

Appendix 15: Lone parents (See Article 11)

The Government announced that “it expects lone parents to look for work when their youngest child goes to school”¹ without recognising the difficulties that particular groups of lone parents may face when returning to work. For example, only 30% of disabled lone mothers are in employment, compared to 65% non-disabled lone mothers.² Non-working single parents claiming financial support who were once eligible for Income Support are required to actively seek paid employment, and to take up a job if one is offered. In 2008, this affected single parents whose youngest child was 12 and over, but by 2010 plans were announced to move parents of children aged five to Job Seekers Allowance (JSA) in 2011.³ Whilst facing this increasing pressure to find paid work, adequate employment opportunities (particularly flexible or part-time work that is compatible with childcare responsibilities) are diminishing, and support for childcare has been drastically cut. (See Appendix: 18) This clearly exacerbates the barriers lone parents face to securing suitable work.⁴

As research has shown, lone parents are, on average, among the ‘biggest losers’ as a result of the 2010-2015 tax and benefit changes.⁵ (See Article 13) Additional changes to benefits, including reductions to Housing Benefits, a three-year freeze in the rate of Child Benefit, and a 10% cut in the amount of childcare costs provided by the childcare element of the Working Tax Credit, will affect lone parents negatively.

The Work Programme⁶ began in June 2011 and is provided by a number of private and voluntary sector providers under contract from the Department for Work and Pensions (DWP). There is already anecdotal evidence that providers do not understand the particular position of lone parents. They seem unaware of the impact of lone parents’ caring responsibilities and despite the lack of part-time jobs, require them to apply for a large volume of unsuitable vacancies.⁷

¹ Government Equalities Office (2011) *CEDAW (Convention on the Elimination of all forms of Discrimination against Women) report. United Kingdom’s Seventh Periodic Report*. GEO: London <http://www.homeoffice.gov.uk/publications/equalities/international-equality/7th-cedaw-report?view=Binary>

² The Poverty Site, UK: Work and Disability <http://www.poverty.org.uk/45/index.shtml?2> Accessed: 07/05/2013

³ Gingerbread (2010) *Changes to Single Parent Welfare Entitlements: Income Support to Job Seekers Allowance switch* <http://tinyurl.com/busn9vb>

⁴ The Fawcett Society (2011) *Single mothers: singled out - the impact of 2010-15 tax and benefit changes on women and men*. Fawcett: London <http://tinyurl.com/c3k5lxz> p.8

⁵ The Fawcett Society (2011) *Single mothers: singled out - the impact of 2010-15 tax and benefit changes on women and men*. Fawcett: London <http://tinyurl.com/c3k5lxz>

⁶ Department for Work and Pensions, The Work Programme <https://www.gov.uk/government/policies/helping-people-to-find-and-stay-in-work/supporting-pages/managing-the-work-programme> Accessed: 19/04/13

⁷ Dewar, L. (2012) *Is the Work Programme Working for Single Parents? An Analysis of the Experience of Single Parents Moving onto the Work Programme*. Single Parent Action Network. <http://www.spanuk.org.uk/uploads/final%20work%20prog%20IB%201502.pdf>

Recommendation:

The Government could address this problem by ensuring that all Work Programme providers are required to have specialist lone parent advisers. The DWP could then put in place systems to monitor whether they are working effectively

The £110 above-inflation increase in the child element of the Child Tax Credit promised in the Chancellor's spring 2011 Budget will now not go ahead and the couples and lone parents elements of the Working Tax Credit will be frozen.⁸ They will also potentially be affected by changes to Income Support, the benefit cap and charges for use of the new child support scheme. The proposals for the Work Programme state that childcare costs will not be met, which will cause particular problems for lone parents. One report found that many single mothers would not be able to afford to work at all under the new Childcare Tax Credit proposals which are anticipated under Universal Credit.⁹ (See Article 11)

The cap on total benefits that a family can receive will also disproportionately affect women and will affect lone parents worst of all. The DWP's own Equality Impact Assessment¹⁰ of this policy states: "We expect around 60% of customers who are likely to have their benefit reduced by the cap to be single females but only around 3% to be single men. Most of the single women affected are likely to be lone parents, this is because we expect the vast majority of households affected by this policy (around 90%) to have children. Approximately 60% of those who will be capped are single women. Single women form around 40% of the overall benefit population."¹¹

The DWP argues that these impacts will be mitigated by policies to support lone parents into paid work. However, this will still leave women who are unable to find work, particularly work that fits round their childcare responsibilities, facing a significant drop in income.¹² This is likely to particularly affect Black and minority ethnic single mothers¹³ many of whom find it harder to secure employment that fits in with their childcare needs.¹⁴

The percentage of household income spent on schooling and childcare is significantly higher for divorced people (40% of £1,175) or single parents (48% of

⁸ Women's Budget Group (2012) *The Impact on Women of the Autumn Financial Statement 2011*. WBG: London <http://wbg.org.uk/pdfs/The-Impact-on-Women-of-the-AFS-2011.pdf>

⁹ Hirsch, D (2011) *Childcare Support and the Hours Trap*. Resolution Foundation and Gingerbread http://www.resolutionfoundation.org/media/media/downloads/Childcare_support_the_hours_trap.pdf

¹⁰ Department for Work and Pensions (2011) *Housing Benefit Cap: Equality Impact Assessment* <http://tinyurl.com/438o5yy>

¹¹ Department for Work and Pensions (2011) *Housing Benefit Cap: Equality Impact Assessment* <http://tinyurl.com/438o5yy>

¹² Gingerbread (2011) *Maintenance Matters: Missing a trick? The role of child maintenance in tackling child poverty in single parent household* <http://www.gingerbread.org.uk/content/671/Policy-work---maintenance>

¹³ Limehouse Project (2011) *The BAME Lone Mother Equation* http://www.limehouseproject.org.uk/attach/The_BAME_Lone_Mother_Equation_Report_2011_1.pdf

¹⁴ The Fawcett Society (2009) *Poverty Pathways: Ethnic minority women's livelihoods*. Fawcett and Oxfam: London http://www.womens.cusu.cam.ac.uk/campaigns/bem/fawcett_ethnicminoritywomen.pdf

£995) with two children of a similar age, compared to a married couple (20% of £2,246).¹⁵ Single parent families with one or more children are most likely to feel unprotected financially (71%) in the current economic climate.¹⁶ Single parents (92% of whom are women), with one or more children are significantly more likely to rely on benefits (56%) than couples with plans to have children (4%).¹⁷ 59% of those with no earnings and 67% of those with earnings below the current personal allowance are also women, who will not benefit from the increase in personal income tax allowance.¹⁸ (See Article 13)

In 2011 22% of single parents listed 'being unable to keep up debt repayments' as one of their biggest concerns over the next six months.¹⁹ Due to lower incomes and higher financial insecurity, 54% of single parents are not saving money monthly, compared to 38% of couples with two children and 31% of couples who are not planning to have children.²⁰ 45% of single parents are worried about how the benefit reforms and cuts will affect their cost of living. They are the most fearful about benefit cuts compared to other family groups, such as couples with children and couples not intending to have children.²¹

Case study:²²

Becky is a single parent working 28 hours a week, on a four-day week. Her three-year-old daughter goes to childcare while she's at work, and this costs £565 a month. Becky receives the maximum 80% support to pay for childcare, but cuts to tax credits mean that she will lose over £1,300 a year in support. Becky says: "This will be very, very hard for me. I was going to try and set up a pension but I won't be able to afford those payments every month now. I've already cut down on all our non-essential spending, so the only way to get around these costs is to try and negotiate working a shorter day, from 9.30 to 2.30, so I don't have to use childcare at all – although this will mean I work fewer hours and so I earn less. I honestly have no idea how I'm going to manage with this. I am a manager, I'm well qualified, I have 11 years' experience – I contribute to my local economy through my skills and experience. But I feel that I'm being forced to consider giving this up."

¹⁵ Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf

¹⁶ Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf

¹⁷ Curtis, P. and Stratton, A. (2011), 'Revealed: secret government plans to win back women', *The Guardian*, 13th September 2011 <http://www.guardian.co.uk/politics/2011/sep/13/government-plan-win-back-women>

¹⁸ Office for National Statistics (2008) *Focus on Gender, September 2008*. ONS: London <http://www.ons.gov.uk/ons/rel/social-trends-rd/focus-on-gender/september-2008/index.html>

¹⁹ Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf

²⁰ Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf

²¹ Aviva (2011) *The Aviva Family Finances Report, Summer – 2011*

http://www.aviva.com/data/media-uploads/news/File/pdf/2011/family_finances_report_3_aug2011.pdf

²² Gingerbread (2011) 'Tax credits will hammer hard-working single parents', 10th March 2011 <http://www.gingerbread.org.uk/news/99/Tax-credit-cuts-hammer-single-parents>

Case Study:²³

Claudia is a single mother living with two children. She works part-time earning the minimum wage. She struggles to cover expenses for her household. She has been receiving Child Benefit, Working Tax Credit, Child Tax Credit and Housing Benefit. With the increasing costs of living (utilities, food, transport) and the cuts in benefits, she is more than £300 short every month to cover her household expenses. Recently Revenue and Customs (HMRC) sent her a bill of more than £2,000 as she has two cleaning jobs and both of them used the same personal allowance and tax codes. However Claudia was unaware about the regulations and does not speak English. She is now trying to learn English and is receiving support because she feels that she cannot cope anymore with the pressure. *“We can’t live like this. This should not happen in England, a developed country. I know that I have to keep going for my children’s sake.”*

²³ Latin American Women’s Rights Service <http://www.lawrs.org.uk/> Accessed: 22/03/13