

# CHILD MAINTENANCE AND OTHER PAYMENTS ACT 2008

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 3 – Child Support etc.**

##### **Miscellaneous**

##### ***Section 40: Disclosure of information to credit reference agencies***

368. *Section 40* inserts new *section 49D* into the Child Support Act 1991 which relates to the disclosure of information to credit reference agencies.
369. *Section 49D* allows the Commission to disclose certain information relating to non-resident parents to credit reference agencies. It will only allow the Commission to disclose information relating to a non-resident parent where that person has given their consent to the disclosure or is subject to a liability order. Credit reference agencies will be able to use the information only for the purpose of providing information relevant to the financial standing of individuals.
370. *Subsection (2)* of *section 49D* specifies that the information the Commission is able to disclose should meet all of the following criteria:
- the information is held by the Commission for any purpose under the Child Support Act 1991;
  - it relates to a non-resident parent who is liable to pay child support maintenance; and
  - it is of a description specified in regulations.
371. *Subsection (4)* provides that regulations made under section 14(3) of the Child Support Act 1991 may not make provision authorising the supply of information to credit reference agencies. Section 14 concerns the requiring and disclosing of information by the Secretary of State. This provision means that if the Secretary of State wishes to disclose information to credit reference agencies, he must rely on the provisions in this new section. He can not circumvent the safeguards provided by using other regulation-making provisions.
372. *Subsection (5)* provides that for the purposes of this section, ‘credit reference agency’ has the same meaning as in the Consumer Credit Act 1974, which is ‘a person carrying on a business comprising the furnishing of persons with information relevant to the financial standing of individuals, being information collected by the agency for that purpose’.