

Impact of the reforms to the One Parent Family Payment

Stories from lone parents

Policy context

- High rates of poverty and deprivation among lone parents
- Reforms to OFP
- Better Outcomes Brighter Futures policy framework
- Children in jobless households a focus for policy
- Child poverty target

One Parent Family Payment

- Long term social welfare payment
- Now payable until youngest child is 7, some exceptions
- Jobseekers Transition Payment
- Jobseekers Allowance

Impact on low earner of reform

	Net earnings	OFP	FIS	Total earnings	Total loss
Payment with OFP	€200	€180.30	€75.42	€455.72	
Payment without OFP and with FIS re-rated	€200	€0.00	€183.60	€383.60	€72.12

Who are the losers?

- One Parent Family Payment recipients in employment and claiming Family Income Supplement when the youngest child turns 7
- One Parent Family Payment recipients in employment moving to Jobseekers Transition when the youngest child turns 7 (at time of data collection)
- Jobseekers Transitional recipients in employment when their youngest child turns 14
- Lone parents whose youngest child is over 7 taking up education (at time of data collection)
- Lone parents whose youngest child is over 14 taking up education

Who are the winners?

- New FIS claimants: (entering work or increasing hours)
 - July-Dec 2015 28,500 transitioned from OFP scheme.
 - 3,000 new FIS plus BTWFD recipients who gained
- Lone parents with no employment income

This research

- Experiences, concerns, responses of parents
- Anomalies and barriers
- Contribute to discussions on impact of the reforms

Methodology and profile of respondents

- Data collection: Aug-Sept 2015
- Facebook Survey: SVP and SPARK
- 123 responses, ranging from couple of words to long stories
- 53% of respondents had 1 child, 26% had 2 children
- 35% in Dublin, 28% rest of Leinster
- 45% in local authority housing, 32% private rented

Reduction in income

- Weekly losses ranged from €5-10 to €217.80, average of €75
- Additional losses for some e.g. Child Benefit, Fuel Allowance
- Some of the losses mitigated by measures in Budget 2016

“I was told to get more hours and claim Family Income Supplement. But I work in retail on a twelve hour fully flexible contract. There are no more hours in work so I'm stuck. I'm 31 and feel like I'm going backwards. I can't work full time because of childcare costs. It's a vicious circle.”


Childcare, out of school/afterschool, teenagers, special needs

- Considering shift work, unsocial hours, childcare availability and cost when increasing hours of work
- JA: requirement to seek full time work not always compatible with teenagers' needs
- Disability, physical and mental health issues additional challenges

“I cannot access childcare to work nor leave him in afterschool care. There is no facility I know of that can assist his special needs that is affordable or accessible... I live on welfare so as to care for him [son] the best I can. He needs a parent there for him and I am all he has. I have no partner, no willing/able grandparents.”

Nature of employment

- Women's jobs: childcare, elder care, retail, healthcare, special needs assistants
- Low paid, shift work/unsocial hours/flexible contracts. Travel sometimes required, e.g. home help
- Challenges for lone parents combining employment and parenting



“The reality is that employers don't really want employees who start at 10am, leave at 2pm and can't do overtime or work during school holidays!”

“Due to the nature of substituting (casual work on an as/when needed basis) I never know how much work I will have or how much money I will earn.

Education and training

- Barriers
- Reforms to OFP an additional barrier for parents of older children
- Maintenance grant
- Back to Education Allowance (BTEA) issues

“I was accepted to a Masters in Social Work course due to start this month. I was originally told I could stay on a Jobseekers Transition payment while doing my Masters as no one would stand in my way of such a good opportunity, but 3 weeks ago I was contacted by social welfare and informed that I am not entitled to any social welfare payment if I start the postgraduate course. I am now stressed out and completely unsure of my future as I cannot apply for Back to Education as this only covers Masters in Education and not social work.”

Combining paid work and caring

“I'm a single parent of a 15 year old, who, incidentally, needs me around now more than ever, and a carer for my elderly mother.”

Conclusions

- Strong desire to combine employment with caring for children
- Deepened experience of poverty and hardship for some lone parents in employment
- Jobseekers Allowance does not recognise difference between single people with and without dependent children
- Education and training: DSP recommends taking up courses when children are under 14
- The work of parenting needs to be recognised
- Childcare and afterschool care must be provided
- Access to in-work income supports essential: FIS vital
- Lack of policy coherence, e.g. Better Outcomes, Brighter Futures prioritises economic security and tackling child poverty

Recommendations

- Specific recommendations around in-work income supports and social welfare supports for education
- Need for full impact assessment of the measures: number of winners and losers, who they are and the impact on taking up employment, education, training
- Impact on child poverty