**Pre-Budget Submission 2020**

*Supporting Financially Vulnerable Families*

June 2019

28 North Great Georges Street, Dublin 1

01 – 6700 120 [www.treoir.ie](http://www.treoir.ie)

**About Treoir**

Founded in 1976, Treoir is the national federation of agencies which provide services to unmarried parents and their children. Membership of Treoir is open to professional agencies providing services to unmarried parents. They are a combination of statutory and non-statutory bodies, including specialist agencies, the HSE, maternity hospitals, adoption societies and self-help groups.

Treoir, in partnership with its member agencies, promotes the rights and best interests of unmarried parents and their children through providing specialist information and advocating for their rights.

Treoir works to achieve this aim by:

* providing a National Information Service to unmarried parents, their extended families and

 those working with them.

* co-ordinating the Teen Parents Support Programme.
* promoting change to achieve constitutional and legal equality for unmarried parents, and to improve services and attitudes to unmarried parents
* undertaking research on the situation of unmarried parents and their children in Ireland
* collaborating with other agencies to promote our aim through the federation of Treoir and agencies outside Treoir

Treoir principles:

* recognise the diversity of family life in Ireland
* recognise that all families, including unmarried families, have the same rights to respect, care, support, protection and recognition
* support and promote the rights of all children as outlined in the United Nations Convention on the Rights of the Child
* believes that all children have a right to know, be loved and cared for by both parents.

The ‘Family’ in 21st century Ireland has undergone dramatic change. It is now multifaceted, and faced with significant challenges in terms of economic wellbeing and household security. Evidence of the variety and range of family types is found in Census 2016. For example, the number of cohabiting couples with children increased by 25.4 per cent to 75,587 and the number of one parent families with children by 1.5 per cent to 189,112.

This trend has significant ramifications for the state provision of public services and for the organisation of the labour market. Unmarried parents of children often experience significant obstacles in terms of access to the family law system, the labour market, and when attempting to access other life chances. This is particularly the case when it comes to lone parents, making them one of the most at risk groups in society with consistently high rates of poverty when compared to other groups. Thus, while unmarried parents are not a homogenous group, a high percentage of them are heavily reliant on social transfers and public services.

**DEPARTMENT OF EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION**

Treoir welcomes features of Budget 2019 such as the increase in income disregard for One-Parent Family Payment (OFP) and Job Seekers Transitional Payment (JST) which was increased to €150 a week; the €5 weekly rate increase for all weekly payments e.g. OFP, JST and Jobseekers Allowance (JA). We also welcome the new maintenance disregard for the Working Family Payment threshold and the increased Daily Expenses Allowance for families in Direct Provision. Nevertheless, these measures do not go far enough to address the hardship of lone parent families in particular, and of co-habiting and unmarried families in general. They can also unwittingly work to prevent shared parenting of children.

The most recent survey on Income and Living Conditions 2017[[1]](#footnote-2) by the CSO confirms that Lone Parents are one of the most at risk of poverty groups. An analysis of consistent poverty rates by household composition showed that individuals living in households with one adult with one or more children aged under 18 had the highest consistent poverty rate at 20.7%, compared to the National average of 6.7%. (CSO 2018). Data from the most recent CSO *Survey of Income and Living Conditions*

shows that after social transfers, 1 in 12 people was living in consistent poverty. This means the income of 1 in 12 people is below 60% of the national median income and that there are families

experiencing enforced deprivation who are unable to afford basic goods such as new shoes or a winter coat. It follows that lone parents and unmarried couples with one or more children who are in low paid employment, engaged in part-time work or unemployed, experience very high levels of consistent poverty. Because of the multifaceted nature of poverty and deprivation it is imperative that allowances, payments, and benefits related to children and families, are constantly reviewed and protected.

**Recommendations**

* Treoir is calling on the Government to increase all social welfare payments rates in budget 2020 by at least a higher percentage than the expected price increase next year of 1.2%.
* This increase should happen on 1 January 2020, and not in March as in 2019.
* The government should provide additional resources to compensate those adversely affected by the changes to the One Parent Family Payment. For example, the Working Family Payment could be used as an in-work support to alleviate poverty rates experienced by the one parent families. This could be done by increasing the income disregard on maintenance for the Working Family Payment from its current rate of €95.25 to €150.00.

**Maintenance Recovery Unit**

The Department of Employment Affairs and Social Protection (DEASP) currently requires recipients of OFP to try and get maintenance from the father of the child. Treoir has long argued that maintenance recovery should not be the remit of the DEASP. It creates tension between people and can be counterproductive to building better relationships between unmarried parents, which ultimately is in the best interest of the child.

The vision of the DEASP is “To promote active participation and inclusion in society through the
provision of income supports, employment services and other services.” Treoir advocates shared parenting for unmarried families with a child centered approach to bringing up children. We believe the Maintenance Recovery Unit is not in keeping with the vision of the Department and that it should be relieved from its remit and that is should instead move to the Department of Justice, who have responsibility for family law. At a minimum, the condition for a lone parent to seek maintenance should be removed.

**Recommendations:**

* Increase all social welfare payment rates by at least a higher percentage rate than the expected price inflation increase in 2020
* Reinstate the supports for one-parent families to address the current high rates of child poverty.
* The DEASP should not be involved in maintenance recovery, this function could be moved to another Department, such as Justice.
* The requirement of lone parents in receipt of OFP to pursue maintenance should be abolished.

**Income Adequacy**

**Income Adequacy**

**Working Family Payment**

Change to the eligibility criteria of the One Family Payment (OFP) has resulted in the reduction of income for lone parents in employment. A lone parent whose youngest child reaches the age of 7 loses OFP and may instead qualify for Jobseekers Transitional Payment (JST) if their youngest child is aged between 7 and 13, or Jobseekers Allowance (JA) if the child is 14 years or over.

Treoir believes the support available to lone parents who are progressing to sustainable employment needs to be more appropriate to their needs. While Working Family Payment (WFP) is available to OPF recipients who work a minimum of less than 19 hours a week, it is not payable with JST or JA. This is a consequence of the reforms of the One Family Payment. Thus, a JST recipient working 19 hours a week on the minimum wage will experience significant hardship if their employer is not able to offer them extra hours. Moreover, in its current form the WFP working hours threshold may not adequately reflect current working trends. For instance, an OPF recipient who can only secure 18 hours work a week will not qualify for WFP.

**Single Person Child Carer Credit (Department of Finance)**

In January 2014, the Single Person Child Carer Credit, which is only be available to the primary carer of the child, replaced the One Parent Family Tax Credit (OPFTC). This OPFTC had been available to both parents where they were not living together since the early 1970s. Treoir’s National Specialist Information Service continues to receive calls from unmarried/separated or divorced parents who highlight the negative consequences of not being able to avail of this tax credit. The impact of this is that it:

* Dis-incentivises shared parenting, which research shows is good for children.
* Reduces the overall income for parents who live apart. Where parents do not live together there are two household to be maintained. Reduction in the income of a mother or father impacts negatively on children.
* Leads to tension between parents over the ability to pay the expected maintenance, which is not in the best interest of the child.

**Recommendations:**

* Extend WFP to lone parents in receipt of Jobseekers Transitional Payment.
* Review working hours’ eligibility of WFP to align it with current trends on part-time working arrangements.
* Introduce additional interim measures for lone parents in part-time employment who cannot increase their hours to avail of WFP.
* Allow for flexibility in the payment of WFP in the event of changes of income or working hours for short periods.
* Extend the Single Parent Child Carer tax credit to both parents who live separately to support shared parenting. (Department of Finance)
* Make the Single Person Child Carer Tax Credit available automatically to the qualifying secondary carer when the primary carer does not claim it. (Department of Finance)

**Back to School Clothing and Footwear Allowance**

The current income limits for the Back to School and Footwear Allowance (BSFA) negatively impacts lone parents. The BSFA sets out different limits of average weekly family income for couples and for lone parents. Instead, the income limits for the calculation of the Working Family Payment (WFP) are based on the number of children in a family and it does not differentiate between households with two adults, and lone parent families. For instance, the BSFA income limit for a family with one child is €587.20 (for a couple) and €425.10 (for a lone parent). In contrast, the WFP income limit for a family with one child (whether a couple or a lone parent) is €521.

**Recommendations:**

* Equalise income thresholds for one and two parent families.
* Restore the Back to School Clothing and Footwear Allowance to the 2011 level of €305 for children over 12, and to €200 for children under 12.

**Widowed or Surviving Civil Partner Grant**

This grant is a once-off payment of €6,000 available to widows, widowers or surviving civil partners who have one or more dependent children living with them or a widow or surviving civil partner whose child is born within ten months of the date of death of her spouse or civil partner. Cohabitant parents do not qualify for this payment which puts children at risk of financial hardship, as a result of their parent’s marital status.

In a landmark ruling in Northern Ireland, the High Court held that an unmarried Co. Antrim mother whose partner of 23 years died was discriminated against on the grounds of marital status when she was refused a widowed parent’s allowance. In his judgment Mr. Justice Treacy said: “It may seem somewhat strange to rely, as a justification for the restriction, on the contention that it promotes the institution of marriage and civil partnership when parents, whatever the status of the relationship, owe the same financial or legal duties towards their children.” This decision could have a persuasive authority in Irish Courts particularly considering that children’s rights are enshrined in the Irish Constitution.

**Recommendations:**

* Extend the eligibility of the Widowed or Surviving Civil Partner Grant to cohabitants and to surviving guardian who have one or more dependent children living with them.

**The Social Wage**

For unmarried parents, the legacy of years of austerity continues to have a negative impact on their quality of life and on the life chances of their children. This is particularly the case when it comes to access to housing, childcare, social welfare, taxation, labour market participation, and access to the courts and legal representation. Otherwise known as the social wage, state provision of public services is dependent on its willingness to collect sufficient revenue through general taxation and social insurance. In Ireland, unlike other EU countries, employer social security contributions are very low. As noted by TASC, the knock-on effect of this is that the state does not raise enough money through income tax and employer PRSI, to provide European standard public services. As the social wage is a critical mechanism in providing a safety net for people,

**Recommendations**

* Treoir is calling on the government to follow through on its commitment in the *Roadmap for Pensions Reform 2018-2023* to issue a consultation paper on appropriate rate setting for the Social Insurance Fund towards the end of 2019.

**HOUSING**

The ongoing shortage of affordable private and public housing continues to cause great difficulty for many individuals and families and has directly resulted in homelessness, particularly for lone parents and their children. Increases in Rent Supplement and Housing Assistance Payment thresholds in 2017 are welcome but the increase in rent levels, alongside the shortage of private rental accommodation makes this an unaffordable option for many families. In 2017, rents increased by 10.4% to €1,277 per month (higher in Dublin)[[2]](#footnote-3).

Strategies to address homelessness (especially amongst young people and teen parents), need to be implemented urgently to meet the demand for affordable housing. Rent supplement and HAP must be maintained at levels which meet market rates to ensure people can reside in the homes they are already living in and those in emergency accommodation can move on.

Ireland remains in the grip of one of the worst housing crises in the history of the state. The most recent figures illustrate the enormity of the crisis with 10,378 people homeless, 3784 of whom are children. An additional 100,000 people are on local authority social housing lists throughout the country. While this social catastrophe shows no signs of abating Government policy continues to be informed by an almost total reliance on the private rental market.

In the past, most people using emergency accommodation were single adults. But in the last three years, there has been a rapid increase in the number of families becoming homeless. The rise in family homelessness is driven primarily by structural economic factors. According to Focus Irelandthe overwhelming number of families becoming homeless had their last stable home in the private rented sector, and the crisis in this sector is the immediate cause of their homelessness – landlords selling up or being repossessed, shortage of properties to rent, scarcity of properties accepting rent supplement, and high rents. Rent Supplement payments often fail to cover the rent as payments are too low and many landlords do not accept the supplement. Meanwhile, the Government has so far failed to provide better access to affordable housing for people in need.

In most mainland European countries, housing and access to it is considered a basic human right. Indeed across Europe housing is seen as an important foundation block in sustaining family life and in ensuring healthy communities and a fair society.

**Recommendations**

* Treoir is calling on the Government to reduce its over reliance on HAP (in 2018 it spent over €300 million on HAP), and to focus instead on the delivery of a major national public and affordable housing scheme to provide every family with a home.
* Treoir is calling on the Government to introduce a further suite of measures to ensure tenants have greater security of tenure, to end evictions, to make greater use of vacant sites and homes, and to increase progress towards a cost-rental system.

The rise in family homelessness is driven primarily by structural economic factors.According to Focus Ireland,the overwhelming number of families becoming homeless had their last stable home in the private rented sector, and the crisis in this sector is the immediate cause of their homelessness – landlords selling up or being repossessed, shortage of properties to rent, scarcity of properties accepting rent supplement, and high rents. Rent Supplement payments often fail to cover the rent as payments are too low and many landlords do not accept the supplement. Meanwhile, the Government has so far failed to provide better access to affordable housing for people in need.

**Maintenance and Rent allowances**

As stated above, rents have increased by 10.4% on average with higher rates in Dublin and other urban centers. Unmarried liable relatives who pay maintenance towards their dependent children are allowed €95.23 per week in rent payment in assessing the amount of maintenance due.

 With an average weekly rent at €295, and higher in Dublin, this allowance for rental expenditure is wholly inadequate. Treoir has received numerous calls from liable relatives who are struggling to maintain their rental accommodation while paying the assessed maintenance by DEASP using the current rent allowances framework.

Frequently Treoir come across cases through our National Information Service where single fathers who share custody arrangements are not awarded Rent Supplement at family rates. A single father may not qualify for social housing with the result that he may not be able to have his child/children to stay with him. This can have a major impact on a father’s ability to share parenting.

**Bin Waiver Schemes**

The withdrawal of the Bin Waiver Schemes by Local Authorities for recipients of One Family Payment in recent years has placed additional financial pressure on lone parents living in independent accommodation. Treoir is concerned that the introduction of the “Pay by Weight Scheme” in 2017 will lead to additional expense for parents particularly if they have very young children.

The commitment to support people with long term medical needs in the form of a subsidy towards bin charges should be extended to One Parent Families in receipt of OFP. As mentioned the risk of poverty among one parent families is the second highest in Ireland among all EU 28 countries[[3]](#footnote-4).

**Recommendations:**

* Monitor rent supplement allowances limits every six months in areas of high demand and adjust accordingly to match market rates.
* Increase the rent allowance for liable parents in assessing maintenance payments especially in areas of high demand and high rental rates.
* Extend any Bin Waiver Schemes to One Parent Family Payment recipients.

**EDUCATION**

**Back to Education and SUSI**

Students experiencing a crisis pregnancy or their partners have limited options. They can opt for One Parent Family payment (if choosing to live separately) or Working Family Payment (if cohabiting). However, as many students do not meet the criteria for this they are left to rely on college grants (if available), managing college duties and weekend work to survive. A minority of students may obtain the exceptional needs social welfare payment, depending on the Community Welfare Officer. However, the reality is that there is a significant gap in support for this cohort.

A lone parent returning to education and getting a social welfare payment may qualify for the Back to Education Allowance (BTEA) or the student grant depending on the circumstances. However, it is no longer possible to get the Back to Education Allowance and a full student grant at the same time. BTEA recipients are no longer eligible to receive the Student Universal Support Ireland (SUSI) maintenance grant. Without this financial support, many lone parents in full time education are forced to drop out of college. Meanwhile census data shows that lone parents participation in education has decreased by approximately 20% in the 5 years from 2011 to 2016. [[4]](#footnote-5)

**Recommendations**

* Grant lone parents in full-time education the Back to Education Allowance without discretion
* Review the eligibility rules of the SUSI grant to better facilitate part-time students particularly lone parents to provide to financial support to flexible care duties.
* Extend Back to Education Allowance to younger student parents under 21
* Address the anomaly by which lone parents in receipt of Rent Supplement and OFP/JST, who want to take up education or training are not eligible for SUSI maintenance.

**CHILDCARE**

Treoir welcomes The National Childcare scheme. We are however concerned that while the Scheme is accessible to families with incomes of up to €90,000, those at the bottom end of the income scale on €26,000 and less, will actually loose out. Under the new scheme important anti-poverty after-school measures aimed specifically at low income families such as the Community Childcare Subvention programme and the Childcare, Employment and Training Scheme (CETS)are due to be withdrawn in 2020.

The CETS scheme allows a parent on either an ETB course or a CE scheme to access childcare at a guaranteed parental contribution. In effect all low income parents will be locked out of training and ETB courses if the proposals in the National Childcare Scheme are implemented. Likewise abolition of the CCS scheme will have devastating consequences for poor families. The current scheme allows vulnerable children access to community childcare, especially in cases where parents may need additional supports and children require early intervention. This will have a major impact on the most vulnerable families, especially those headed by lone parents. While we acknowledge the Minister has made provision for a number of exceptional circumstances, the current threshold for social work (Tusla) involvement is exceptionally high, with the result that many vulnerable children will fall through the cracks.

**Recommendations**

* Treoir is calling on the Government to extend anti-poverty after school measures aimed at low income families indefinitely.
* Introduce a single childcare subvention scheme for single parents who need childcare for children aged up to 12 years to participate in education, training and work.
* Introduce additional good quality after-school childcare to support lone parents.

KEY RECOMMENDATIONS

**DEPARTMENT EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION**

**The Labour Market**

 Unmarried parents with children often have difficulty accessing the labour market. This may-be due to a skill deficit, a lack of work experience, lack of confidence , low educational attainment , poverty and/or a general lack of childcare and other supports. Employment and connection to or involvement in the labour market is constantly cited by government ministers as a route out of poverty. However for this to be the case then it is imperative that work pays. Precarious low paid employment is not good for workers, and neither is it good for the state as it ends up paying millions of Euro in social transfers through Family Income Support. Considering the over concentration of women in the ranks of the low paid and the importance of employment for lone and unmarried parents to provide for their families,

**Key Recommendations**

* Treoir is calling on the Government to increase the National Minimum Wage from €9.80 per hour to bring it into line with the Living Wage as estimated by the Living Wage Technical Group.
* Treoir is calling for the abolition of staggered rates of the NMW for people under the age of 20 to be replaced by a single hourly rate for everyone in line with the Living Wage.
* Treoir is calling on the Government to strengthen the role of the Low Pay Commission in relation to in-work poverty and to review the low pay of women.
* Reinstate the supports for one-parent families to address the high rates of child poverty.
* The DEASP should not be involved in maintenance recovery and this function should be moved to another department such as Justice.
* Equalise income thresholds for one and two parent families.
* Extend the eligibility of the Widowed or Surviving Civil Partner Grant to cohabitants and to other surviving guardian who have one or more dependent children living with them.
* Increase the rent allowance for liable parents in assessing maintenance payments especially in areas of high demand and high rental rates.

**DEASP and the DEPARTMENT OF EDUCATION**

* Grant lone parents in full-time education the Back to Education Allowance without discretion
* Review the eligibility rules of the SUSI grant to better facilitate part-time students lone parents to provide to financial support to flexible care duties.
* Extend Back to Education Allowance to younger student parents under 21
* Address the anomaly by which lone parents in receipt of Rent Supplement and OFP/JST, who want to take up education or training are not eligible for SUSI maintenance.

**DEPARTMENT OF FINANCE**

* Extend the Single Parent Child Carer tax credit to both parents who live separately to support shared parenting. (Department of Finance)
* If this is not possible, then make the Single Person Child Carer Tax Credit available automatically to the qualifying secondary carer when the primary carer does not claim it. (Department of Finance)

**DEPARTMENT OF JUSTICE AND EQUALITY**

**Legal Aid**

Access to accessible and timely legal aid is of critical importance for unmarried parents. This is especially the case when it comes to unmarried fathers who have no automatic right to access, custody and guardianship of their children and who must apply to the courts to establish same. At the macro level, cuts to the legal-aid system have led the Special Rapporteur on Child Protection, Dr Geffory Shannon, to describe the family law system as impoverished and without the capacity to meet the needs of the most vulnerable members of society.

In last year’s budget, civil legal aid received an increase of €500,000 to €41 million. In comparison, the criminal legal aid budget increased by €12 million to €61.3 million. The lack of investment and under resourcing of civil legal aid has serious implications for the operation of the family law system and the functioning of the Family Mediation Service. Both services are crippled by an acute lack of resources, long waiting lists, and out of date eligibility criteria. The Family Mediation Service has a critical role to play in minimising conflict between parents and in fostering and supporting shared parenting. A properly functioning national mediation service has the potential to take pressure away from the family court system and to be a critical element in fostering familial harmony and shared parenting.

**Recommendations**

* Treoir is calling on the Government to review the eligibility criteria for civil legal aid as a matter of urgency to bring it into line with 2019 living costs.
* Treoir is calling for an increase to the civil legal aid budget of at least €10 million, on par with the criminal legal aid budget.
* Treoir is calling on Government to clear all waiting lists for family mediation service and to properly resource the service.
1. <https://www.treoir.ie/policy/statistics/> [↑](#footnote-ref-2)
2. Daft.ie Rental Price Report Q4 2017 [www.daft.ie/report/2017-Q4-rental-price-daft-report.pdf](http://www.daft.ie/report/2017-Q4-rental-price-daft-report.pdf) [↑](#footnote-ref-3)
3. Source European Survey of Income and living Conditions. Eurostat Indicator [↑](#footnote-ref-4)
4. Census 2016 Profile 4 – Households and Families. CSO Statbank <http://www.cso.ie/en/databases/> [↑](#footnote-ref-5)