

National One Parent Family Alliance

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Budget 2022 Priorities

National One Parent Family Alliance

[September 2021]

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Date: September 2021

Members of the National One Parent Family Alliance:

Barnardos

Children's Rights Alliance

Focus Ireland

National Women's Council

One Family

Society of St Vincent de Paul

SPARK (Single Parents Acting for the Rights of our Kids)

Treoir

About the National One Parent Family Alliance

The National One Parent Family Alliance was established in 2020 in response to the unequal impact the COVID-19 pandemic was having on one parent families and a shared concern about the high levels of poverty experienced by lone parents and their children. The Alliance comprises Barnardos, Children's Rights Alliance, Focus Ireland, National Women's Council, One Family, Society of St. Vincent de Paul, SPARK, and Treoir.

Since 2016, nine reports on one parent families and poverty have been published, including the 2017 Joint Committee on Social Protection Report on the Position of Lone Parents in Ireland. Each of these reports paints a similar picture of children growing up in the grip of poverty.^a

Budget 2022 is an opportunity to loosen poverty's grip on one parent families and the measures outlined in this document should be seen as the first step in sustained investment over a number of budgets to help move families out of poverty for good.

3 reasons why Budget 2022 must prioritise one parent families

1. One parent families are at the highest risk of poverty in the State

One parent families continue to be the group most at risk of poverty in Ireland today. Prior to the pandemic, 17% of one parent families lived in consistent poverty, 45% were experiencing enforced deprivation and almost 80% were unable to afford an unexpected expense.¹ Lone parents are also more likely to be in low paying insecure jobs and are five times more likely to experience in-work poverty than two parent households.² These very high levels of poverty have persisted through boom and bust³ and compared to one parent families in Europe, Irish lone parents have the second highest rates of income poverty, persistent poverty and severe deprivation among 15 peer countries.⁴

The COVID-19 pandemic has added a new layer of financial stress to the lives of lone parents as they navigated the practicalities of self-isolation, job losses, increased food and energy bills from being at home more, childcare closures, and the cost of digital devices for home schooling. Data shows that over a third of one parent families had to cut back on heating or had fallen behind on bills due to COVID-19, and 25% had cut back on food due to cost.⁵

NOPFA believes that poverty is not inevitable and with a whole of Government response focused on providing access to decent employment, adequate income and good quality public services it is possible to move families out of poverty for good.

¹ CSO (2020) Survey of Income and Living Conditions <https://www.cso.ie/en/releasesandpublications/ep/p-silc/surveyonincomeandlivingconditionssilc2018/>

² SVP (2019) Working Parenting and Struggling:

https://issuu.com/svp15/docs/working_parenting_and_struggling_-_/1?e=25010855/71456122

³ ESRI (2018) Poverty dynamics of social risk groups in the EU: an analysis of the EU Statistics on Income and Living Conditions, 2005 to 2014. <https://www.esri.ie/system/files/media/file-uploads/2018-01/BKMNEXT345.pdf>

⁴ ibid

⁵ SVP (2021) Cutting Back and Falling Behind: <https://www.svp.ie/getattachment/a116ab93-1ba9-4f04-b5a2-bbad59dab050/Cutting-Back-and-Falling-Behind-Red-C-Report-March.aspx>

2. One parent families are disproportionately impacted by the housing crisis

Poverty and homelessness are inextricably linked; poorer families are more likely to be living in insecure accommodation, increasing their risk of homelessness.⁶ Exposure to high levels of poverty means that lone parent families experience a disproportionate level of homelessness and housing insecurity. We also know that family separation and relationship breakdown can put all members of a household at risk of homelessness.

In September 2021, the Irish Human Rights and Equality Commission (IHREC) and the Economic and Social Research Institute (ESRI) published a new report, 'Monitoring Adequate Housing in Ireland', which looked at six dimensions of housing adequacy - accessibility, affordability, security of tenure, cultural adequacy, quality & location.⁷ It found that lone parents and their children were at a significant disadvantage on nearly all housing rights dimensions. Despite making up only 20% of families in Ireland, one parent families account for 53% of homeless families. Lone parents also had higher rates of affordability issues (19%) when compared to the general population (5%) and were more vulnerable to housing quality problems such as damp and lack of central heating (32% compared to 22%).⁸

Commenting on the report, the UN Special Rapporteur on the right to adequate housing, Prof Balakrishnan Rajagopal, said it raised “a fundamental question over the treatment of single parents and their children by society” and pointed to the need to ensure that everyone has equal access to a safe and adequate home.⁹

Homelessness is devastating for families – it causes trauma and can do life-long damage to the health and well-being of children and parents. NOPFA believe adequate housing should be viewed as a fundamental human right and that housing policy should recognise the unique needs of one parent families and include targeted measures to help them.

3. One parent families continue to experience high levels of discrimination and stigma

Despite increased diversity in family life in Ireland with one-in-four families with children headed by one parent, hardship and discrimination continue for lone parents. Recent CSO data shows that 48% of lone parents said they often experience judgemental attitudes or exclusion as a lone parent, while 41% reported feeling lonely all or most of the time.¹⁰

Discrimination, stigma and exclusion has direct negative impacts on the well-being of families. When public policy is blind to the needs of one parent families or is directly or indirectly discriminatory it can have wide ranging consequences for families as they are unable to access supports and services when they need them.

⁶ Loftus, C. (2019) With over a thousand lone parent families homeless, are we repeating the mistakes of our past? <https://www.focusireland.ie/with-over-a-thousand-lone-parent-families-homeless-are-we-repeating-the-mistakes-of-our-past/>

⁷ Russell, H., Privalko, I., McGinnity, F. & Enright, S. (2021) Monitoring Adequate Housing in Ireland <https://www.esri.ie/publications/monitoring-adequate-housing-in-ireland>

⁸ ibid

⁹ RTE News Report, 14th September 2021, 'Lone parents and children account for 53% of all homeless families – report' <https://www.rte.ie/news/ireland/2021/0914/1246582-lone-parents-housing-report/>

¹⁰ CSO (2021) [Pulse Survey May-June 2021 – Life at Home: Snapshot of Results](https://www.cso.ie/en/press-releases/2021/pulse-survey-may-june-2021-life-at-home-snapshot-of-results/)

One of the main criticisms to the cuts and changes to the One Parent Family Payment, which were carried out from 2014 onwards, was that they were designed and implemented ignoring the additional practical and financial challenges of parenting alone. The decision to abolish the features of the OFP which support lone parents to take up part time employment without providing access to affordable childcare was detrimental.¹¹

Recent budgets have tried to unwind these disastrous cuts and address the high levels of poverty in one parent families, however several examples of the continued failure to recognise the specific needs of one parent families can be found in current public policy. For example, parental leave assumes a two parent family as the norm and so one parent families do not have the same level of support under the scheme as two parent families. Similarly, the amalgamation of childcare subsidies under the National Childcare Scheme has left many low-income one parent families worse off and made access to afterschool care more difficult.

A core aim of NOPFA is to ensure the needs and experiences of one parent families are explicitly acknowledged and addressed in policy and budgetary decisions that affect their lives. Given that 86% of lone parents are women, appropriate responses must also be gender proofed.

Priorities for Budget 2022

1. Ensure our social protection system recognises the additional caring responsibilities of those parenting alone

According to a recent report by the ESRI, only full time employment is effective in lifting families out of poverty.¹² These findings are hugely problematic for lone parents who bear primary responsibility for care and often cannot reconcile full time work with care. In order to lift families out of poverty, our social protection system must recognise lone parents' care responsibilities and must ensure that part time work, combined with social welfare payments is enough to provide families with economic security and the ability to meet a Minimum Essential Standard of Living.

We acknowledge that recent budgets have tried to address the high levels of poverty in one parent families. Recipients of One Parent Family payment/ Jobseekers Transition payment have benefited from an increase in the income disregard, fuel allowance and the qualified child increase. However, once a parent's youngest child turns 14, the parent must change to a normal Jobseeker Payment or Working Family Payment, depending on their circumstances. This can lead to a significant drop in income, at a time when the cost of raising a child becomes more expensive, which is acknowledged by the differential qualified child increase for children over 12 years. Analysis provided by the Vincentian Partnership for Social Justice in their 2022 pre-budget submission notes that a lone parent working full time on the National Minimum Wage loses €53 per week when transferring from JST to WFP.¹³

¹¹ Millar, M. and Crosse, R. (2016) *Lone parents and activation, what works and why: a review of the international evidence in the Irish context*. Galway: Institute for Life Course Studies, NUIG.

¹² Maitre, B, Russell, H. and Smyth, E. (2021) *The Dynamics of Child Poverty in Ireland: Evidence for the Growing up in Ireland Survey*. <https://www.esri.ie/system/files/publications/RS121.pdf>

¹³ Vincentian Partnership for Social Justice (2021) *MESL Pre-Budget Submission 2022* https://www.budgeting.ie/download/pdf/vpsj_mesl_pre-budget_2022_submission.pdf

In October 2019, an amendment to the Social Welfare Bill in regard to this issue was put forward by Senator Alice Mary Higgins was passed. The amendment requires the Minister for Social Protection to compile a report on policy options to strengthen social protection supports for one parent families with a youngest child between the ages of fourteen and eighteen, inclusive.¹⁴ However, this report has not yet been published.

Another issue within the social protection system that causes difficulties for one parent families is the lower income threshold to the Back-to-School Clothing and Footwear Allowance which is applied to lone parent claimants. This means they must meet much tighter criteria than twoparent families when accessing the scheme, despite their children having the same costs. The current system unfairly penalises lone parents and could be easily rectified in this years' Budget.

Recommendations

- Extend Jobseekers Transition Payment to parents in work, education or training until their youngest child reaches the end of second level education.
- Increase the income thresholds for the Back-to-School Clothing and Footwear Allowance for one parent household in line with the thresholds for two parent households.

2. Guarantee early years and childcare policies supports the needs of children in one parent families

It is well established that in countries with public provision of childcare, early years care and education is more affordable, accessible, and of higher quality than in countries with private provision.¹⁵ Research also shows that publicly provided childcare is linked to better outcomes for children and higher maternal life satisfaction.¹⁶ In addition, it is recognised that access to free or highly subsidised childcare is one of the best mechanisms to reduce poverty in one parent families.¹⁷ However, Ireland has the highest level of private provision of childcare in the OECD, along with relatively low Government investment, low wages for educators and high fees for parents.¹⁸

NOPFA calls for the public provision of early years care and education with free childcare for children in one parent families and disadvantaged circumstances in line with the commitments under the European Child Guarantee.¹⁹ However, we recognise that this type of transformative change takes time and requires significant investment. In the interim,

¹⁴Amendment 11 to section 126 of the 1997 Social Welfare Act, October 2019, https://data.oireachtas.ie/ie/oireachtas/bill/2019/51/eng/ver_b/b51b19s.pdf

¹⁵Heery, E. (2020) 'Public Provision of Early Childhood Education: an Overview of the International Evidence', Oireachtas Library and Research Service Briefing note https://data.oireachtas.ie/ie/oireachtas/libraryResearch/2020/2020-06-16_I-rs-note-public-provision-of-early-childhood-education-an-overview-of-the-international-evidence_en.pdf

¹⁶ ibid

¹⁷Daly, M. (2020) Reducing Child Poverty: Challenges and Opportunities for Ireland, Presentation at Children's Rights Event on the EU Child Guarantee

https://www.childrensrights.ie/sites/default/files/submissions_reports/files/Prof%20Mary%20Daly%20Child%20Guarantee.pdf

¹⁸ ibid

¹⁹ European Commission (2021) European Child Guarantee <https://ec.europa.eu/social/main.jsp?catId=1428&langId=en>

policymakers should view access to quality childcare provision via the National Childcare Scheme (NCS) as part of the holistic support required by low-income families, and every aspect of the scheme should be poverty proofed. Currently the scheme is failing to meet the needs of children from low-income families, particularly children in very disadvantaged circumstances where no parent is in work, education or training.²⁰ It is feared that the loss of services for these children will have longer term impacts on their well-being and the funding model needs to be urgently reviewed.²¹

The introduction of the NCS has also created barriers to education and training for lone parents. The NCS offers excellent support for preschool children but tapers off once a child enters school and again when the child reaches 1st class. This coincides with when lone parents must engage with the Department of Social Protection to prepare for employment. NCS pays a maximum subsidy of 17 hours per week for children in 1st class and above, but childcare facilities do not charge by the hour, but by the service provided. Afterschool services in Dublin currently cost between €115 per week and €144 per week. The maximum subsidy available under NCS for a child in 1st class is €63.75.²² It is not possible for a parent on social welfare to pay €51.63 to €80.48 per week for school age childcare. In effect, lone parents are locked out of education and training opportunities that may improve the long-term outcomes for their families.

We understand an external consultant is reviewing the first year of the NCS, including examining the experience of poorer families which will inform its future development.²³ It is critical that these issues are resolved so that the State can fulfil its commitments under the European Child Guarantee which would allow free and effective access to early years care and education to children in disadvantaged circumstances, including those in one parent families.²⁴

Another inequality experience by one parent families is in relation to Parent's Leave. The Government's stated aim in First 5 is to create a system that will allow children to be cared for at home during this first year through the introduction of 'more generous parental leave entitlements'.²⁵ However, currently a lone parent can only access five weeks of Parent's Leave whereas a two parent family can access ten. NOPFA believes it is important to ensure that all babies have access to their parents at this critical time and not just those in two parent families.

Recommendations

- In line with the European Child Guarantee, unlock free childcare and afterschool care for children in lone parent and disadvantaged families. As a first step, provide enhanced hours for lone parents, to acknowledge that there is only one parent to care for the child. An additional 5 hours per term time week for lone parent families

²⁰ Irish Times Article, 11th September 2021, Thousands of State's Poorest Children Face Losing After-School Childcare Places <https://www.irishtimes.com/news/social-affairs/thousands-of-state-s-poorest-children-face-losing-after-school-childcare-places-1.4670570>

²¹ ibid

²² Analysis provided by SPARK

²³ Irish Times Article, 11th September 2021, Thousands of State's Poorest Children Face Losing After-School Childcare Places <https://www.irishtimes.com/news/social-affairs/thousands-of-state-s-poorest-children-face-losing-after-school-childcare-places-1.4670570>

²⁴ European Commission (2021) European Child Guarantee <https://ec.europa.eu/social/main.jsp?catId=1428&langId=en>

²⁵ First 5: A Government Strategy for Babies, Young Children and their Families 2019-2028 <https://first5.gov.ie/>

would give a term time subsidy €82.50 per week and would acknowledge the additional challenges a lone parent family face.

- Amend the Parent's Leave and Benefit Act to ensure one parent families have the same level of support as two parent families by providing an additional entitlement to the parent that is caring in a one parent family and permitting transferability between parents or to another appropriate carer in the case of a one parent family.

3. Recognise and respond effectively to the heightened risk of homelessness and housing insecurity experienced by one parent families

The IHREC report on adequate housing puts into sharp focus the need to recognise and respond effectively to the heightened risk of homelessness and housing insecurity experienced by one parent families. We believe that several government departments have negative policies which contribute to this high incidence. Some of the issues we have identified include:

- An overreliance on the private rented market to meet long term housing needs
- Poverty coupled with rising housing costs
- Complex and often conflicting interaction between social protection and housing supports
- Difficulty in accessing housing support while retaining an interest in the family home
- Removal of Mortgage Interest Supplement which forced many parents out of their family homes
- Housing Assistance Payment (HAP) thresholds not being high enough for family size and the payment of top-ups to bridge the gap between limits and market rents causing financial difficulties for families
- Separated parents are not considered a First Time Buyer to access Help to Buy or Rebuilding Ireland schemes
- Assessment of mortgage payments and rent supplement as income in the calculation for child maintenance
- Housing insecurity and lack of affordability 'trapping' lone parents in lower paid work for fear of losing housing supports.
- Lack of supports for households with rent arrears
- A narrow definition of homelessness which does not include families living in DV refuges, or those experiencing hidden homelessness doubling up with friends and family.

In our submission to the Government plan on housing, NOPFA called for a separate and distinct strategy to deal with family homelessness with a strong preventative focus. While the new Housing for All plan contains some welcome provisions for separating parents and a

commitment to work towards ending homelessness by 2030,²⁶ it does not pay sufficient attention to the issue of child and family homelessness, nor does it name one parent families as a group requiring additional support. The plan gives little focus to their needs or how they can be met while living in emergency accommodation or the measures needed to prevent homelessness occurring in the first place.

Importantly, however, the European Child Guarantee includes the provision for Member States to assess and revise national, regional, and local housing policies to take actions to “ensure the interests of children in need and their families are duly considered”.²⁷ Working with the Department of Children, the Department of Housing has an opportunity to address the gaps identified above to ensure that *Housing for All* and subsequent sub-strategies are child and family centred in their approach.

Recommendation

- Establish a specific taskforce to review the impact of housing insecurity on one parent families and develop appropriate solutions. This taskforce should be led by the Department of Housing and with responsibility for developing a specific family homelessness plan within the Housing for All Framework, with targeted actions to prevent and address homeless among one parent families.

4. Reduce child poverty by decoupling child maintenance from social protection payments

Data from the Growing up in Ireland study shows that 52% of non-resident parents make no maintenance payments, 37% make regular payments and 11% make irregular payments ‘as required’.²⁸ Only 35% of parents in receipt of OPFP receive child maintenance.²⁹ Unlike other jurisdictions, child maintenance is seen largely as a personal, parental obligation and therefore a matter of private Family Law. If there is an issue with payments, parents are forced into an adversarial and costly court system.

NOPFA has called for the establishment of a child centred state child maintenance agency which takes the issue out of the family law court system, and we look forward to the recommendations of the Child Maintenance Review Group early next year.³⁰

In the interim, we believe changes can be made to how the Department of Social Protection (DSP) treats child maintenance which would increase its poverty reduction impact. DSP procedures around child maintenance act as a disincentive. If a court order is in place, DSP takes that amount from the custodial parent whether or not s/he receives it. Lone parents on

²⁶ Housing For All: a New Housing Plan for Ireland <https://www.gov.ie/en/publication/ef5ec-housing-for-all-a-new-housing-plan-for-ireland/>

²⁷ Children’s Rights Alliance (2021) EU Child Guarantee FAQ https://www.childrensrightrights.ie/sites/default/files/information_sheets/files/European%20Child%20Guarantee%20June%202021.pdf

²⁸ Murray, A., McNamara, E., Williams, J., Smyth, E. (2019) Growing up in Ireland national longitudinal study of children: The lives of 5-year-olds, report 9, Dublin: Department of Children and Youth Affairs, www.esri.ie/system/files/publications/SUSTAT71.pdf

²⁹ Joint Committee on Social Protection Report on the Position of Lone Parents in Ireland (2016) <https://webarchive.oireachtas.ie/parliament/media/committees/socialprotection/reports/joint-committee-on-social-protection-report-on-the-position-of-lone-parents-in-ireland-june-2017.pdf>

³⁰ <https://www.gov.ie/en/press-release/4e41bd-minister-doherty-announces-establishment-of-child-maintenance-review/>

low incomes cannot afford to take risks with their income, so many will choose not to risk a court order that may not be paid and may plunge them into financial difficulty.

A comparative study published in 2020 shows the effectiveness of child maintenance policies in reducing poverty among one parent families is curtailed in some countries due to interaction effects with social assistance, leaving lone parents no better off even if child maintenance is paid.³¹ It finds that child maintenance is most effective at reducing child poverty in the UK compared to the other countries included in the study- Australia, Germany and Finland. This is due to the fact that the UK has decoupled child maintenance from social assistance benefits, and it is a fully non-means tested payment to children. The authors conclude that this is a clear way to maximise the anti-poverty effectiveness of child maintenance.

Recommendation

- Child Maintenance should be fully decoupled from social protection payments and be treated as a non-means-tested, non-taxable income for children, as with Child Benefit, to support one parent families out of poverty.

5. Provide sustainable routes out of poverty by facilitating access to education and training

Lone parent participation in education decreased by approximately 20% between 2011 and 2016.³² The reasons for this trend are complex and varied, but as with accessing employment, barriers to education are significant. As with employment, the time and work needed to balance parenting with attendance at classes and study can be prohibitive. Significant financial barriers also exist, with one in five lone parents in Ireland unable to access formal education for financial reasons.³³ Only 15% of lone parents reported having a third level qualification in the last Census and 70% were educated to level 6 or less on NFQ.³⁴

The SUSI Grant Scheme is the main financial support scheme for people studying in Ireland. SUSI is an integral part of a system of support which lone parents need to access education, particularly at third level. The SUSI grant should be inclusive of all learners, no matter their family type. Currently, restrictions on the type of course (full time and in person) and the criteria applicants must meet are excluding a significant cohort of lone parents from accessing education. Full time courses are often not accessible to people parenting alone and the approach towards lone parents is often rigid and lacking in nuance.

In addition, anomalies created by the cuts and changes to the OPF in 2014 mean that parents in receipt of Rent Supplement can not access the same level of support as parents in social housing or HAP tenancies.

³¹ Hakovirta, M., C. Skinner, H Hiilamo, and M. Jokela. "Child poverty, child maintenance and interactions with social assistance benefits among lone parent families: A comparative analysis." *Journal of Social Policy* 49, no. 1 (2020): 19-39.

³² Census 2016. <http://www.cso.ie/en/census/>

³³ SVP (2019) 'Working, Parenting, Struggling? An analysis of the employment and living conditions of one parent families in Ireland.' https://issuu.com/svp15/docs/working__parenting_and_struggling-/1?e=25010855/71456122

³⁴ Census 2016. <http://www.cso.ie/en/census/>

Recommendation

- Make SUSI available to parents engaging in education regardless of the age of their youngest child, irrespective of their housing tenure or whether they are studying part time or full time.

^aSince 2016, the following reports have been published detailing the living standards of one parent families:

- Russell, H., Privalko, I., McGinnity, F. & Enright, S. (2021) Monitoring Adequate Housing in Ireland. Dublin: Irish Human Rights and Equality Commission.
- (2019) Working, Parenting and Struggling? An analysis of the employment and living conditions of one parent families in Ireland. A Report by the Society of St Vincent de Paul. Dublin, Ireland.
- (2018) LoneParent Incomes and Work Incentives. Budget Perspectives 2019. Paper 1, July 2018. Regan, M., Keane, C., and Walsh, J.R. ESRI.
- (2018) Understanding, negotiating, and navigating the politicisation of evidence-based policy research: the case of Irish research on lone parent labour market activation policy. Millar, M., Crosse, R., Canavan, J. University of Bristol, UK
- (2018) In-Work Benefits: The (in)adequacy of in-work benefits in Irish lone parent labour market activation policy. Millar, M., Gray, J., Et al., Journal of Poverty and Social Justice. Policy Press, University of Bristol, UK.
- (2017) An Independent Review to Identify the Supports and Barriers for Lone Parents in Accessing Higher Education and to Examine Measures to Increase Participation. Delma Byrne and Cliona Murray Maynooth University (Commissioned by DES, DEASP and DCYA).
- (2017) Houses of the Oireachtas Joint Committee on Social Protection Report on the Position of Lone Parents in Ireland.
- (2017) Indecon Independent Review of the Amendments to the One-parent Family Payment since January 2012. Presented to Department of Employment Affairs and Social Protection Prepared by Indecon Research Economists www.indecon.ie
- (2016) Lone Parents and Activation, What Works and Why: A Review of the International Evidence in the Irish Context. Millar, M and Crosse,R. The UNESCO Child and Family Research Centre, National University of Ireland, Galway.