



**One Parent
Families Scotland**
changing lives, challenging poverty



SCOTTISH GOVERNMENT SOCIAL SECURITY COMMITTEE
SOCIAL SECURITY AND IN-WORK POVERTY INQUIRY

Submission from One Parent Families Scotland

August 2018

The Scottish Parliament's Social Security Committee¹ launched an inquiry into social security and in-work poverty. The Committee's focus is on the potential impact of Universal Credit on in-work poverty and indications of increasing needs in working households.

1. Introduction

- **OPFS – Background**

OPFS is Scotland's national single parent organisation. We provide expert information, advice & family support, along with training activities, employability programmes & flexible affordable childcare, tailored to the needs of single parent families. OPFS model of transformational change has co-production at its heart through the active involvement of single parents as volunteers, peer mentors and as members of the board. Our approach enables single parents, the majority of whom are women, to build their self-esteem, confidence and skills, increasing parent's access to employment, training and education.

Single Parents often face significant challenges, resulting from poverty, stigma, inequality, and poor health. Isolation and lack of childcare lead to low esteem and a lack of confidence, low skill levels, and barriers to well-paid sustainable employment. Single parents face the unique challenge of being both sole carer and breadwinner – often an impossible balancing act.

- **Single Parents – A Profile**

One quarter of Scottish families are single parent households. The average age of a single parent is around 38 years². The Poverty and Inequality Commission, whose main role is to provide independent advice to Scottish Ministers on reducing poverty and inequality, has highlighted that 37% of all children in Scotland living in poverty live in a single parent family³ and 94% of these single parents are women.

Furthermore, the most current government statistics show astonishingly that **49% of children in single parent families now live below the poverty line.**⁴ A recent EHRC⁵ report highlights that by 2021 single parents and their children will lose a fifth of their income due to welfare reform - an average of £5,250 a year. The **predicted increase in the child poverty rate (after housing costs) for children in single parent households to over 62%** will have a devastating impact on the lives and future prospects of so many children.

¹ <http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/108877.aspx>

² Labour Force Survey (April-June 2015)

³ <https://povertyinequality.scot/wp-content/uploads/2018/02/Child-Poverty-Delivery-Plan-advice-Final-Version-23-February-2018.pdf>

⁴ <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201617>

⁵ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf> p153

• **Single Parents & In-Work Poverty**

- 68 per cent of single parents were in work in 2017 ⁶
- The single parent employment rate rises to over 70 per cent for those whose youngest child is 12-15 years old ⁷
- Single parents who aren't working overwhelmingly want to work – 84 per cent of non-working single mothers would like to get a paid job, become self-employed or train. ⁸

• **Work challenges**

- Over two-thirds – 68 per cent – of single parents enter the three lowest paid occupation groups ⁹
- Single parents are more likely to be, and get stuck in, low-paid work than other workers ¹⁰
- The lack of jobs that offer flexible working can mean single parents get stuck in part-time work which is often low-paid to balance work and family life. ¹¹
- 36 per cent of single mothers would work more hours with good quality and accessible childcare. ¹²

⁶ ONS (2017) [Working and workless households in the UK: Apr to June 2017](#). Table P.

⁷ ONS (2014) [Male and female lone parent with dependent children compared to all family type analysis cross referencing various variables from LFS/APS datasets 2007 to 2012](#). Data for Apr-Jun 2012.

⁸ Barnes, M. and Tomaszewski, W. (2010) 'Lone parents and benefits: an obligation to look for work?'. In Park, A. et al. *British Social Attitudes: the 26th report*. London: Sage.

⁹ Work Foundation analysis of Labour Force Survey data, unpublished. See Newis, P (2012) [It's off to work we go? Moving from income support to jobseeker's allowance for single parents with a child aged five](#). London: Gingerbread.

¹⁰ D'Arcy, C. and Hurrell, A. (2014) [Escape plan: Understanding who progresses from low pay and who gets stuck](#). London: Resolution Foundation.

¹¹ Graham, H. and McQuaid, R. (2014) *Exploring the impacts of the UK government's welfare reforms on lone parents moving into work: Literature review*. Glasgow: Glasgow Centre for Population Health & OPFS

¹² Department for Education (2017) [Childcare and early years survey of parents: 2017](#). Additional tables: Table 8.12.

2. What impact will Universal Credit have on in-work poverty in Scotland?

Single parents will, on average, be financially worse off when in receipt of Universal Credit – whether working or not. Some single parents already receiving Universal Credit are facing forced evictions and are struggling to afford the essentials needed to bring up children. For example, under Universal Credit:

- Single parents will lose around [£1,300](#) ¹³(7.6 per cent) annually by 2020
- The cut to the Universal Credit work allowance means the average working single parent will lose [£800 a year](#) ¹⁴– some will lose over £2,000 compared to current benefits
- More single parents will be at risk of [unfair sanctions](#)¹⁵ – single parents with pre-school children will now be expected to seek work regardless of the local availability of childcare or flexible work.

Single Parents Experience of Universal Credit in Lanarkshire (Rolled Out)

OPFS has had feedback from Single Parent’s on the impact of UC through callers to our freephone lone parent helpline and our work in Lanarkshire where UC has already been introduced. Parents described moving to Universal Credit as a largely negative experience. In general trends show:

- Increased debt
- Job Insecurity
- Rising Stress
- Housing Insecurity
- Unpredictable Income

The experiences of single parents already on Universal Credit highlight significant problems with both its design and delivery which includes:

- Some Single Parents discovering the family disposable income is lower after moving into paid work and even lower if they increase the hours they work.
- A lack of awareness as to how the new UC system works.
- Significant problems for parents accessing a PC, laptop or tablet to complete the application form.
- A lack of digital skills to operate IT required to make claim.
- Barriers to applying because of the lack of the required evidence of identity and access to a current bank account. (DWP say most of the rejected claims (70%) for U.C. are caused by non-compliance with proof of identity requests. Many single parents don’t have any photo ID and can have difficulty producing birth certificates etc if they have had to flee domestic violence for example.)
- In-built delays – we welcome the recent decision to scrap the seven-day waiting period and improve the advance payment system. However, these advance

¹³ <https://www.gingerbread.org.uk/policy-paying-price-impact-summer-budget-single-parent-families/>

¹⁴ <https://www.gingerbread.org.uk/restoring-universal-credit-promise-make-work-pay/>

¹⁵ <https://www.gingerbread.org.uk/rise-single-parent-sanctions-numbers/>

payments are still loans which must be repaid; there is still a significant wait to receive the first proper payment.

- The need for improved access to, and affordable repayment of, advance payments.
- New job seeking requirements for parents of three and four-year olds without enough flexible, affordable childcare and flexible work opportunities.

Single Parents in Glasgow – UC not rolled out

Single Parent Focus Group Meeting

Demographic: 6 of parents from BME communities, including three with restricted understanding of English, particularly for reading & writing. 1 in work, 12 currently not in paid employment. At least 8 with mental health issues, 1 parent with learning disability. 3 of the parents have a child with a disability. One parent on PIP for a physical disability for herself.

What parents knew about Universal Credits?

- Most parents had a vague knowledge of UC, but consensus is that until impacts them directly they don't have to face finding out everything about it. The fear is too great, burying their head in sand in hope that problems/issues of UC in media won't impact them yet.
- Most parents knew they would have to apply for UC online.

What parent's fears/worries are about Universal Credits?

- Currently parents live week to week and are fearful & worried about the minimum 5 weeks wait for first payment when move over to Universal Credits." How am I going to pay for food and other essentials during this time?"
- Horror stories in the media about how UC has impacted other families is worrying most of the parents, especially regarding paying their rent and consequences to housing/homelessness if rent payments are not kept up to date.
- Parents weren't aware that there was option to have housing costs paid direct to landlord, that alleviated some of their fears. Choice of fortnightly payments which would be easier for some parents to cope and budget, but they hadn't heard about that either.
- Fear for parents about day to day survival – how are they going to pay childcare fees when going into employment – they have friends in Lanarkshire where some parents waiting up to 10 weeks for payment – nursery & other childcare places are difficult to get, especially to suit both hours required by parent, and the needs of the child, suitable location etc. Nurseries are businesses and will not secure child's place without payment. Moreover, this adds fear, shame and guilt about arrears and potentially being unable to provide for their child. In addition to the impact on child development, socialisation and learning for child and disruption to their routines.
- Confusion over amount of payments and how it's going to affect their financial commitments. They are hearing stories from other parents about their benefit payments and not understanding why their situation and payments is less or more.

Barriers

- Most of the parents attending the group have smart phones with internet allowance but data allowance and memory space for downloading and accessing information online is limited.
- Few parents have Wi-Fi at home.
- None of the parents have a laptop, around 1/3 of parents have a tablet to access the internet.
- Most of the parents have an email address, not always an appropriate email address.
- Some parents have experienced waiting lists at their local libraries for digital support. One parent was unable to take up a course place that was offered due to childcare restrictions and then was removed from the waiting list.
- Some parents feel confident about using computers and online resources (they had been on a previous OPFS workshop), whereas some have very poor knowledge and confidence of using computers and anything online.
- Parents that speak English as a second language have additional barrier of low comprehension of reading and writing in English. Especially as some of the terms can be in jargon, and not plain English. When UC was being explained by the facilitator some of the parents needed this to be explained in a completely different way that was relatable to them and their family situation, without one-to-one support they would not have been able to complete the questionnaire. Therefore, this highlights the need for personalised support for people with learning disabilities, low digital understanding and/or limited use of English language.
- Literacy, numeracy and digital literacy issues.
- Parents expressed concern about how they are they going to access if they don't have a laptop. Difficult to type in information and view information on a small phone screen.
- Times available at library for internet use is extremely limited, often not suitable around childcare needs and computers slow and no member of staff available to help. Some parents don't feel comfortable completing personal information and looking at support and other services in a public place.
- What happens if benefits currently under appeal? Will this be passed over to new system.
- Concerns about eligibility to remain and work in UK for people and how this will affect benefits? Fear and uncertainty around impact of Brexit.
- Personal data – who is it being share with? How secure is the UC system? How to recognise links to insecure websites?
- Fear of being unable to gain employment for people that have been caring for children and other family members for a long time and don't have any recent work experience or skills.
- Timing of some of roll out is December 2018. Christmas is a difficult month financially for most people, both in employment, and not in paid work trying to buy Christmas presents and provide for their families. Expect lots of families to fall into arrears with council tax and housing over this time. Which could lead to eviction and this is something parents are worried about. Followed by January being a longer month, and longer wait to next payment.

Universal Credit is not working for single parents

It is vital that UC works for single parents because:

- Over 90% of single parents will be eligible by the time it's rolled out.
- There are increased expectations for single parents to move into work on Universal Credit.
- Without support, single parents face particularly high barriers to (re-) enter and progress in work, and many struggles to make ends meet in low-paid work.

Universal Credit is failing to meet the Government's objectives, but this isn't inevitable. Policy makers can make better choices to support those on Universal Credit, which would make the system better for single parents and others. Recently, the Government made some concessions, most notably scrapping the seven-day waiting period to receive payments and improving the advance payments system which means claimants don't have periods between receiving benefits without financial support.

But there's more work to do to mitigate the impact of Universal Credit on single parents. One of the most damaging effects of Universal Credit to the single parent families we work with has been the instability it causes. After the initial financial and emotional shocks of moving onto Universal Credit, debt, housing insecurity and job uncertainty is the norm for most families.

Recommendations to UK Govt improve Universal Credit

OPFS recommends a range of practical changes:

Moving into paid work

- More information about advance payment, how to apply, how much, and how re-payments of this loan will affect UC payments.
- Clear easy to read guidelines about 'changes of circumstances' that will trigger moving from current benefits to UC earlier. What changes can affect amount of payments due.
- Jobcentres to support parents with the upfront costs of childcare through an 'Upfront Guarantee' paid directly to the provider by using the Flexible Support Fund
- Allowing single parents who would need to move onto UC as a result of entering temporary work to remain on legacy benefits when a transfer would leave them worse off.
- Reverse cuts to the work allowances under UC – without this, working single parents lose £800 on average and some over £2,000 a year.

Conditionality

- OPFS would like to see all punitive sanction based conditionality removed but at a minimum abandon new job-seeking requirements for parents of three and four-year olds, until affordable and good quality childcare and flexible work is available.
- Ensure entitlements are clear and single parents' needs are recognised in claimant commitments, for example that single parents can access training for up to a year.
- Clear guidance on number of hours people need to work to be eligible for UC without having to seek employment for further hours. This should be clearly outlined in relation to single parent 's claimant commitment. This is particularly important for many parents that have zero-hour contracts, shift work, irregular hours and don't have control of how many hours they are given to work each week.
- Parents wanted to know what are the consequences for someone in work who cannot apply for additional work for the recommended number of hours every week? What if parent can't work additional hours due to childcare, health, health and support needs of child, other caring responsibilities? Can they be sanctioned?

A simplified system

- Supporting families to manage financially through further improving advance payments.
- Provide mechanism to pay registered childcare providers directly (similar to tax-free childcare) reducing administrative burdens

Universal credit is failing to meet the Government's objectives of a simplified benefits system and supporting families into work. Change is urgently required to make Universal Credit work for single parents.

What can, or should the Scottish Government do to mitigate any detrimental impact?

Single Parents told us:

- Increased publicity for Universal Credit 'Scottish Choices' to give better access to twice monthly payments and the housing element being paid directly to landlord.
- Work with JCP Scotland to ensure single parents entitlements are clear and their needs are recognised in UC claimant commitments, and they know their rights.
- Parents would like holistic support somewhere to access digital support and learning, how to use a computer, how to apply for UC, budgeting advice, 'into work calculation' and understanding of how UC will impact on their family.
- Ask Westminster to delay roll-out date to avoid clash with Christmas which is a difficult time for most people financially.
- Support for parents with budgeting and planning for transition to UC – including setting up direct debits, comparing suppliers of fuel, opening a bank account, internet banking.
- Childcare is particularly important to help make paid work possible, but also to enable single parents to enter employment at higher paid levels to take their family out of poverty. As both the main carer and main earner, single parents can't 'shift-parent' in the same way couple parents do in order to manage early years and school pick-ups and drop-offs. Currently there is not enough affordable, flexible childcare - early years, out of school and during school holidays. Investment in childcare should be seen as part and parcel of investing in infrastructure – it helps life chances, employment and the economy. The role of childcare should be considered more broadly, including how it can support parents in training, education transitioning into secure well-paid work.

What OPFS is doing to respond to UC implementation

In terms of advice now, we have an ongoing series of Universal Credit updates on our web-site:¹⁶ OPFS Financial Inclusion service is also delivering ongoing face to face support through our local services. We deliver:

- Immediate Crisis Support.
- Welfare Rights & Benefit Advice.

¹⁶ <http://www.opfs.org.uk/advice-information/universal-credit/>

- Money and Debt advice including Fuel Debt Assistance.
- Income Maximisation including Charities and Trust Fund Assistance.
- Money management and Financial Capability training.
- Representation and advocacy at appeal tribunals.
- One-to-one meetings and group sessions.

Single parents that face multiple barriers including disability, mental health issues, experience of GBV, literacy issues, language barrier etc. are more vulnerable and less likely to seek support for something they don't understand as it takes times to trust people and organisations to share personal information about themselves. Some parents require one-to-one support because their confidence levels are so low, and they would feel even more frustrated and dis-empowered in a group of people with more advanced skills and understanding than they have.

Accessing support for benefits, debt, digital inclusion, self-development, confidence, resilience, computer skills, steps to employment via one organisation that understands their additional barriers and needs is more supportive and less scary than being referred to multiple agencies. As OPFS has developed positive trusting relationships with parents we are in a good position to expand upon our holistic services to support single parents in every step of transition to UC.

Conclusion

OPFS believes employment should provide a decent standard of living, offer pathways to progress and allow parents to balance work and home life. However, as we know over 68% of single parents enter the three lowest paid occupation groups and are more likely to be in low-paid work. The predicted increase in child poverty for children in single parent households to over 62% will be exacerbated by the roll out of Universal Credit. We believe parents should be able to make their own decisions about how best to blend work with family life rather than be persuaded into work, under threat of a cut to benefit, that doesn't meet their family's needs. Access to training, education and qualifications is crucial for single parents to improve employment and pay prospects.

The Westminster government must live up to its promise to always 'make work pay', to protect families from in-work poverty. Work incentives under universal credit should be improved and conditions to look for work eased. Employers and governments should work together to encourage family friendly employment and progression in work across pay grades and sectors. Lastly childcare which is affordable, flexible, high-quality and responsive to parents' needs is vital to enable single parents to make genuine choices on work and care.

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