Default maintenance decisions

<u>2012/2677</u> Regulation 49 of the Child Support Maintenance Calculation Regulations 2012

Default maintenance decisions (DMD) are intended to act as short term decisions, that will prompt the non-resident parent to contact CMG to establish a decision based upon actual income.

A DMD should only be considered if all the following circumstances apply:

- we are confident that we hold the correct address for the non-resident parent
- attempts to contact the non-resident parent on at least three separate occasions have failed
- a request for income details has been issued and the non-resident parent has been warned verbally or in writing that CMG can impose a DMD if they fail to provide the information required
- we have been unable to obtain details of the non-resident parent's income from HMRC or their employer / accountant, and
- insufficient information is held for the non-resident parent's income to be estimated. Refer to the chapter on <u>Estimating current income</u> for guidance.

Example

On 7 November 2016 we are notified that the non-resident parent has ceased claiming benefit. No historic income is held from HMRC. The non-resident parent does not respond to requests for current income and has been notified that a DMD can be imposed. No previous current income is held and the parent with care has no information regarding the non-resident parent's circumstances or occupation. As we have insufficient information to make a historic income, current income or estimated current income calculation a DMD is imposed.

Where the above points apply but before a DMD is calculated HMRC income becomes available a DMD is not appropriate. As historic income is available at the calculation date the change can be progressed based on the historic income.

Example

On 15 July 2016 we are notified that the non-resident parent has ceased claiming benefit. No historic income is held from HMRC. The non-resident parent does not respond to requests for current income and has been notified that a DMD can be imposed. No previous current income is held and the parent with care has no information regarding the non-resident parent's circumstances or occupation. Prior to calculating the change historic income is requested and obtained from HMRC as part

of the annual review. A DMD is no longer required as historic income is held at the calculation date.

Regulation 49 of the Child Support Maintenance Calculation Regulations 2012The DMD rates are set out in legislation and are:

- £39 for one child
- £51 for two children
- £64 for 3 or more children

NOTE:

- a DMD can be imposed for any period
- refer to the chapter on effective dates for how to set the effective date
- if you are imposing a default maintenance decision, you should also consider whether a referral to the Financial Investigations Unit (FIU) is appropriate
- refer to the chapter on <u>supersessions</u> for guidance on converting a default maintenance decision