

Introduction by **Sir David Henshaw**

To: The Rt Hon John Hutton MP
Secretary of State for Work and Pensions

In February, you asked me to lead a redesign of the child support system with the following terms of reference:

- how best to ensure that parents take financial responsibility for their children when they live apart;
- the best arrangements for delivering this outcome cost effectively;
- the options for moving to new structures and policies, recognising the need to protect the level of service offered to the current 1.5 million parents with care.

You asked me to report before the parliamentary summer recess. This has been a very demanding timetable, not sufficient to allow for a full redesign but rather to indicate the direction for a new policy architecture, new institutional arrangements and plans for the transition. Much remains to be done, but I am confident that the recommendations I make in this report set the direction for a much more effective system in the future.

I have concluded that there is a need for fundamental change in the way child support is organised in this country. The current system gives the state an impossible task. In my report, I address issues in three core areas:

- children;
- responsibilities; and
- compliance.

In fundamental terms, the state is involved in child support to ensure the welfare of children. Parents are responsible for their children and should be able to take responsibility for making their own arrangements. Where they cannot or will not agree, the state needs to be able to intervene and ensure that the children receive financial support. If parents seek to evade their responsibility then the state has a role to ensure compliance. Children have a right to appropriate support and the state must provide services to support the exercise of that right on their behalf.

A number of fundamental policy changes flow from this approach to children, responsibilities and compliance. These include enabling all parents to exercise their responsibilities, whether or not they are on benefits. Allied to this, most parents on benefits should be allowed to keep the maintenance they receive: this would make a significant contribution to meeting the Government's child poverty objective.

The institutional arrangements to underpin this approach have to work and be seen to work. The policy changes create new delivery challenges. I am therefore proposing the winding up of the existing Child Support Agency, with a residuary body to ensure existing debt is chased down. A new organisation, focused on child welfare and enforcing responsibilities, should be established to start from scratch and not be contaminated with system difficulties from the past. Enforcement of responsibilities will be a key element of the new arrangements and there is no reason why this cannot quickly be given a far greater emphasis within the existing Child Support Agency structure. Indeed, a start has been made on this under the new leadership in the existing agency.

In the next phase there is much to be done, and I propose the establishment of a Programme Board with responsibility for planning and delivering the changes. The Board should have a wide representation, with particular emphasis on skills in designing high-quality, fit-for-purpose organisations in the public and private sectors. An office supporting the Board should be drawn together with similar cross-sector skills. Designing and creating the right organisational architecture, customer focus and effective and efficient delivery systems will be crucial to ensure the future success of the new organisation.

The welfare of the child, with parents taking primary responsibility, lies at the heart of this overall approach. Failure to shoulder responsibility will see the state stepping in to ensure compliance. Child support policy has undergone repeated processes of reform which have failed to deliver for children. We do not have the luxury of continuing in this vein. This report presents a real opportunity for change which must be seized upon and delivered to create a child support system fit for the 21st century.

I would like to express particular thanks to the Redesign team, colleagues across government, including those in the Child Support Agency, the Department for Work and Pensions and all the stakeholders who have contributed so much by active involvement in discussion, seminars and submissions.

A handwritten signature in black ink, appearing to read "D. Henshaw". The signature is written in a cursive style with a horizontal line underlining the name.

Sir David Henshaw
July 2006