

CHILD SUPPORT, PENSIONS AND SOCIAL SECURITY ACT 2000

EXPLANATORY NOTES

Part 1: Child Support

Commentary on Sections

Miscellaneous

Section 23: Abolition of the child maintenance bonus

269. The child maintenance bonus is a lump sum payment of up to £1,000 which can be paid to a parent with care who has been receiving Income Support (or income-based Jobseeker's Allowance) when she leaves benefit to take up work. The payment is based on the amount of maintenance paid for the parent with care's children during her time on benefit: it accrues at up to £5 for each week in which maintenance is paid. This allows families to see some gain from maintenance payments which reduce benefit entitlement pound for pound. The bonus is also intended as a work incentive.
270. In practice, relatively few lone parents gain from the child maintenance bonus. Around 1,000 payments are made each month.
271. Under the reformed scheme, the Government intends to replace the child maintenance bonus by a child maintenance premium, which will allow all families on Income Support or income-based Jobseeker's Allowance to keep up to £10 per week of any child maintenance paid. When a parent with care transfers to the new scheme and so becomes entitled to the child maintenance premium, she will no longer be able to receive a child maintenance bonus.
272. This Act contains no provision for the child maintenance premium. Existing legislation which governs Income Support and income-based Jobseeker's Allowance already allows for regulations to provide that income can be disregarded.
273. This section repeals the legislation governing the child maintenance bonus. Regulations will bring the child maintenance premium into effect for parents with care with an existing child support assessment when they are transferred to the new scheme.