Scottish Budget 2024/25:

Support for single parent families

BriefingDecember 2023



About One Parent Families Scotland

Established in 1944, One Parent Families Scotland (OPFS) is the leading charity working with single parent families in Scotland. We provide expert advice, practical support and campaign with parents to make their voices heard to change the systems, policies and attitudes that disadvantage single parent families.

Programme for Government Priorities: Summary

- Increase the Scottish Child Payment to at least £30 by April 2024, increasing to £40 before the end of this parliament.
- Target additional support through the Scottish Child Payment to families affected by the young parent penalty and two-child limit.
- 3. Ensure Best Start Grants are increased at least in line with inflation, so they do not lose value, and provide that Best Start Foods grants as a cash payment to empower parents to make choices on how to spend this money to support their children.
- 4. Increase the income threshold for accessing **school clothing grants** in line with inflation and commit to rolling this out to all children whose parents receive Universal Credit.
- 5. **Urgently continue the roll out free school meals** to all primary school pupils and commit to introducing universal free school meals in secondary schools.
- 6. Reflect the **importance of child maintenance** in plans to tackle child poverty, provide guidance to encourage local authorities to do the same, and consider ways to raise public awareness to increase the rate of successful arrangements in Scotland.
- 7. Support single parents (most of whom are women) into training, education and sustainable, family friendly employment which pays the real living wage through specialist employability support and actions to reduce inequalities in the labour market.
- Accelerate progress towards expanding universal early learning and childcare to one and two-year-olds, as well as actions to create a system of funded school age childcare, and commit to a more radical childcare ambition including the choice of up to 50 hours of ELC.
- 9. Commit to provide funding for local authorities to **write off existing public debt** for low-income households.

- 10. Ensure that single parents are part of the focus of policies to achieve a just transition to net zero, so they are not left behind or disadvantaged by the shift to a low-carbon economy.
- 11. Use the Scottish Parliament's **devolved tax powers** to generate more revenue in Scotland to fund action on poverty and inequality, investing in care and tackling the climate crisis.
- 12. Introduce a new **National Outcome** on valuing and investing in care and all those who provide it, whether paid or unpaid.

Background

Children of single parents are one of six priority groups included in the Scottish Government's Tackling Child Poverty Delivery Plan (*Best Start, Bright Futures*), in recognition of the fact that 2 in 5 of all children in poverty in Scotland are in single parent households.¹

The Scottish Government has taken a number of important actions to reduce child poverty which are already having a positive impact for families. Policies such as the Scottish Child Payment are projected to lead to a fall in the child poverty rate by 2023/24.² We also welcome the Scottish Government's commitment to mitigate the UK Government's benefit cap, which disproportionately impacts on single parents³.

The Poverty and Inequality Commission finds that the Scottish Child Payment is driving most of the progress towards meeting the interim child poverty targets and recommend greater urgency of action on other commitments in the Tackling Child Poverty Delivery Plan, including childcare and employability support⁴.

With one in four children in poverty, it is vital that the Scottish Government build on the success of these policies to inject more resources and urgency, including additional targeted interventions for families at greatest risk of poverty. Only by doing so will the government achieve its statutory targets and reduce deep inequalities which remain between different

¹ https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20-annex-c-child-poverty-lone-parent-families/pages/4/

² Analysis of Scottish Government child poverty targets | FAI (fraserofallander.org)

³ Department for Work and Pensions, 2020. Benefit Cap Data to February 2020.

⁴ Child Poverty Delivery Plan progress 2022-

²⁰²³ Scrutiny by the Poverty and Inequality Commission.pdf (povertyinequality.scot)

population groups⁵, including the specific disadvantages faced by single parent families.

Barriers facing single parent families

Children in single parent families are more likely to be living in poverty at 38% compared to 24% of all children⁶.

This higher rate of poverty is the result of a combination of factors, including:

- Gender inequality. 90% of single parents are women⁷, and the barriers and inequalities faced by single parent families are inextricably linked to gender equality.
- Labour market inequality. Single parents in work are consistently the family type most likely to face in-work poverty and are more likely to be working in a low-wage sector and on lower hours⁸. 48.2% of single mothers in paid work are in part-time work⁹. Part-time opportunities tend to be within lower-paid jobs and sectors which are female-dominated and often undervalued¹⁰. There is limited availability of job opportunities that would allow single parents to meet their caring responsibilities and exit poverty¹¹. Just 65.5% of single parents are in paid work, compared to 78.3% of mothers in a couple and 93.8% of fathers in a couple.¹²
- Lack of affordable childcare. For single parents, access to affordable, flexible, quality childcare is vital as means of enabling them to enter paid work and potentially lift their families out of poverty. Coram's Childcare Survey 2023 found that the cost of childcare is rising and there is a major gap in provision, which, in Scotland, was particularly stark for under 2s, disabled children, and school-age childcare. In 2022, research by OPFS found that 21.2% of participants were not able to afford childcare at all, and a Scottish Government survey found single parents were twice as likely as dual

⁵ https://www.gov.scot/publications/tackling-child-poverty-priority-families-overview/

⁶ Scottish Government. 2020. Tacking child poverty: second year progress report – annex C.

⁷ Labour Force Survey, 2022.

⁸ UK Poverty 2020/21 - JRF

Families and the labour market, UK - ONS, 2021

¹⁰ Women, Work and Wealth in Scotland's Changing Economy - Scottish Women's Budget Group, 2022.

¹¹ Freeing low-income single parents from in work poverty's grip - One Parent Families Scotland and JRF, 2021.

¹² Census 2021. https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork

¹³ Childcare Survey 2023 – Coram.

¹⁴ Living Without a Lifeline – One Parent Families Scotland, 2022.

earner households to report significant difficulties paying for childcare. 15

- Social security. Research by the Institute for Fiscal Studies found that cuts to social security from 2010-20 left single parents among the most exposed to rising inflation. Women are twice as dependent on social security due to structural inequalities, and analysis from the House of Commons library shows that from 2010 to 2020, 86% of net 'savings' raised through cuts to social security and tax credits would come from women's incomes. 17
- Multiple inequalities. Many single parent families are also impacted by multiple inequalities which increase their risk of poverty. Single parents are more likely than couple parents to be from black (9%) and mixed ethnic groups (3%), and are more than twice as likely to be disabled (33%)¹⁸ and are more likely to have a disabled child (35%)¹⁹.
- Paid and unpaid care. Many single parents work in the care sector. The under-valuation of social care workers reflects the under-valuation of all care in Scotland²⁰, whether paid or unpaid, with too many single parents in low paid caring roles living in poverty. A high proportion of single parents care for a disabled child for too long, people who care for others, whether paid or unpaid, have been undervalued and under-rewarded. As a result, caring can result in significant personal and economic costs for individuals and their families, with carers more likely to live in poverty²¹.
- Being the sole earner and carer. All of these are areas which impact
 disproportionately on single parent families because they start from a position of living
 in a one-income household and balancing sole childcare responsibilities with paid work.
 They have many of the same costs as a two-parent family to be paid for from one
 income. When children do not receive financial support from their other parent, or can't
 rely on receiving it regularly, this creates a huge strain for low-income single parents.

¹⁵ Parents views of early learning and childcare in Scotland, 2022.

¹⁶ Pre-pandemic relative poverty rate for children of lone parents - IFS, 2022.

¹⁷ Gender Matters in Social Security (engender.org.uk)

¹⁸ Labour Force Survey 2022. Analysis by Gingerbread.

¹⁹ Census 2011. Analysis by Contact.

²⁰ https://www.audit-scotland.gov.uk/uploads/docs/report/2022/briefing 220127 social care.pdf

²¹ https://www.learningdisabilitytoday.co.uk/half-of-all-people-in-poverty-in-the-uk-are-disabled-or-carers

Priorities for the Scottish Budget 2024/25

Every child should grow up in a family with access to enough money to achieve a decent standard of living; live in a decent, secure, affordable and warm home; be able to thrive, learn and develop, regardless of their family income; and grow up free from the threat of poverty.

In order to better support single parent families and lift children out of poverty, the Scottish Government should prioritise the following areas:

Increase income from social security

- Increase the Scottish Child Payment to at least £30, as committed to by First Minister
 Humza Yousaf in his leadership campaign. IPPR also finds that the Scottish Child
 Payment will need to increase to £40 in order to meet the interim targets,²² so we would
 urge the government to progress towards this Within the lifetime of this parliament.
- Target additional support through the Scottish Child Payment to families affected by the
 young parent penalty and two-child limit. Families with mothers under 25 and larger
 families are both priority groups in the Tackling Child Poverty Delivery Plan, both face
 higher rates of poverty, and both are impacted by unfair UK social security policies.
- Ensure Best Start Grants are increased at least in line with inflation, so they do not lose
 value, and provide Best Start Food grants as a cash payment to empower parents to
 make choices on how to spend this money to support their children, as with other
 benefits like the Scottish Child Payment. We know these grants have already made a
 positive impact for many single parent families and provide vital support during
 children's earliest years.
- Raise the qualifying earnings limit for the new Scottish Carers Assistance payment to ensure that carers can work at least 16 hours at National Living Wage.

Reduce costs for low-income families

- Urgently roll out free school meals to all primary school pupils and commit to introducing universal free school meals in secondary schools.
- Increase the school clothing grants income threshold in line with inflation and commit to rolling this out to all children whose parents receive Universal Credit.

²² https://www.ippr.org/blog/poverty-doesn-t-have-to-be-inevitable-it-needs-political-will-and-investment-to-eradicate

- Put in place a moratorium on debt and arrears to public bodies in Scotland.
- Commit to provide funding for local authorities to write off existing debt for low-income households.

Child maintenance

- Reflect the importance of child maintenance in plans to tackle child poverty and provide
 guidance to encourage local authorities to do the same. Research has found that in the
 UK, for children of single parents who are in poverty and not receiving maintenance, child
 maintenance payments being received would lift them out of poverty in around 60% of all
 cases. All services providing financial advice to separated families should include child
 maintenance as part of their calculations and support.²³
- Lobby the UK Government to improve the Child Maintenance Service and remove barriers to accessing the service.
- Consider what steps the Scottish Government can take to support public education and awareness raising about the importance of child maintenance to addressing child poverty, upholding children's rights, and nurturing positive family relationships, with a focus on improving the rate of successful arrangements in Scotland.

Childcare

- In the first instance, accelerate progress towards commitments to expand universal childcare to one and two-year-olds and create a system of funded school age childcare.
- Urgent work should be carried out on how childcare can be provided more flexibly.
- Commit to a more radical childcare ambition including providing a universal funded entitlement of 50 hours per week for children aged six months and above that is free at the point of use for all families.
- Commit to a more ambitious target on pay for childcare workers, as part of a focus on ensuring a diverse and skilled workforce that is valued, fairly paid and gender balanced.

²³ Fife Gingerbread and Poverty Alliance (2023). Child Maintenance during a cost-of-living crisis. A system of support?

Labour market

- Support the public sector to create more quality, flexible vacancies (flexible in terms of
 offering hours that suit single parents and options such as job sharing; quality in terms
 of protecting them from poverty through fair wages which keep pace with inflation),
 directly and through procurement and economic development.
- Support employers in the private sector to create more quality, flexible vacancies.

Employability support

- Offer bespoke, holistic initiatives for single parents to move into, stay and advance in employment such as a Scotland-wide employability pathway specifically for single parents, taking account of intersectional inequalities and barriers.
- Provide fully funded opportunities for single parents to attain their first level 3
 qualification, prior to their return to paid work and for those already in work.
- Employability Programme providers should guarantee to fully fund childcare costs for single parents undertaking their first level 3 qualifications.

Just transition to net zero

- Just Transition should be linked into employability initiatives, so that work to achieve net zero and work to reduce poverty supports each other. Without this interconnectedness there is a risk of reproducing and deepening inequalities.
- The Just Transition must include a recognition that investing in job creation in more carbon neutral sectors such as the care and childcare sectors – which are female dominated – is an important part of the transition to net zero.
- Low-income single parents face inequalities in key areas which will be central to a Just Transition such as transport and energy efficient homes. It is vital that breaking down the specific barriers facing single parents, including financial and knowledge barriers, are core to the Scottish Government's work to achieve Net Zero in these areas.²⁴

²⁴ One Parent Families Scotland (Report to be published in January 2024). Climate Change and a Just Transition: Engagement with Single Parents, October 2023.

Tax

- Use income tax powers to ensure the highest earners make a fairer contribution in the next Scottish budget. IPPR Scotland has estimated a new income tax band for higher earners could generate £257 million and lift 20,000 children out of poverty.²⁵
- Pursue more radical tax reform, including overhauling Council Tax and exploring new
 ways to tax wealth. This could raise substantial additional money, ensuring those with
 the highest incomes pay more while protecting those on the lowest.

Care

- Introduce a new National Outcome on Care. For the first time in five years, the Scottish
 Government is reviewing its 'National Outcomes', which are meant to describe the
 kind of Scotland we want to live in. Critically, these Outcomes are used to guide
 Scottish policy and spending decisions.
- Right now, care and carers are missing from this vision for the country, that's why we need a new 'National Outcome' on valuing and investing in care and all those who provide it, whether paid or unpaid.²⁶

²⁵ Humza Yousaf's tax pledge could help to lift 20,000 children out of poverty, leading think-tank finds | IPPR

A Scotland that Cares – the Campaign for a new National Outcome on Care – Oxfam Scotland (oxfamapps.org)



If you have any questions about anything in this report, please contact us at:

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