



2008 CHAPTER 10

PART 2

CHILD SUPPORT ETC.

*Debt management powers*

**Transfer of arrears**

25. After Article 45 of the Child Support Order insert—

**“Transfer of arrears**

**45A.**—(1) The Department may by regulations make provision enabling the Department in prescribed circumstances to enter into arrangements (“transfer arrangements”) under which liability in respect of arrears of child support maintenance becomes debt due to the person with whom the arrangements are entered into (“the transferee”).

(2) Liability which is the subject of transfer arrangements—

(a) ceases to be liability in relation to which the Department’s functions with respect to collection and enforcement are exercisable, and

(b) becomes debt in which only the transferee has an interest.

(3) Regulations under paragraph (1) must provide that unless one of the conditions in paragraph (4) is satisfied the Department may not enter into transfer arrangements in relation to arrears of child support maintenance without the written consent of the person with care with respect to whom the maintenance calculation was made.

- (4) The conditions are—
- (a) that the Department would be entitled to retain the whole of the arrears under Article 38(2) if it recovered them;
  - (b) that the Department would be entitled to retain part of the arrears under Article 38(2) if it recovered them, and the part of the arrears that the Department would not be entitled to retain is equal to or less than the transfer payment.
- (5) In paragraph (4)(b), “transfer payment” means—
- (a) the payment that the Department would receive from the transferee on the arrangements taking effect, and
  - (b) such other payments under the transfer arrangements as may be prescribed.
- (6) Regulations under paragraph (1) may, in particular—
- (a) specify when arrears of child support maintenance may be the subject of transfer arrangements;
  - (b) specify the descriptions of person with whom transfer arrangements may be entered into;
  - (c) specify terms and conditions which transfer arrangements must include;
  - (d) provide that a payment made to the Department under transfer arrangements may be treated for prescribed purposes as if it were a payment of child support maintenance.
- (7) Regulations under paragraph (1) may include—
- (a) provision with respect to the recovery of debt to which a person is entitled by virtue of transfer arrangements;
  - (b) provision enabling the Department in prescribed circumstances to prevent a person entitled to debt by virtue of transfer arrangements from taking steps to recover it;
  - (c) provision enabling the Department to supply information of a prescribed description to a person entitled to debt by virtue of transfer arrangements for the purpose of enabling the debt to be recovered.”.