Agency to clarify the process and to improve staff's awareness of procedures, with managers being held accountable for ensuring that their staff comply with the guidance.

The Committee has asked the Monitoring and Guidance Unit to complete a further exercise in the forthcoming year.

4.0 Debt Management

4.1 Background

Where a working non-resident parent is in arrears of child support maintenance and is unable to pay the outstanding amount in one sum, the Agency can arrange for collection via instalments. If a non-resident parent refuses to make a voluntary agreement then a Deduction from Earnings Order or other enforcement action should be taken.

Decision makers should calculate the level of an acceptable regular payment to clear the accumulated arrears. The new Child Support Agency computer system will advise the decision maker, on new scheme cases, to collect 5% from the non-resident parent's net income for arrears in line with agreed procedures

The Monitoring and Guidance Unit have previously undertaken a monitoring exercise into the length of time and amounts collected using these arrears schedules. Following the results of this an Adviceline Bulletin was issued at the beginning of September 2003 advising Decision Makers to use the Payment Arrangement Guide. A Service Team Leader check was also introduced. It was decided that a further monitoring exercise should be completed once the recommendations and process checks had time to "bed-in".

The exercise gave a random snapshot of arrears schedules accepted across the Agency. The results were based on a small sample of 40 cases monitored by the Monitoring and Guidance Unit.

4.2 Findings

In 39 (97.5%) of cases monitored, there had been no attempt to operate national procedures, which is clearly an unacceptable situation, and one which the Committee believes must be changed.

In 6 (15%) of cases monitored, the Agency attempted to negotiate or re-negotiate an arrears agreement with the Non-Resident Parent, without reference to the agreed procedures which Decision Makers should use.

The average schedule length was 11.8 years. 33 (82.5%) cases monitored were scheduled to take more than 2 years to recover the outstanding arrears.

The Child Support Agency does not have a minimum amount for arrears payments/agreements, which should be made or imposed based on the Non-Resident Parents circumstances. Previously, the Agency used minimum amounts based upon the amount that could be deducted if the Non-Resident Parent claimed Jobseekers Allowance (currently £5.50). Decision Makers have continued to use this amount when seeking to collect arrears. In 19 (47.5%) of the cases monitored the arrears schedule was £5.50 or less. Only 3 (7.5%) of the cases were paying more than, or equal, to the enforceable amount.

The Payment Arrangement Guide advises Decision Makers to review a case if they have accepted a low arrears amount. None of the cases monitored had set a review date to re-examine the arrears schedule.

The Payment Arrangement Guide Service Team Leader check advises that a case is inaccurate if the arrears negotiation process has not been documented. None of the cases monitored had any decision documentation contained. This clearly indicates that Decision Makers and Service Team Leaders are not approaching the collection of arrears in accordance with the agreed procedures.

Recommendation - Given the unacceptable results from the survey, the Committee urges the Agency to take decisive management action to ensure Guides and procedures are followed, with effective management control being put in place.

The Committee will continue to consider this area of the Agency's business.

5.0 Deductions from Earnings Order Effectiveness

5.1 Background

The Child Support Agency may issue a Deduction from Earnings Order to secure any child support maintenance payable and/or arrears payments. It is then the duty of the employer to deduct payments directly from the non-resident parent's earnings. A deduction from Earnings Order will usually only be imposed where all other voluntary methods of collection have failed.

The Monitoring and Guidance Unit revisited 73 cases from the previous year's analysis to examine whether the Deduction from Earnings Order was still the method of collection and if it had secured regular payments. If the Deduction from Earnings is no longer in place, investigations sought to identify any valid reason for discharging.

A Deduction from Earnings Order was classified as ineffective if:

- It was no longer in place – having been removed without good reason
or
- It had not secured regular payment and follow up action had not been taken

5.2 Findings

In 39 (53%) cases the Deduction from Earnings Order continued to be an effective means of collecting

payments, with the Deduction from Earnings Order is still in force, enabling regular monies to reach the parent with care.

In 30 (41%) cases monitored, the Deduction from Earnings Order was effective until the method of payment changed.

In 13 of these cases when the Non Resident Parent left employment, staff were proactive in attempting to make arrears agreements, or to establish new employers. There was only one case where trace action had not been completed.

In 12 of these cases a change in circumstances resulted in a nil MA. Nine cases were correctly actioned, however in three cases the user had neglected to input a reminder date on Workflow Management to revisit the debt suspension.

In 3 (4%) cases monitored, the Deduction from Earnings Order remained in place, but regular payments were not being secured. All these cases require further action, to establish a new employer, trace the Non-resident parent or refer the case to Enforcement for proceedings.

The Committee will continue to monitor the area of Debt Management and case ownership.

6.0 Enforcement Process

6.1 Background

Where the Non Resident Parent fails to pay regular maintenance, front-line staff should attempt to contact them to secure an arrears agreement. If an agreement is not reached voluntarily, a debt manager may be able to impose a Deduction from Earnings Order. If this action is not appropriate or proves ineffective, the case must be referred to the Enforcement Teams for legal proceedings to be taken.

Although any case referred for enforcement action must satisfy basic criteria, the decision to take enforcement proceedings and the tools used are discretionary. To reflect this three definitions have been applied:

- Accurate- the case monitored is procedurally correct and all appropriate action taken without undue delay
- Inaccurate- the case is procedurally/ legally incorrect and/ or the Liability Order calculations are inaccurate
- Significant- action taken/ not taken has had a significant impact on the debt recovery e.g. enforcement action on hold whilst a Non Resident Parent appeals against their maintenance assessment. Enforcement action should, however, continue on the 'safe debt' period

6.2 Findings

This is clearly a very unsatisfactory result and urgent action to deal with the flws, outlined below, is needed

The main inaccurate errors were:

- In 17 (31.5%) of cases the range of Agency powers were not used to obtain information to enable a case to be converted from an interim maintenance assessment to a full maintenance assessment. Section 14A of the Child Support Act provides for criminal proceedings to be taken against persons failing to provide information or who provide false information
- In 11 (20.4%) of cases a Liability Order was incorrectly applied for e.g. incorrect amount. A Liability Order is required to obtain legal recognition that the debt exists before any further enforcement proceedings can be taken against the Non Resident Parent. It identifies the period

covered and the amount of debt outstanding.

The main significant errors were:

- In 11 (20.4%) of cases the warning letter of enforcement action, advising the Non Resident Parent of possible action was issued but no subsequent action taken.
- In 9 (16.7%) of cases there was delay in enforcement action being instigated at the appropriate times, i.e. as soon as it becomes apparent that a Deduction from Earnings Order is not appropriate or proved unsuccessful. For example, one Non Resident Parent was non-compliant in excess of three years before the case was referred to Enforcement Team.

The Committee are encouraged that Agency has already implemented several recommendations including:

- Reduction from £250.00 to no minimum debt
- Account breakdown not absolutely necessary for Court Presenting Officers
- Legislative changes reinforced through the Enforcement Review i.e. the introduction of Fines and withdrawal of driving licences.
- Revised Bailiff Contract
- Re-written Enforcement Guide
- Enforcement Guide Revised/on-line procedures updated.
- An increase in resources in this area

The Committee welcome the steps taken by the Agency to improve enforcement, but, given the importance attached by Ministers and the Agency senior management to progress here, will continue to monitor this issue during the forthcoming year.

7.0 Appeals

7.1 Monitoring Appeals Submissions

In order to provide a fully reflective view of current appeal ratios, it was decided to monitor 40 MA appeals submissions and 20 departure direction appeals submissions in the current year.

However, it should be recognised that the sample of appeals submissions checked by MAGU is not statistically valid. This being the case, the MAGU findings cannot be regarded as being an accurate representation of the overall accuracy of the submissions produced by Central Appeals Unit, but rather provide an indication of areas where additional staff training and/or procedural changes may be required.

In the year 2000/2001 the system of error classification system for appeal monitoring was replaced by a more meaningful system of classification. The criteria applied to the individual error classifications were reviewed and refined and an improved set of criteria was adopted for the year 2001/2002 (see Appendix 6), remaining unchanged in the year 2002/2003 and 2003/2004. It is proposed that monitoring continues on the same basis during the forthcoming year. However, monitoring criteria will be subject to ongoing review to reflect any changes that may be required as a result of Child Support Reform.

7.2 Monitoring Findings

A total of 40 MA appeals and 20 departure appeals have been monitored with the following results:

This is broken down into maintenance assessment/calculation and departures appeals as follows:

The 11 cases attracting an “E” classification contained the following errors:

- Submission not properly edited for confidentiality (6 cases)
- Submission failed to address appeal points correctly (4 cases)
- Submission addressed wrong decision (1 case)

The 6 “E” classifications resulted from:

- Submission writer failed to explain the facts of the case correctly (5 cases)
- Submission did not address all appeal points (2 cases)
- Submission contained incorrect statements (1 case)
- Submission written against the wrong decision (1 case)

N.B. 3 submissions contained more than 1 error falling within the “E” classification.

In the case of MA/MC appeals it is gratifying to note that there has been a significant reduction in the number of submissions attracting an “E” classification when compared with the same period last year (a decrease of 31.25%). However, this improvement is somewhat overshadowed by the marked increase in the number submissions attracting a “D” classification (last year only 1 case attracted this classification). It is also disappointing that the number of cases attracting a classification of either “A” or “B” has fallen from 17 cases last year to 15 cases this year.

In the case of departures submissions the picture is also somewhat disappointing in that there has been no change in the number of submissions attracting an “E” classification and a significant increase in cases attracting a “D” classification. Similarly, the number of cases attracting either an “A” or a “B” classification fell by 37.5%.

7.3 Other Appeals Issues

Child Support Reform

During the course of the year Central Appeals Unit received the first appeals against decisions made using new legislation. At the request of Central Appeals Unit, the Monitoring and Guidance Unit undertook a quality assurance review of the first submissions addressing appeals against these decisions and no errors or shortcomings were found with procedures, format or content.

Directed Checking

The Central Appeals Unit has recently changed its method of working so that only the aspects of the assessment directly relating to the specific appeal points are checked. This is known as “directed” or “focussed” checking”.

There is no information available to allow evaluation of the impact that the change has had on the business of the Agency and the Appeals Service. The Committee has requested that the Monitoring and Guidance Unit monitor the situation in the coming months.

Appendix 1

Background to the Committee

1. The Decision Making and Appeals legislation was implemented in the Child Support Agency on 1st June 1999, introducing new, simplified methods of making and revising decisions. There would no longer be two decision makers - the Secretary of State and the Child Support Officer; instead all decisions would be made on behalf of the Secretary of State.
2. One effect of removing the Child Support Officer from decision-making was the ending of the

role of the Chief Child Support Officer and of the Central Adjudication Services. The Chief Child Support Officer had a statutory responsibility to report to the Secretary of State on the standard of adjudication within the Agency and to advise Child Support Officers on their adjudication activities. The Chief Executive is now accountable for the standard of decision-making and for the standard of advice and guidance (e.g. procedures and training) to Decision makers. The Chief Executive is responsible for reporting on these standards.

3. The Chief Executive has established the Monitoring and Guidance Unit and the Standards Committee to provide support in this role.
4. Other agencies have responded in a similar manner; e.g. other areas of the Department for Work and Pensions and the Social Security Agency of Northern Ireland have set up Standards Committees and monitoring and advice provision arrangements.
5. Unlike the Chief Child Support Officer, the Standards Committee has no responsibilities defined in statute; however, during parliamentary debates on the Social Security Act 1998, Ministers' expectations on the role of the Standards Committee were made clear.

The following are extracts from Hansard:

Commons 28/10/97

“...agency chief executives will issue reports on quality standards ... each year...”

“... reports will include details of the quality standards achieved...”

“... there will be procedures in place to ensure that the monitoring process works effectively. ... There will be central quality assurance teams within the agencies that will... report on the standards of the monitoring process to agency chief executives. Most importantly, the results will be reported to a high-level assurance committee established within each agency, which will ensure that remedial action is prompted when necessary. The results will be reported annually and publicly.”

PSC(KB) said “The Government believe that such quality assurance committees, set up to meet the differing needs of each agency, will give confidence and reassurance to the public so that the decision making process is efficient...”

Lords 30/3/98

“There will also be central quality assurance teams within the agencies who will be fully independent of local checkers - who will, as it were, check the checkers - and who will report on the standards of the monitoring process to agency chief executives. Those teams will also take a broader view on the standards of decision-making agency-wide.”

“Agencies will set up standards committees which will include external representatives. Those standards committees will consider the results of checking by quality control teams and will prompt any remedial action.”

Appendix 2

Committee Membership

1. During this year there have been changes to the Committee's membership. John Griffiths has left the Committee. Richard Smithson has retired from the Appeals Service with the role now filled by Jeremy Bennett. Jane Higgins replacement Paul Whitehouse will join the Committee to represent the Agency's Client Relations Directorate.
We would like to record our thanks to those departing members for their contributions to the work of the Committee.
2. The Committee is chaired by an independent, non-executive member of the Child Support Agency Board. Mary Hay is employed by the HM Revenue & Customs where she is currently

the Director of Business Tax. She brings to the Committee a wealth of management and operational experience.

3. Other members include those who are not employees of the Child Support Agency but bring to the Committee considerable experience of child support issues, as, clearly, do those who are employed by the Agency.
4. Chair: Mary Hay

Members:

Independent Case Examiner: Jodi Berg/Phil Latus

The Appeals Service: Jeremy Bennett

Head of Child Support Policy: Ruth Siemaszko

CSA Deputy: Chief Executive

& Operations Director: Mike Isaac

Change Directorate: Sheila Bird

Client Relations Directorate: Paul Whitehouse

Observer

National Audit Office: Kevin Suttie

5. The observers provide valuable advice and guidance to Standards Committee members. Full membership status for the National Audit Office representative would be incompatible with that organisation's role as the Agency/Departmental external auditors.

Appendix 3

1. Terms of Reference

- a) To provide to the Agency's Chief Executive an independent commentary on the quality of the Agency's decision making and guidance and its processes for assuring their quality.
- b) To identify common trends relating to the quality of the Agency's decision making.
- c) To suggest, where appropriate, changes that will result in an improvement in the quality of the Agency's decision making.
- d) To provide a forum for an exchange of views on the quality of Agency decision-making.
- e) To provide the Agency Chief Executive with an annual report including the following:
 - an independent appraisal of the quality of the Agency's decision making
 - an analysis of the main areas where the Agency needs to improve the quality of its decision-making:
 - a commentary on the initiatives suggested by the Standards Committee during the previous financial year to facilitate improvements.

2. The Standards Committee functions in an advisory capacity and possesses no executive authority (although Child Support Agency members' possess this in their own right). The reasons for this approach are:

- a) executive authority rests with other decision-making bodies in the Agency and there would be the potential for overlap were the Standards Committee also to exercise this function. Standards Committee recommendations are referred to the appropriate executive forum and the acceptance and progress of these recommendations is reported back to the Standards Committee; and,
- b) an executive role would be incompatible with the independence of some of the members' other duties and could prevent their membership (e.g. the Independent Case Examiner and the Appeals

Service).

3. In December 1998, the National Audit Office provided high-level management advice on decision-making and appeals to the Department of Social Security and the Agency. The advice covered the characteristics of an adequate system for producing performance information, the appropriateness of performance measures, and the criteria the National Audit Office might apply to any future examination. The National Audit Office also seconded a member of staff to assist the Department with their developmental work, and have provided an observer who sits on the Standards Committee.

4. In determining the standard of Agency decision-making we have considered the quality of the decisions. The attributes we consider need to be in place to produce quality decisions are:

Evidence gathering: has sufficient evidence been collected?

Application of the law to the facts: has the correct law been applied, and has it been applied correctly?

Accuracy: has the correct rate of maintenance liability and effective date been determined?

Documentation and recording: is the documentation adequate so that the decision can be re performed?

Communications: does the decision notification adequately explain the decision and is it easy for the client to understand?

Timeliness: was the decision made within a reasonable time and target time scales?

Appendix 4

Measurement Methods

The Standards Committee has access to a range of information from a variety of sources. The Monitoring and Guidance Unit provide much of our information. However, during the year the Standards Committee have placed greater reliance on other sources of information. It is anticipated that use of these information sources will continue during future years.

The following lists the sources of information available to the Standards Committee during 2003/2004:

Monitoring and Guidance Unit

Agency Statistics

Child Support Agency Board

Independent Case Examiner

National Association of Citizen's Advice Bureaux

The Appeals Service

Client Representatives Forum

Internal Audit Annual Assurance Report

1. Monitoring and Guidance Unit

During 2003/04 the Monitoring and Guidance Unit examined 1,025 maintenance assessment decisions. These formed the basis from which the Agency's performance against Agency targets and enabled the Monitoring and Guidance Unit to provide an analysis of the quality of decision making and to identify any common factors.

The Monitoring and Guidance Unit also provided case specific advice and guidance to Decision makers. The areas of decision-making prompting requests for advice were analysed for common areas and trends.

A quarterly report is provided to the Standards Committee on the above issues. The report includes other areas of interest and suggests areas where recommendations for improvement may be appropriate. Additionally, the Monitoring and Guidance Unit provides a monthly report to each of the Agency's six

main operations business units on decision-making issues in that unit; these reports are copied to the Standards Committee Chair.

This year, at our request, the Monitoring and Guidance Unit undertook examination of decision making in a number of other areas. The findings are documented within this report.

2. Agency statistics

Monthly performance statistics are provided for consideration. An analysis of these is provided for the Child Support Agency Board

3. Child Support Agency Board

The Standards Committee Chair is a non-executive member of the Child Support Agency Board; also the Child Support Agency Deputy Chief Executive/Operations Director sits on the Standards Committee. They are able to bring to the Committee the Board's perspective on quality issues and vice versa.

4. Independent Case Examiner

The Independent Case Examiner is a member of the Standards Committee and uses the knowledge gained from the investigations conducted by her office to provide insights in the Committee's discussions. The Independent Case Examiner internal reports to the Agency and her published Annual Report are made available to the Standards Committee.

5. National Association of Citizens Advice Bureaux

National Association of Citizens Advice Bureaux provide a report on Child Support Agency issues brought by clients to bureaux in England, Wales and Northern Ireland. This information is considered by the Standards Committee and has been used as a basis for making further enquiries; e.g. the accuracy of Good Cause decisions.

6. The Appeals Service

A Chairman from the Appeals Service sits on the Standards Committee and is able to bring an appeals perspective to the meetings. Additionally, the Appeals Service have a statutory responsibility to report to the Secretary of State the quality of decision making by examining the first tier decisions under appeal. The 4th full report was produced for the year 2003/04. The Appeals Service President's internal quarterly reports on his emerging findings are available to the Committee.

7. Client Representatives Forum

Some members, or their representatives, attend meetings with child support practitioners. They are able to include views from these meetings in the Standards Committee debates

8. Audit report

The Agency Annual Internal Audit Report has been made available to members and all individual audit reports are at the Committee's disposal.

MA Monitoring Findings (01/04/03 to 31/03/04) (Old scheme cases only)

Key:

A Insufficient evidence on which to decide

B Incorrect law applied, law applied incorrectly, or law omitted

- C Procedural error
- D Wrong finding of fact/incorrect interpretation of fact
- E Incorrectly calculated
- F Record of decision/notification is incomplete or inaccurate

Appendix 6

Definitions of Appeal Errors

Category A (No errors found)

This would be awarded where the submission contains no technical or procedural errors even though the reviewer might feel that the “style” of the submission left something to be desired.

Category B (No errors found but quality comments made)

The comments made in these cases would be intended to make the document more “reader-friendly”.

Category C (Minor technical or procedural errors which would be unlikely to confuse or mislead the Tribunal and/or the customer)

- Minor typographical errors (i.e.: errors that do not affect the meaning of the text). Given that the submission is monitored after the final check has been signed off (and should have therefore been proof read) it is felt that this should be recorded as an error rather than a quality observation. This view is reinforced by a Commissioner's decision in which Commissioner Mesher commented unfavourably upon (among other things) the inclusion of typographical errors within the submission
- Failure to provide law references where it would be appropriate to do so.
- Page numbering inaccurate
- Unnecessary evidence included (e.g.: evidence of housing costs included when this has not been raised as an issue by either the appellant or the submission writer)
- Incorrect terminology used (e.g.: Submission writer refers to a MA as a review rather than a supersession)
- Submission written as a “full” appeal when SofS criteria for producing a “misconceived” submission are satisfied.

Category D (More significant technical or procedural errors which could possibly confuse or mislead the Tribunal and/or customer)

- Serious typographic errors (i.e.: instances where the nature of the error changes the meaning of the text). Examples of this kind of error would include transposition errors such as an amount of “£91.00 being written as £19.00; omission of words (e.g.: omitting “not” in the text “this would not affect the MA”);
- Law reference quoted does not support the text
- Incorrect evidence supplied or evidence omitted (e.g.: evidence of net income provided relates to a different period than that covered by the appeal)
- Sequence of Events provides incomplete history of the case

Category E (Submission contains serious technical or procedural errors.)

- Law applied incorrectly (e.g.: effective date of change of circumstances set in accordance with rules for effective date for PCC).
- Submission contains incorrect statements (e.g.: submission states MEF issued 3/6/2000 when records show that MEF was actually issued 11/3/2000).

- Submission/evidence not edited correctly/fully for confidentiality.
- Submission does not address appeal points.