

Paying the Price:

Still 'just about managing'?

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About this report

This is the final report from Gingerbread's *Paying the Price* project. The project has examined single parents' lives in an 'age of austerity' – the combined impact of a struggling economy, public spending cuts and welfare reform on their families. This report focuses on single parents' finances, looking at what has helped and hindered single parents finding financial security in difficult times.

Read our full project findings:

www.gingerbread.org.uk/payingtheprice

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Most importantly, Gingerbread would like to thank single parents for their participation throughout the *Paying the Price* project. Without their input, it would not be possible to conduct this work. Their insight has provided invaluable in helping us to understand the reality of lives affected by ongoing social and economic policy.

About Gingerbread

Gingerbread is the leading charity working with single parent families.

Since 1918 we've been supporting, advising and campaigning with single parents to help them meet their family's needs and achieve their goals.

We want to see a society where single parent families are valued and treated equally and fairly. And whatever success means to a single parent – a healthy family, a flexible job, stable finances, or a chance to study – we work with them to make it happen.

Contents

Summary	4
1 Introduction	7
2 Continued financial fragility	9
The long-term 'just about managing'	9
Ongoing financial burdens	11
Single parents hardest hit by welfare reform	12
Work is not paying	15
3 Tipping into crisis	21
Managing fragile finances	21
At risk of debt – even in work	23
Borrowing and the long shadow of debt	26
Government support – needed, but often missing in a crisis	29
4 Navigating austerity	32
Tackling the childcare barrier	32
Supporting entry into work and progression	33
Understanding employers	34
Persevering despite setbacks	37
5 Where next?	40
Lessons from the first wave of post-recession austerity	40
Rocky road ahead	41
Recommendations	42
Immediate priorities for action	43
Medium term priorities for action	44
Bibliography	46
Appendix 1 Methodology	48
Online survey	48
Panel research	48

Summary

With further political and economic upheaval on the horizon – including a new government and opening negotiations to leave the European Union – it is vital we understand how families have dealt with the repercussions of recent shifts in social and economic policy. Our *Paying the Price* project reviewed single parents' finances' annually using surveys and public data, and followed a group of single parents throughout the course of the project to understand how their situation evolved during the period of austerity under recent governments. Worryingly, we found a swathe of families still struggling – and slipping behind – feeling the cumulative effects of welfare cuts, a pay squeeze and uncertain job prospects.

The journey for single parents has been tough

When our first *Paying the Price* report was published in 2013, single parents were on the brink of major financial changes. Benefit reform had already begun at the outset of the 2010-15 coalition government, and further cuts under the Welfare Reform Act 2012 were underway. At the same time, there were continuing fears for employment prospects in the wake of the 2007-08 financial crisis and following recession. Unsurprisingly, we found single parents under significant financial strain (Rabindrakumar, 2013). Worryingly, our final report finds that, for many single parents, this outlook has not improved in the four years since our first report – and for some, it is even bleaker.

Many single parents are not managing and are at risk of debt

While single parents manage tight budgets through cutting back and careful spending, too often this is not enough. Single parent families are left at risk of debt as a result, and financial shocks can tip single parents' finances into crisis. Now crisis support has been localised and increasingly restricted, there is often limited state assistance and many parents turn to private lenders. Managing repayments on a low income means many single parents find that even one-off debts can cast a long shadow over long-term finances.

Single parents who have managed to progress have been helped by training, flexible work and their own perseverance

Single parents have experienced mixed fortunes. Finding work has helped, but often it is not enough to ensure financial stability in the face of reduced state support and an uncertain job market. While it is clear there is no uniform 'single parent' experience, for those who have managed to progress, there are some common factors that help families move towards more secure footing – particularly childcare provision, training, employer flexibility and parents' perseverance.

With further cuts and an unchanged labour market, the outlook for most single parents remains bleak

The *Paying the Price* project starkly illustrates just how difficult it has been for single parents to establish financial stability in recent years. The importance of financial support, even while working, is particularly clear – to avoid debt, provide security and ensure family well-being. However, the pressure for many single parents persists – further welfare reform is set to come into force in the coming months. If the new government is committed to its promise of social reform, it

must urgently act on improving financial and employment support to families on low incomes and help employers and others to foster a genuinely family-friendly labour market.

Recommendations

Genuine change will not just require action from the government; engagement from businesses will be particularly critical in achieving a family-friendly labour market. But in the short and medium term, there are clear options for the government – and devolved decision-makers, such as ‘metro mayors’ – to consider as it sets out its plan for the UK in the coming years, particularly focused on creating a fairer tax and benefit system, and improving employment support.

While some changes have cost implications, the government is not without choices over how it distributes its spending. There are options to redirect poorly targeted spending intended to help families on lower and middle incomes, for example the marriage tax allowance, or significant increases to the personal tax allowance. Indeed, it is increasingly evident that the public has a bigger appetite for a change in policy direction than perhaps previously recognised. Whether the government can respond remains to be seen.

Immediate priorities for action

- **Ensure universal credit (UC) is fit for purpose**

Much of low income families’ financial security will depend on the success of UC. Now is the time to take stock and restore this flagship reform to its original intentions – to be simple, efficient and to make sure work always pays. As a priority, the government should:

- Reverse cuts to the UC work allowance to maximise work incentives and minimise in-work poverty, with cuts for single parents to be reversed as a priority
- Reduce the delay to a first UC payment, including scrapping the seven ‘waiting days’ for a first UC payment
- Assess the quality of jobcentre provision – particularly work coaches and claimant commitments – to ensure single parents’ needs are recognised

- **Provide support for childcare costs for families struggling now**

Investment in childcare should be seen as part and parcel of investing in infrastructure – it helps life chances, employment and the economy. Yet the bulk of investment promised is not targeted at those who need it most; to address this, the government can:

- Make the £300 million promised extra childcare support under UC (to increase support from 70 to 85 per cent of costs) available to families on tax credits, now full UC roll-out is set to be delayed until at least 2022
- Extend eligibility for 30 hours’ free childcare for parents of three and four year olds to those in education and training, and those on variable-hours (including zero-hours) contracts, to help those who need support to enter and progress in work
- Support claimants with up-front childcare costs through a guaranteed deposit paid directly to the childcare provider (by central government or devolved administrations, eg ‘metro mayors’), which is then returned when the child leaves

- **Ensure vital support is not cut**

Welfare policy has increasingly used cuts or suspension of benefits for non-working families as a means to incentivise work. This can lead to support being cut regardless of parents' intentions to work, pushing them towards poverty – and further from the workplace. To redress the balance, the government can:

- Introduce a genuine 'yellow card' system in the sanctions process, which ensures a robust warning system before jobseeker's allowance (JSA)/UC payment is suspended
- Introduce exemptions to the benefit cap to single parents with children aged two or under and those in training.

Medium term priorities for action

- **Restore the link between state support and need:** Reforms mean state support no longer reflects need for many low income families; restoring this link would help to ensure greater financial security – including ending the benefit freeze by uprating of working-age benefits in line with the cost of living, and ensuring fairer local authority means-testing for council tax support (eg ensure child maintenance is not counted as income and reintroduce 100 per cent exemptions for those on the lowest incomes)
- **Improve long-term debt prevention:** Beyond adequate financial support, the government can do more to intervene when families on low incomes are at risk of long-term debt – for example, if they need access to credit. This includes:
 - Working with local partners to ensure sufficient debt advice service provision
 - Developing interest-free loan provision for low income families
 - Tackling high prices charged for rent-to-own goods (eg catalogue purchases)
- **Re-think wider welfare reform:** For families struggling now, it is not enough to commit to no further reform – major changes already passed have had, and will have, a big impact on families' finances. With mounting evidence of limited cost savings and incentive effects (eg to move into work or move home), a government serious about tackling social injustice should consider reversing previous reforms such as the benefit cap and the 'bedroom tax'.

1 Introduction

Since 2010, 'austerity' has governed social and economic policy, resulting in a combination of tax, benefit and public service spending reforms aimed at reducing the government deficit. As a result, single parent families are still under significant financial strain.¹ With further political and economic upheaval on the horizon, it is vital we understand how families have dealt with the repercussions of recent social and economic policy – not least to determine how to best support, rather than undermine, families' futures'.

Beyond austerity?

When the *Paying the Price* project began in 2013, many single parent families were dealing with the fallout of significant benefit and public service cuts under the 2010-15 coalition government and a difficult post-recession labour market. The rationale for this policy shift was embedded in a push to reduce the government deficit and 'balance the books' in the wake of the 2007-08 recession. There was also a further move to drive down welfare spending and, in particular, reduce spending on out-of-work benefits as a means to strengthen work incentives.

"The welfare system is broken. We have to accept that the welfare bill has got completely out of control and that there are five million people living on permanent out-of-work benefits. That is a tragedy for them and fiscally unsustainable for us."

Former Chancellor of the Exchequer, George Osborne²

Single parent families were disproportionately hit by this first round of cuts, which far outweighed any gains from tax reforms (Rabindrakumar, 2013). Worse, the emerging economic recovery and record high single parent employment has not made inroads into ensuring financial security for struggling families (Rabindrakumar, 2014).

Despite recent statements that no significant welfare reforms are on the horizon, a second wave of reforms – announced in the 2015 Summer Budget and coming into effect under the Welfare Reform and Work Act 2016 – means that government policy has still not moved beyond austerity for most families. It is in this context that we produce our final *Paying the Price* report, reflecting on how single parents' finances have fared to date and lessons for the future. It serves as a comprehensive study of the real-life impact for families of a squeeze on government spending and uncertain economic recovery.

¹ Throughout this report, 'single parents' refers to single parents with dependent children – ie children under 16 or aged 16-18 who have not married and are in full-time education, unless stated otherwise.

² BBC News, 'Welfare spending to be cut by £4bn, says George Osborne', 9 September 2010.

This report: Single parents' long-term financial fragility

Since 2013, Gingerbread's *Paying the Price* project has examined single parents' lives in the context of 'austerity' – the combined impact of a struggling economy, public spending cuts and welfare reform on their families. This report, the last in the series, focuses on **single parents' finances** and looks at what has helped and hindered single parents **finding financial security** during an 'age of austerity'.

The report highlights the long-term nature of fragile finances for single parent families, whether working or not, and the risk of debt. It examines how single parents have navigated their finances against a backdrop of austerity, and key factors which affect their ability to find a more secure financial footing – including childcare, entry to and progression in work, employer roles and, crucially, single parents' perseverance.

Our analysis draws on:

- Secondary national data (eg on incomes)
- Freedom of Information data from local authorities on discretionary housing payments
- An online survey with 1,861 single parents, held from 20 January to 22 February 2016
- In-depth qualitative interviews with 17 *Paying the Price* panel members.

Appendix 1 provides more detailed information on our survey and panel research methodology.

This report comes at a significant moment for the UK, with a changing political climate, a minority government and opening negotiations to leave the European Union. The political backdrop since our last *Paying the Price* report has increasingly focused on the plight of families struggling to make ends meet – the so-called 'just about managing'. Government spending cuts are not over for many families – and an uncertain economy may further prolong the effects of austerity. We hope the real-life experiences of single parents in this report and recommendations for action help to outline a path towards a more sustainable financial future for all families in the UK.

2 Continued financial fragility

Many – if not most – single parent families are under significant financial strain. Single parents have had to deal with the fallout of significant benefit cuts under the 2010-15 coalition government and a challenging post-recession labour market. Worryingly, the emerging economic recovery and record high employment has not made inroads into ensuring security for struggling families. Instead, the outlook for many single parents has remained unchanged at best; for some, it is even bleaker.

The long-term 'just about managing'

For many single parents, treading the line between 'just managing' and 'not coping' is not a transitory, short-term phase before moving towards financial security, but an ongoing struggle lasting a number of years. As we've found throughout the *Paying the Price* project, the vast majority of single parents still struggle with household bills. In our 2016 survey, 71 per cent of single parents surveyed found managing finances always difficult at best.³ Just 7 per cent said they were managing without difficulty (Figure 1), with many single parents reporting difficulties in moving beyond the constant juggling involved in paying bills.

"I don't live, I merely keep existing"

"[It] feel[s] like a never ending cycle of always going without"

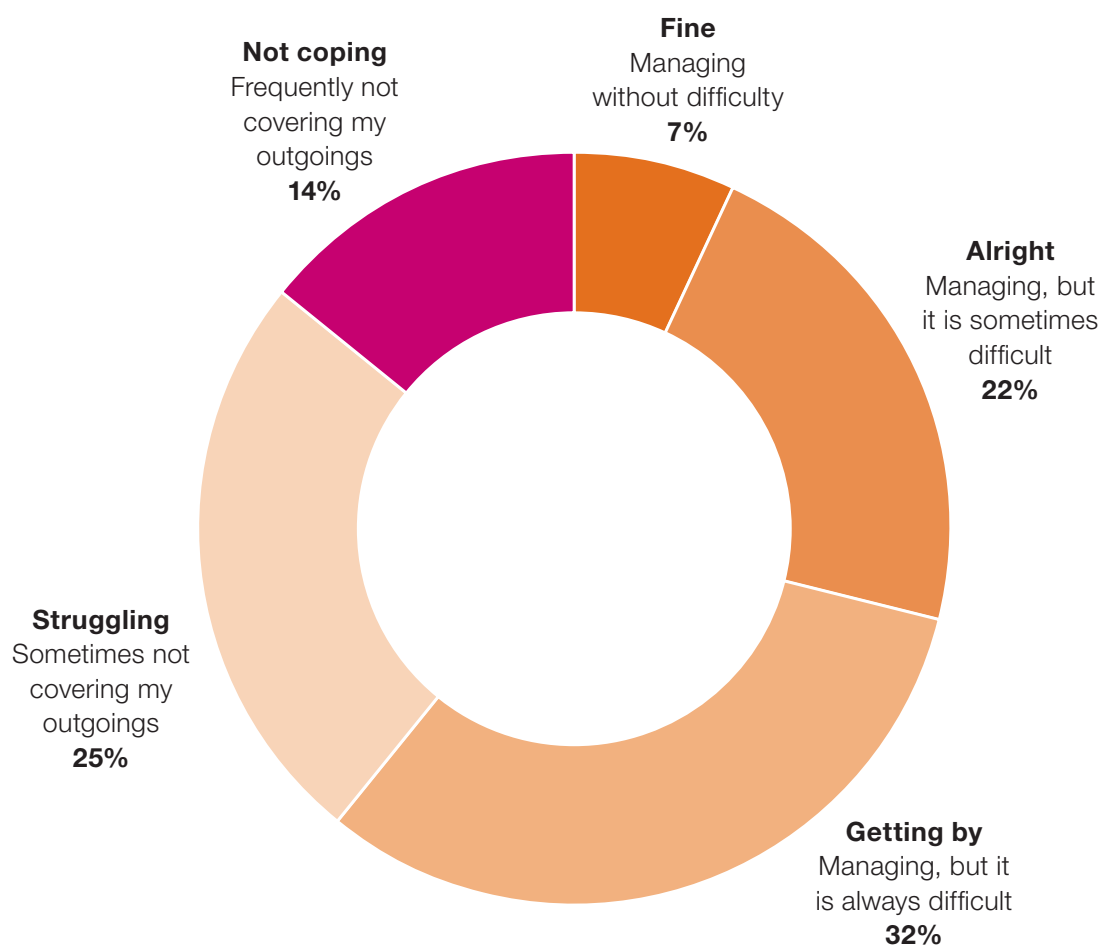
Gingerbread survey, 2016

71%
of single parents
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finances always
difficult at best

³ Online survey, held from 20 January 2016 to 22 February 2016. Missing data is excluded from the findings quoted in this report, so base numbers vary between questions. All references to single parents surveyed refer to this poll, unless otherwise stated. See Appendix 1 for more details on methodology.

Figure 1 How are single parents managing their household bills?

% of single parents, n=1,860



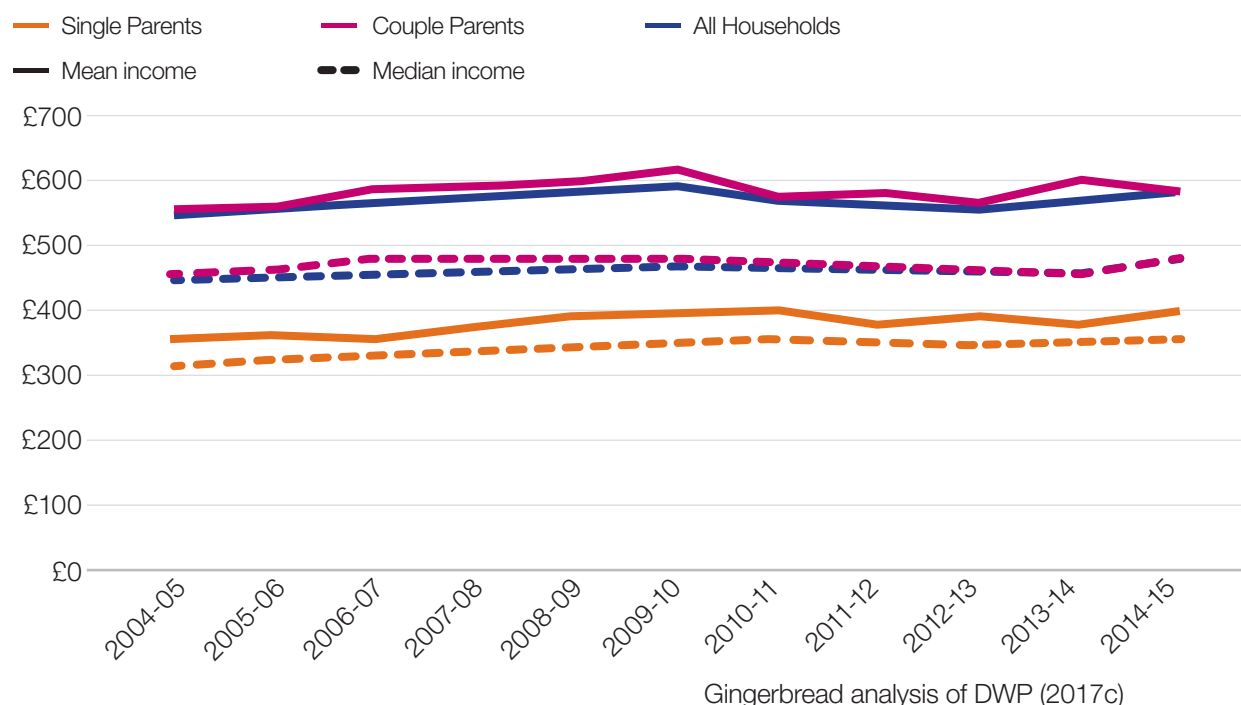
Gingerbread survey, 2016

Source: DWP, 2016.

This ongoing pressure is borne out by national data. Previously, we found worrying signs for single parent income, which fell 6 per cent in real terms between 2010-11 and 2011-12 (Rabindrakumar, 2013). The latest data on average incomes suggests that single parents' finances have not improved significantly in the intervening years (Figure 2). Since the economic recovery began in 2011/12, single parents' average income growth has been uneven. In fact, in the last year for which data is available, mean income fell by around 2 per cent – with median income slightly increasing over the same year (by 1.3 per cent), this indicates a squeeze for those with the lowest incomes. Moreover, we see just how much lower single parent incomes are on average compared with other households, even after taking different family sizes into account (with 'equivalised' data). In light of this, it is perhaps unsurprising that just 7 per cent of single parents surveyed in 2016 felt better off compared with the previous year, while around half (54 per cent) felt worse off.

54%
of single parents
felt worse off
compared with
the previous year

Figure 2 Flat-lining income: Change in real terms equivalised household income, 2004-05 to 2015-16



Note: Income taken before housing costs, weighted and equivalised using the household level OECD equivalence scale to the equivalent income for a couple with no children and is deflated using the HBAI deflator.

Ongoing financial burdens

Single parents' most common reason for feeling worse off was general living costs such as food, clothing and utility bills. It is notable that single parents feel increasing day-to-day household costs are a continuing financial burden, even when overall inflation was relatively low in the last year. This may in part reflect the **'poverty premium'** faced by those on low incomes. Many single parent households must often resort to payment plans which cost more overall but allow them to use small amounts of income flexibly to juggle different bills or to purchase high cost items (eg white goods). For example, cash payment in small amounts (eg using meters) rather than discounted direct debits for larger sums can be an easier way to manage utility bills on a low income. Similarly, catalogues can facilitate purchasing clothing or expensive household goods by spreading costs over the longer term. While left with little alternatives to cover essentials, a recent estimate suggests this premium amounted to families on low incomes paying around £1,700 extra a year in living costs (End Child Poverty, 2016).

"I took the Argos card to buy [a] cooker and freezer for my flat. That's the only way I can afford anything."

Gingerbread survey, 2016

From speaking with our single parent panel, it is also clear that the **evolving costs of raising children** can mean many single parents face a long struggle to make ends meet. Although public debate often focuses on the cost of young children – particularly due to high pre-school childcare costs – the single parent panel

illustrated how children's cost pressures evolve over time, becoming different but not necessarily less. As a result, some single parents who were looking forward to costs easing as their children got older still felt they were challenging to manage – and often overlooked in terms of finding financial assistance.

“Now that she's getting older, she's wanting to do more stuff, more activities, and that's quite hard to keep up with, all the expenses that that makes.”

“[There's] no provision for older kids... [I'm] buying adult clothes without a reduced cost as they are taller teenagers.”

“[It's] becoming increasingly harder, financially to entertain 2 teenagers through the holidays.”

Gingerbread survey, 2016

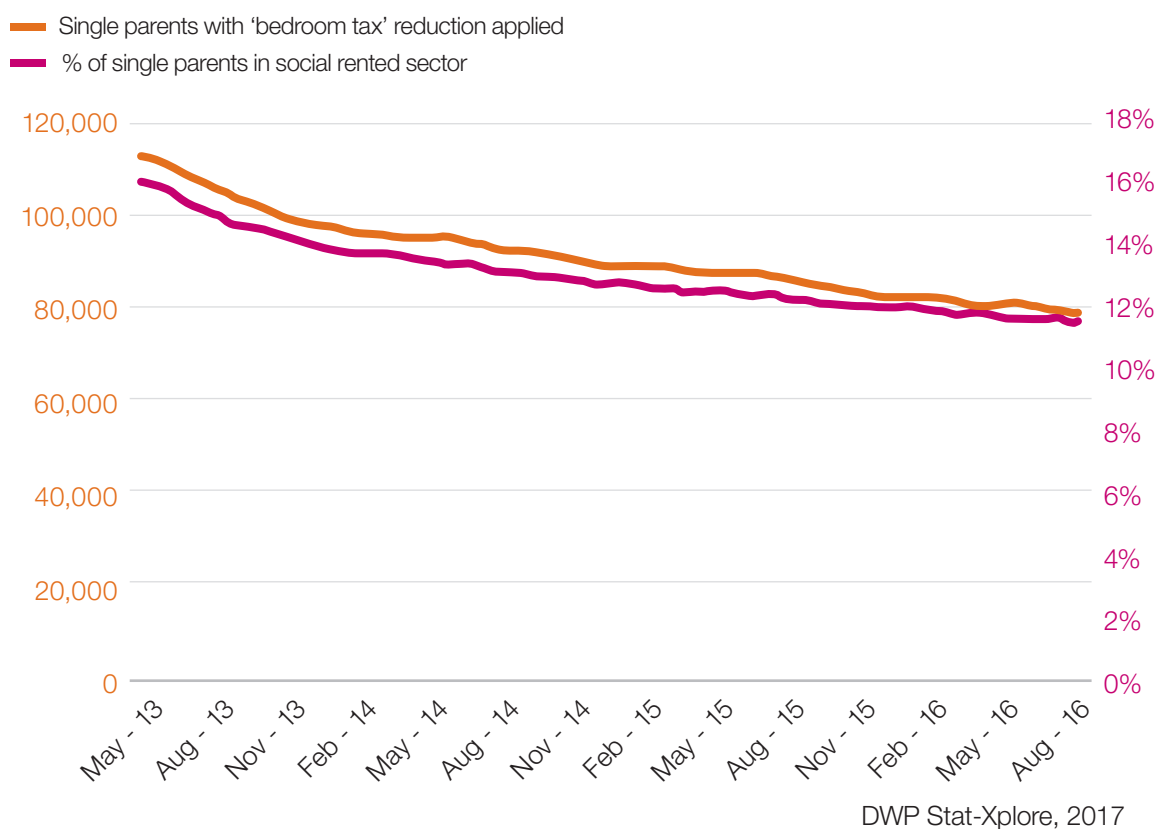
Single parents hardest hit by welfare reform

The continued pressure of living costs inevitably also reflects **welfare reform**. State support has not kept pace with rising costs as a result of below-inflation increases to working age benefits and tax credits. From April 2013, capping the uprating of working age benefits and tax credits at 1 per cent for three years – rather than in line with inflation – resulted in significant losses. For example, a single parent working part-time at the minimum wage lost around £400 a year in the real value of their benefits by the end of the uprating cap in 2015/16; cumulatively, over the three years, they would have lost around £900.⁴ Child benefit is expected to rise just 2 per cent between 2010 and 2020 and working tax credits for a parent working 30 hours to rise just 4 per cent over the same period. By comparison, living costs are projected to increase by a third (based on inflation measured by the Retail Price Index; End Child Poverty, 2016).

Other cuts to state support have also taken effect. At the start of the project, early cuts were already starting to bite, such as the reduction in support through tax credits from 80 to 70 per cent of childcare costs and cuts to housing benefit for those privately renting (Local Housing Allowance rates were reduced from 50 to 30 per cent of the local market rent). Since then, a number of other reforms have resulted in reduced incomes for many single parents on low incomes. The localisation of council tax support has meant many single parents with limited resources are now expected to pay council tax. The housing benefit penalty for social housing deemed to be under-occupied – widely known as the ‘bedroom tax’ – affected around 112,000 single parent households at the outset. This equated to around one in six (16 per cent) of single parents in the social rented sector (ie those who could have been affected). While the number of affected households has declined, around 78,300 single parents were still dealing with a housing benefit penalty for under-occupancy at the latest count (Figure 3). Virtually all single parents affected (97 per cent) had just one room deemed ‘spare’, losing around £760 a year on average as a result – a total of over £1 million in housing benefit for single parents alone.

⁴ Assumes the single parent has one pre-school and one primary school child, working 24 hours a week. Childcare tax credit and council tax support are taken from the Minimum Income Standard calculator.

Figure 3 Number and proportion of single parents affected by the under-occupancy penalty ('bedroom tax'), May 2013 to August 2016



Similarly, the benefit cap has had a particular impact on single parents since being introduced in April 2013.⁵ Single parents make up a majority of those affected by the cap, being particularly reliant on support for housing costs due to low average incomes, and tending to live in urban areas where housing costs are highest. Nearly two-thirds (62 per cent) of capped households to date have been single parent families. At the latest count, nearly three-quarters (71 per cent) of those capped were single parent households (DWP, 2017a). These figures have been exacerbated by a reduction in the benefit cap limit in November 2016.⁶ At May 2017, over 45,000 single parents had been newly capped since the lower threshold was introduced – they made up around three-quarters (76 per cent) of those newly capped, and were caring for over 100,000 children (DWP Stat-Xplore, 2017).

“Since separating from my partner, I have felt unable to provide security for my children. The benefit cap...means that I will not be able to afford my current rent...I have not been able to find another rental property that will accept me as a tenant due to the fact that I am in receipt of housing benefit and tax credits.”

Gingerbread survey, 2016

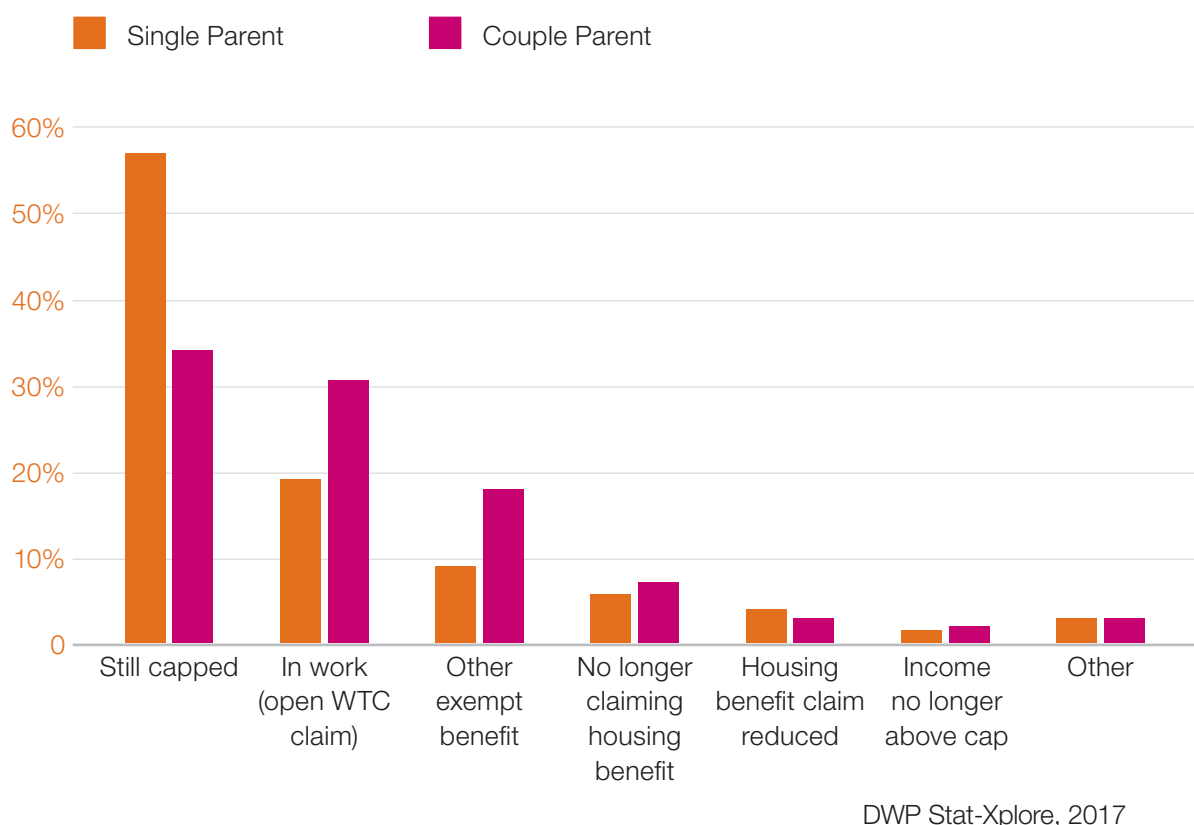
⁵ The benefit cap was originally a £500 weekly limit (£26,000 a year) on benefits that can be paid to working age single parents and couples. There is a lower benefit cap limit for single people.

⁶ In November 2016, the limit was reduced to around £440 a week (£23,000 a year) for single parents and couples living in London and around £385 a week (£20,000 a year) for those outside London.

Under the original cap, single parent households capped to date lost over £60 a week on average – varying from a high of over £70 a week in London to under £40 a week in the North East, reflecting different housing benefit entitlement in line with local housing costs. Nearly a fifth (18 per cent) of single parent households capped to date lost over £100 a week. At February 2017, with the new cap affecting more people by smaller amounts, the average capped amount was a little over £50, with a high of over £60 in London. The new cap has also shifted the types of families affected – rather than larger families, many relatively small families have been hit. While around half (47 per cent) of single parents capped to date under the original level had three children or fewer, around three-quarters (76 per cent) of single parents newly capped had a maximum of three children.

Furthermore, single parents are most likely to still be capped among different household types. Indeed, once the original cap was fully rolled out, the data suggested single parents were as likely to remain capped as to have moved into work – the latter being the stated policy aim. Now the housing benefit limit has been lowered, there are many single parents newly capped not yet able to move into work (Figure 4).

Figure 4 Proportion of all capped parent households to date, by outcome (April 2013-February 2017)

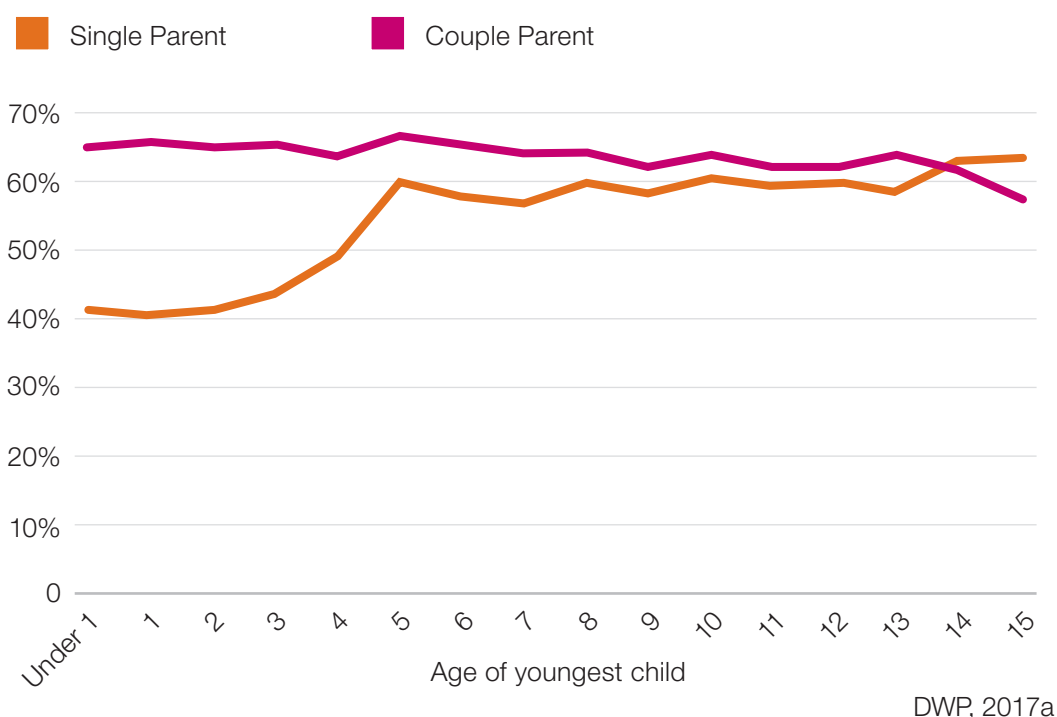


It has also become apparent that single parents with very young children make up a significant proportion of those dealing with the benefit cap. To date, nearly half (45 per cent) of all capped households are single parents with children under the age of five. These are parents who are likely to find it particularly challenging to find work that pays and enables households to become exempt from the cap.⁷ When children

⁷ While households can move off the benefit cap through a number of routes, the policy was expected to encourage people into work of 16 hours a week (to open a working tax credit claim) or the equivalent of 16 hours at the national minimum wage while claiming universal credit.

are not in school, high childcare costs and the lack of flexible work needed to manage care create significant barriers for single parents seeking employment. This is reflected in the marked increase in the proportion of single parents moving off the benefit cap once their child reaches school-age (Figure 5). The unfair expectations placed on these families were recognised in a recent High Court case, which ruled the application of the benefit cap for single parents with children under two to be unlawful ([2017] EWHC 1446 (Admin)). The government has appealed. In the meantime, more families will be affected and struggle to mitigate its impact.

Figure 5 Proportion of capped parent households which have moved off the cap to date, by age of youngest child (at May 2017)



Note: Households with children aged 16 and over are excluded due to small numbers for couple parent households. Moves into work are gauged by those who have opened a working tax credit claim (which ensures a household moves off the cap). Age of youngest child as at latest assessment recorded.

The persistence of financial fragility from single parent interviews suggests families are feeling the cumulative effect of these various cuts to support. As the benefit freeze example above illustrates, the impact of successive years of dealing with reduced incomes cannot be under-estimated – particularly if any outgoings increase. While the coalition government avoided publishing an estimate of the cumulative impact of this first wave of post-recession welfare reform, academics estimated single parents would lose over 6 per cent of their income as a result of 2010-2015 social security changes – even once tax cuts were taken into account (Reed and Portes, 2014). Moreover, numerous reports demonstrate how the cumulative impact of spending reforms is worst for single parents, out of all household types – and is even more acute if the less visible effects of wider austerity in the form of public service cuts are included (De Agostini et al., 2014; Browne and Elming, 2015; Women's Budget Group, 2017).

Work is not paying

The other continuing burden experienced by many single parents is that **work is often still not enough** to manage finances – particularly when families also needed

to make up state support losses. This might be considered surprising given a return to real pay growth in 2016 (ONS, 2017b). However, while real pay grew, it was at a very modest rate given recent near-zero inflation – and has proved to be short-lived. Indeed, wages have yet to recover their pre-crisis value (ONS, 2017a). Similarly, while there has been a clear job market recovery in terms of numbers employed, while there have been some improvements very recently (Resolution Foundation, 2017), the labour market is still marked by job insecurity – through temporary work, involuntary part-time work or zero-hours contracts (Rabindrakumar, 2014). For some single parents on low incomes, these examples of job insecurity have become a persistent feature of working life. And, while many headlines have focused on typically insecure sectors such as retail, the experiences of our single parents illustrate how these features have spread to other sectors – particularly those hit by funding cuts, such as further education (see 'Reena's story' in Box 1).

“Recently my hours were reduced to 12 hours per week which meant I didn't qualify for working tax credits... I've had to pay to come to work and frequently can't afford to pay the childcare bills in order to work for two days per week.”

“I work in a school. No increase of pay. If sick do not get paid for the first two days of being sick. Overtime not available anymore.”

“[W]ages have barely gone up for the last six years, plus a 'restructuring' of pay grades means wages for [the] next few years have actually gone down.”

Gingerbread survey, 2016

Box 1 “There are a lot of things stacked against you”: Reena's story

Reena undertook teacher training and found work, but has struggled on insecure temporary and zero-hour contracts. Sustainable work is particularly elusive as an older parent and since funding cuts to the teaching profession.

Clashing with jobcentre rules

“They sort of tar you with the same brush and think everyone is the same...that we are beneath them...I don't deserve to be talked down to.”

Reena has one daughter and completed a PGCE to move into teaching, in the search for family-friendly work. She initially looked for part-time work as her daughter was still in primary school. However, she struggled to find part-time teaching posts, and was told she was over-qualified for part-time teaching assistant vacancies. And when looking for work, jobcentre advisers lacked understanding of her needs as a single parent. In fact, she was sanctioned for not applying for a full-time job – despite not being aware she had to apply, and the job not being practical while her daughter was in primary school.

"The job that they had shown me...was 35 hours, not even locally either. Because they had printed it out, they deemed that as a job that I should have applied for...They suspended my benefits for six months...But I did appeal...That took a good two to three months to sort out."

Struggling on low-paid agency work

"I just had to delay the payment for rent, and then I had to borrow money [from my father]...Because obviously, I've still got the gas, electric, and I pay council tax as well...So it's like you can't catch up"

Reena completed a course to teach adults English, to move into further education instead. After an initial temporary part-time role, Reena looked for work (teaching or otherwise) for around a year. She eventually got an agency teaching job, but was only guaranteed 11 hours a week. Financially, Reena didn't feel much better off and had to deal with other pressures. As she was still a JSA claimant while working less than 16 hours and only in term-time (albeit not receiving payments for the weeks she worked), juggling JSA conditions with work created problems. She was sanctioned again – over Christmas – for being late for an appointment, despite requesting to rearrange in case she was delayed when commuting from work. As housing benefit and council tax support was also (incorrectly) stopped, her only income for a month was 11 hours' pay. The sanction was again overturned.

"You are always six to eight weeks behind"

"It's a bureaucratic nightmare"

Reena considered signing off from JSA as a result, but got mixed advice – while she wasn't receiving JSA in the weeks she worked, some advisers noted it would help with future pension credit eligibility. But the lack of responsiveness to irregular hours meant Reena often felt out of pocket. Housing benefit and council tax support calculations were based on average wages, but didn't take into account work was only during term-time. And when benefits have to be adjusted for when work stops, this created delays.

"I just felt like for a college that's supposed to promote equality, how is that equality for parents, then?"

"I'm not making anything extra at all unless I do more hours."

While part-time, the teaching contract offered little flexibility in reality. A new clause stated that employees had to be able to work evenings. Additional hours were often only feasible if willing to work full-time or irregular hours. Even when requesting longer hours (which would enable Reena to sign off properly from JSA), priority was given to permanent staff (for example, those returning from maternity leave), leaving her with little opportunity to progress. On top of this, agency workers ended up working many unpaid hours, through meetings on non-working days and lesson preparation, which was completed outside paid teaching hours. When Reena tried to discuss alternatives with her manager, she was told she had no alternative as an agency employee.

Being trapped in short hours work had a financial impact. In particular, Reena couldn't qualify for support for childcare costs via tax credits until she worked at least 16 hours a week. Managing school pick-ups and drop-offs was difficult and often left Reena even further out of pocket, when having to take taxis when running late to work or school.

A difficult outlook as an older single parent, facing public sector cuts

"I've compared the people who've got the jobs that I've applied for and...they have been given evening work to do or weekend work."

Reena continued to search for alternative jobs, but found very few permanent vacancies. Even part-time fixed contracts often require a lot of flexibility and availability for evening work, making it difficult to manage the school run and childcare after school. And Reena felt at a particular disadvantage as an older single parent, compared with younger candidates without dependents.

"I've been told...You're very fortunate that you've even got those hours."

"Working with an agency for a college, there's no job security and support whatsoever."

When colleges started recruiting again in September, Reena looked for a new job. After being promised 12 hours a week in a new post, she ended up with only four hours. Funding cuts to the further education sector hit vacancies, with Reena told that no-one was getting any extra hours. By the end of the school year, planned recruitment for new services was stopped at the last minute due to budget cuts.

"That's the thing with zero-hour contracts. They're not under any obligation to do anything for you."

Eventually, Reena was told there'd be no teaching hours at all. Now her daughter was older and able to remain home by herself, she took on a zero-hour contract for admin work at the college, usually working early mornings, after school or weekends. She often found out late (by text message) that they wouldn't have a shift available that week. And when the college restarted teaching recruitment, despite working for 18 months for them, she had to re-apply as a new candidate (rather than part of their existing pool) due to the break in teaching employment.

"You get squeezed out of the job basically...it's just survival at the moment really."

Insecurity at work was now taking a toll on Reena's finances. While previously she was just about breaking even, she found herself getting behind on rent. And with irregular hours resulting in frequent readjustments of her benefits (and resulting delays), she's had to rely on her credit card to pay for groceries, and has found it harder to pay this off. As a result, Reena has increasingly cut back on spending on herself, such as replacing clothes, and focused on spending for her daughter (eg school costs).

"The job market has to expand...we've got experience that is beyond direct...they need to really think about how they are categorising people"

Reena is still looking for alternative work, either in other sectors (eg admin) or further away. However, re-starting in a new field is difficult, particularly with her recent education-focused work history and as an older applicant. And she had been forced to use savings originally set aside for driving lessons, meaning she still needed to rely on public transport to commute. However she did feel there might be more opportunities in her field in other cities. She is now contemplating moving once her daughter had done her GCSEs, to avoid disrupting her education.

Worryingly, there are signs that the impact of precarious work is felt not just in the short-term, when families struggle to make ends meet, but also the longer term. As Emma's story (Box 2) shows, when work falls through, single parents are forced to take whatever job is available – to the detriment of their longer term employment prospects, if their skills lie in another field. With limited options for work, trying to forge a career path and access progression at work is a distant reality for many single parents, embedding their already higher risk of getting stuck in low pay (D'Arcy and Hurrell, 2014).

“Unfortunately due to the current climate I have gone through a series of temporary jobs and I can't find a career, even though I have got a Master's degree. So I am out of work more than I am in work.”

Gingerbread survey, 2016

Box 2 “It's a lot of work for not enough money”: Emma's story

Emma was feeling positive about the prospect of self-employment, to fit around her children's needs. But when this fell through, she had to rely on work in a kitchen – she now feels her employment prospects have been severely limited, making it hard to find a way to pay off persistent debts.

Starting over and struggling

Emma had a career before having children, but became a single parent and had to move back to England after living abroad with her husband. With two children, she had to start over. Emma was very careful with her money, and monitored her budget with a spreadsheet. She'd just finished paying off her Social Fund loan, but had ongoing debts from setting up home from scratch. Only able to afford the minimum payments, these debts persisted over time. She also had catalogue payments to spread the costs of new items over time.

Ready for work

“It was lucky the way it happened. If all those things hadn't come together I would have probably had a real problem.”

With her youngest child starting school, Emma had been looking for work. She wanted to find part-time or flexible work to ensure her job fitted around her children's school hours. As there were few suitable jobs, she mentioned to her jobcentre adviser that she was considering direct marketing and was told about the New Enterprise Allowance. She went through an eight-week business planning programme and was feeling positive about being able to set up work that could suit her children's needs. She also found a local 'enterprise club' drop-in service, which provided additional inspiration and advice on self-employment. Apart from the practical help, Emma felt this support helped to reignite her confidence after being out of the workplace while raising her children.

However, while she was accepted for the £1,000 loan to help her set up, she decided against it. Emma hadn't found enough clients to feel she could take the risk of signing off JSA completely (payments would be withdrawn gradually over nine months) and paying back the loan, with her children to care for. Instead, she managed to find a lunchtime supervisor role for six hours a week and worked a further ten hours in self-employment. This meant she would qualify for working tax credits; and she managed to access in-work credit before it was stopped. This guaranteed additional payment helped Emma to feel secure in making the transition to combined employed and self-employed work.

A frustrated route into work

"It's like a fog of responsibility"

While she had managed to get into work, Emma felt this still hadn't benefitted her financially. She was unable to make progress in paying off her debts and felt unable to manage the two jobs on top of caring for her children. Self-employment during the school holidays was hard to sustain with two primary school children; holiday childcare was unaffordable. Similarly, when her children were sick, it made it impossible to work to her full capacity. Emma's mum could only help in emergencies, particularly as she had health concerns of her own. It was also difficult to find self-employment work that was both secure and flexible – in other words to find clients whose expectations matched her needs. It was hard to find clients who didn't need her to work full-time, but who would also commit to at least a few months of work.

Eventually, the precarious nature of self-employment came sharply into focus. Her main client went out of business, still owing her substantial fees. She was left with just the six hours a week working during lunchtimes. Financially, she was increasingly worse off. Debts had increased, particularly due to covering additional expenses in school holidays. She had to return to JSA, but this resulted in a delay in payments (particularly with housing benefit, which required a new claim) which was stressful to manage.

Persisting in work, but no better off

"I'm only earning enough to live...I'm a little bit fed up with that in life now...I'm keeping my head above board."

Emma then found another job in the same school as her lunchtime supervisor role – this time as a general assistant in the school kitchen. The role was 16 hours a week, which meant she could still receive tax credits. Emma was grateful for work which fitted with school hours. But her income was still only enough to cover essentials, which left her debt largely untouched.

Worse, Emma also felt that, in taking the first job that was available, she had taken a big step backwards in her employment prospects. While the previous lunchtime work allowed her to continue with self-employment work that used some of her previously developed skills, this was no longer the case. She started looking for other jobs, but has found it difficult to sell her skills for jobs in an office environment with her recent history.

"I'm at my lowest ebb...The money for food goes down and down every week."

"I definitely had hope and a bit more power. Now the weight of everything is unbearable."

"As a single parent you kind of feel so lonely carrying everything, there's nobody there helping you and carrying you and then when society starts chipping away at you, benefits and things changing, that unnerves you."

Emma now feels that full-time work is her only option to address her financial difficulties. This felt more feasible now her children were a little older. However, based on her job search, she was sceptical about her chances of getting her foot in the door in the face of competition for vacancies. She felt she was reliant on an employer being open-minded enough to recognise the choices she has had to make.

But Emma was left feeling overstretched and stressed. Her finances were worse than at the outset of the project and, despite entering work, the financial and emotional strain she faced felt significantly worse. While she took comfort that both her children were happy and healthy, Emma's self-confidence and positive outlook was being tested and she struggled to see how she could move forward and progress.

3 Tipping into crisis

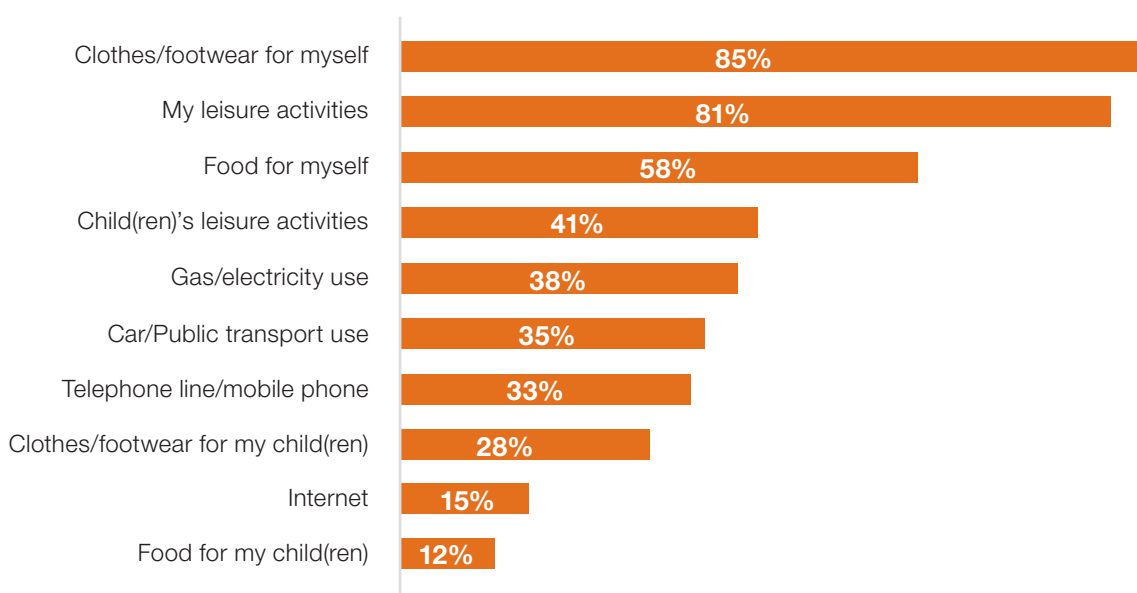
While single parents manage tight budgets through cutting back and careful spending, too often this is not enough. Single parent families are left at risk of debt as a result, and financial shocks can tip single parents' finances into crisis. Now crisis support has been localised and increasingly restricted, there is often limited state assistance and many parents turn to private lenders. Managing repayments on a low income means many single parents find that even one-off debts can cast a long shadow over long-term finances.

Managing fragile finances

Single parents continue to manage on reduced incomes and tight budgets by cutting back on spending, often bearing the bulk of the financial burden, in practical and personal terms. Parents tend to cut back spending on themselves, particularly clothes and leisure activities. Worryingly, many single parents still report reducing food spending on themselves (Figure 6).

Figure 6 Share of parents who have cut back spending in the last 12 months, on:

% of single parents, n=1,819



Gingerbread survey, 2016

Single parents continue to use a range of strategies to try to cover household expenses. These tend to revolve around strict budgeting and frugality – making meals from scratch, waiting for reduced price items, cutting any spending not immediately essential (eg on a TV licence) and postponing longer term spending (eg house repairs). But despite these efforts, as the data above shows, many single parents still find that making ends meet is still a challenge. As a result, some are being forced to cut back on spending many would consider essential, including heating.

"You think, 'Oh, I really want to be able to give my child all the opportunities and let them thrive at what they're good at, and experience new things'. But then, obviously, you've got to be realistic...No, I can't actually afford [them]...because it is expensive."

Paying the Price panel members

"Managing our finances means knowing exactly the monthly outgoings and setting limits for each week...Over the winter months, we tend to sleep in the same bedroom to save heating another room."

Gingerbread survey, 2016

What is clear, therefore, is that there has been no respite for many – if not most – single parents from financial pressures. Dealing with largely unchanged or reduced incomes since 2010, and rising costs of living during most of that period, places a major burden on single parents to find ways to cut their outgoings. This has had a significant impact on the lives of both parents and their children.

Single parents' expectations of what is deemed a reasonable expense has shifted for many families; social and extracurricular activities for parents and children which would previously have been seen as a typical part of modern family life and children's development have dropped off regular household spending. Similarly, many single parents now forgo basic maintenance of homes and replacing simple belongings (such as clothes) in an attempt to cover essential outgoings such as food and rent. And it is evident that this long-term squeeze on single parents' living standards is taking its toll on the health and well-being of families and relationships.

"[D]epression, anxiety, general ill health due to the stress."

"I feel stressed most of the time and when the children accidentally break anything in the house I lose my temper more than I usually would as I haven't got the money to replace anything."

"Very difficult, creates a huge strain on relationship with my child and family."

“I’m finding myself falling deeper into depression due to [the] constant struggle every week.”

Gingerbread survey, 2016

At risk of debt – even in work

When incomes are limited, tight financial management is not just difficult – it is often not enough. With budgets so stretched, many single parents have relatively little in savings to manage large one-off costs. According to our survey, around half of single parents are rarely (if ever) left with spare income after the main household bills are paid (Figure 7). As the experiences of panel members have shown, this is often exacerbated by delays to benefit and tax credit payments – particularly when moving in and out of work or between different jobs (see Box 1 and Box 2).

With little or no financial cushion to rely on, any one-off costs can quickly throw finances off course. In interviews, single parents reported how financial shocks were often still hard to manage – for example, a car or major appliance breaking down. As a result, many single parents can find themselves tipped from ‘just managing’ and into crisis from one unexpected bill. It is unsurprising to find that single parents are at particular risk, therefore, of being in income crisis (Baxter and Fahnbulleh, 2017).

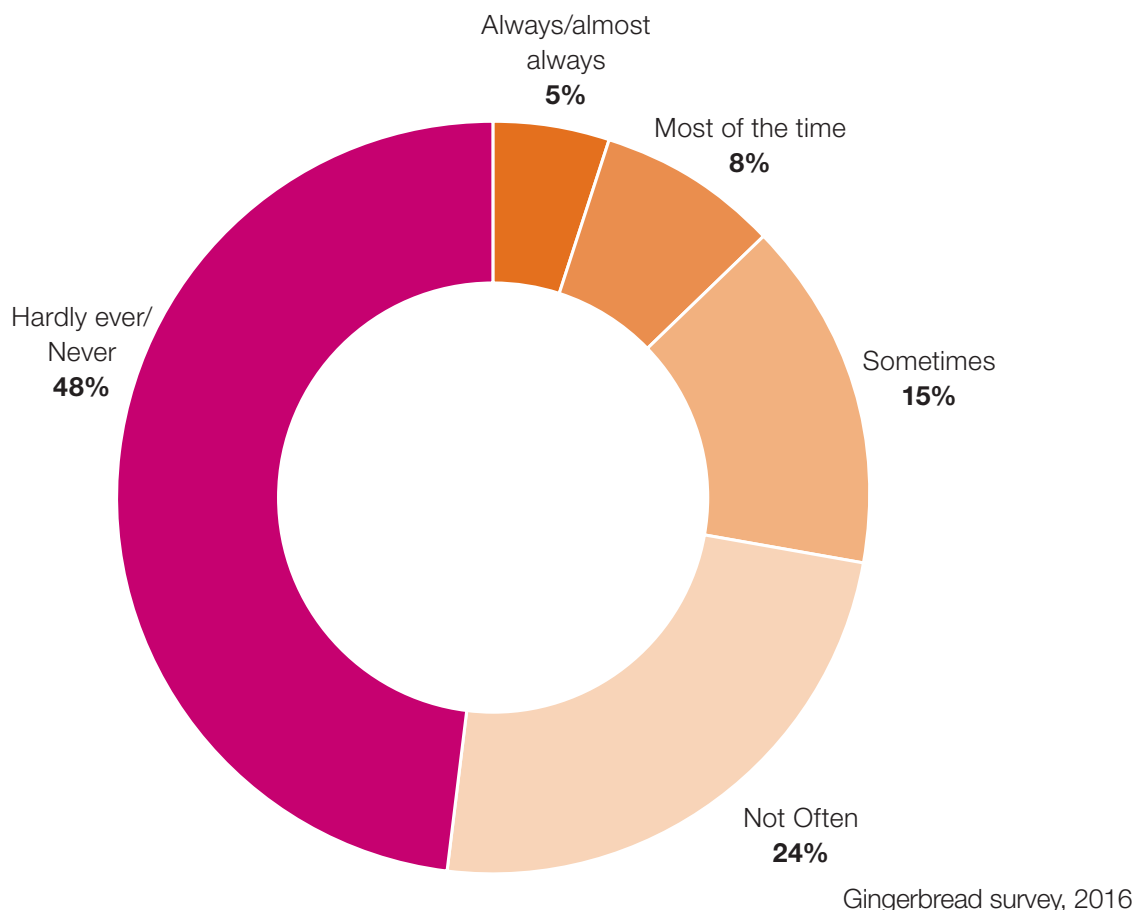
“Things do tend to come in threes. If there’s a bill, there’s never just one, there’s always at least a crisis. My washing machine broke down...The car failed its MOT spectacularly.”

“The money I have coming in at the moment is sort of pretty accounted for. The next few months are really taken up with...insurance, buildings and contents insurance, car insurance, tax, MOT on a car, which for me is essential. Yes, the extra money I have now is all going to go out...and I don’t know if there’s an obvious way to replace it in the future.”

Paying the Price panel members

Figure 7 Frequency that single parents are left with money at the end of the month

% of single parents, n=1,812



Similarly, many single parents are simply struggling to cover regular outgoings – even with careful spending. Our 2016 survey shows around a quarter of single parents surveyed have almost always run out of money at the end of the month. As a result, many single parents find themselves in arrears on basic household bills. Around a third (34 per cent) of single parents surveyed were behind on regular payments – around a fifth (21 per cent) had at least one bill on which they were three or months behind. Arrears were typically in essential payments such as water bills and council tax, followed by gas/electricity bills and rent.

Among the single parents with debts surveyed, amounts owed were often substantial – around two-fifths (41 per cent) had at least £5,000 worth of debts (Figure 8). Breakdowns of this data suggest some unsurprising trends – debt is more common among those on lower incomes; higher levels of debt tend to be incurred by those with higher incomes. Nevertheless, there were worrying signs of particularly problematic levels of debt, with around a third of indebted single parents with an estimated annual income of less than £15,000 recording debts of at least £5,000 – ie at least a third of their annual income. These figures are borne out by national data on those seeking debt advice; for example, despite making up less than 10 per cent of all households in the UK, single parents made up around a fifth of clients advised by StepChange in 2016 (StepChange Debt Charity, 2017).

21%
of single parents
were three or
more months
behind on at
least one bill

Figure 8 Proportion of single parents with debt, by level of debt

% of single parents with debts, n=627



When looking at the most common arrears, the data suggests further evidence that welfare reform has played a part in creating difficult finances for single parents. For example, some single parents have found new liability for council tax, after the localisation of council tax support, difficult to manage. Nearly two-fifths (38 per cent) of single parents surveyed who were behind on payments were in council tax arrears. This reflects wider trends – in London alone, after the localisation of council tax support, over 120,000 low-income households were in council tax arrears in 2014/15 (Ashton, Francis and Jarvie, 2015). Moreover, financial difficulties have escalated over time: referrals to bailiffs due to the non-payment of council tax increased by around 50 per cent and court summons issued to households due to arrears doubled between 2013/14 and 2014/15. Similarly, the benefit cap has introduced a severe penalty for those who are not able to move house or move into work – often leaving them at risk of rent arrears. A DWP evaluation showed that there was an increase in the rate of rent arrears since being affected and, when following capped households over time, those who remained capped were twice as likely to be in arrears as those no longer affected (45 per cent compared with 21 per cent respectively; DWP, 2014).

“Large council tax [bill]...[a]s they say I earn too much money through tax credits [which] helps with my childminder fees.”

“[I’m] having to now pay full council tax when only working 16 hours a week.”

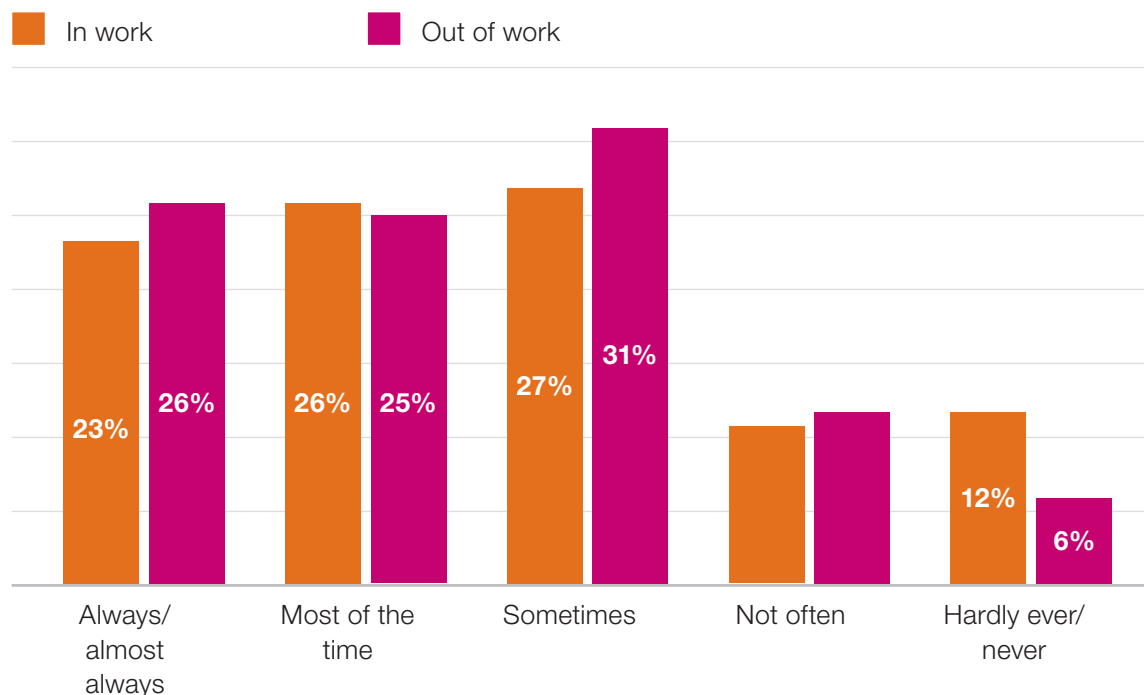
Gingerbread survey, 2016

Worse, we find that the risk of very frequently running out of money at the end of the month among single parents surveyed was broadly the same for those in and out of work (Figure 9). This reinforces the findings above that work is not enough to make ends meet. It reflects not only the stubborn persistence of low pay as a feature of the UK labour market, but the rise of in-work poverty for single parent families. In fact, the latest data shows a third of children with a working single parent lives in poverty (DWP, 2017b), up from a quarter in previous years.

Figure 9 Frequency that single parents run out of money at the end of the month, by employment status

% of single parents, working n=1,158

% of single parents, not working n=572



Gingerbread survey, 2016

Borrowing and the long shadow of debt

Arrears accrued by single parents are not only a case of 'slipping behind' and missed payments. Many single parent families have actively had to borrow money to cover outgoings at some point in the last year. In fact, three-quarters (74 per cent) of single parents surveyed had borrowed money when they ran out of money – from friends, family or financial lenders.

The extent to which single parents relied on banks and other commercial lenders was significant – over half (55 per cent) of those surveyed had relied on bank loans, overdrafts or credit to tide themselves over in the previous year. And, as Box 3 illustrates, the risk of borrowing affects working single parents just as much as those out of work – often reflecting the weaknesses in pay growth and secure employment in the labour market.

“[On using credit cards] It's more like to do the shopping and things like that kind of thing, just to sort of see you through 'til the end of the month.”

“I had a job at [α] school through the agency but then that got cancelled...you sort of go back and rely on credit cards to help you get through that time.”

Paying the Price panel members

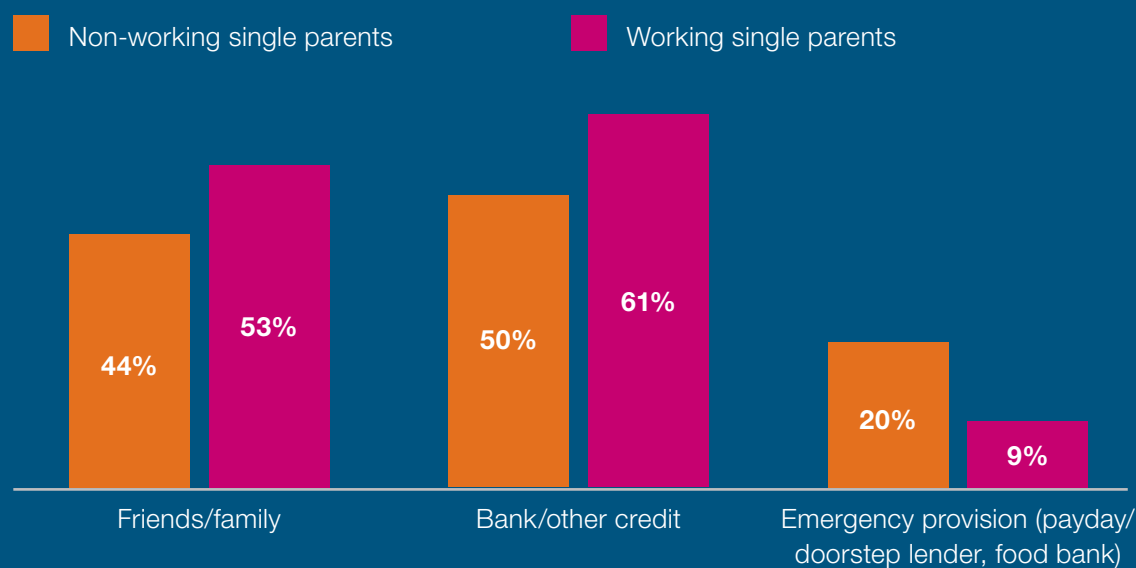
Box 3 Working, but borrowing

Our survey showed borrowing levels were just as high (if not higher) for working single parents as for those out of work (Figure 10). Indeed, in the last year, around one in ten working parents surveyed had relied on provision generally used as a last resort – payday lenders, 'doorstep' lenders and food banks. A similar proportion (12 per cent) of working single parents surveyed have sought debt advice in the last two years. This suggests there are still a significant number of single parents experiencing financial instability despite employment, as found earlier in the 'Paying the Price' project (Rabindrakumar, 2014).

Figure 10 Take-up of borrowing and emergency provision, by work status

n = 574 non-working single parents

n = 1,159 working single parents



Gingerbread survey, 2016

Note: 'Bank/other credit' includes overdrafts (with and without an agreement), credit cards or store cards, bank/building society loans and Credit Union loans.

These figures reflect a growing wider population of hard-pressed families who have had to borrow money to cover basic costs – both those in work and not working (for example, see Shelter, 2017). For single parents, this is particularly worrying given how entrenched some debts can become – and how long the effect of borrowing with interest can last. A fifth (21 per cent) of single parents surveyed had at least one bill which was at least three months overdue. And successive interviews reveal how, even when circumstances do improve, debts remain a feature of single parent finances in the long-term. Some incurred debts before they had children or during marriage, which they have continued to pay off for a number of years after separation. Others incurred debts when setting up a new home after separation. In most cases, the end result is that this debt follows families for a long time.

With many on low incomes, single parents with debts have had to commit to small repayments, extending the repayment period and interest owed. And when there are significant day-to-day costs to also cover, some have struggled with these payment plans. In fact, credit card debt was the most common among single parents surveyed – two-thirds (64 per cent) were in arrears with credit card bills. Two-fifths (38 per cent) were behind on bank or building society loan repayments.

“I have a credit card bill as well...that's gone up quite a bit. I also have a store card...[and] one debt from a water bill from a few years back which I have to pay... I had to kind of haggle with them, so I pay the minimum.”

“I'm never earning enough to make ends meet, the debts got bigger and I never kind of realised that at one point I'd wake up and I'd kind of go, actually, it's all too much now... I'm going to have to try and work my way out of this. I think that's the only way.”

“You live in this cycle of 'I haven't got the cash to go to a shop for her to buy new shoes, so I buy more expensive shoes in the catalogue which gives me more debt anyway'. I mean, it's such a vicious, stupid cycle that you get into. But you have to do that because it allows me to pay over four months.”

Paying the Price panel members

The long shadow that debt can cast over low income families is obviously concerning. Not just due to the added financial pressure of prolonged repayments with escalating interest, but also the emotional stress of attempting to pay off these debts, as Emma's story so clearly demonstrates (Box 2).

“[I]t's really not a happy space to be in. And I'm not alone. There's a lot of people around me who are all desperately flailing...as a single parent you kind of feel so lonely carrying everything, there's nobody there helping you and carrying you and then when society starts chipping away at you, benefits and things changing, that unnerves you.

So yes, I've become very powerless in life, I've become very much feeling I'm not in control and I'm more reactive to life rather than proactive because I've lost my confidence, and the weight of what I carry, yes, it's become so big now, that I am treading water.”

Paying the Price panel member

Government support – needed, but often missing in a crisis

Where can single parents turn if they're falling behind on bills and into debt? One potential option is state support. However, there have been big shifts in crisis support for families over the course of this project. Prior to 2013, state support for families in crisis was primarily funded by central government, through the DWP's discretionary Social Fund and administered by jobcentres. As outlined in Box 4, the 'crisis loans' and 'community care grants' provided as part of the discretionary Social Fund have now been devolved, with funding and responsibility for provision transferring to local councils.

Social Fund support provided financial assistance in emergencies, as a temporary stop-gap to deal with unexpected costs or to help families to live independently. This can include a range of circumstances, such as families with unexpected travel costs to hospital, or parents who have fled domestic violence who need to set up a new home. As a previous DWP consultation on the fund outlines, the support was “a lifeline for many on low incomes” (DWP, 2008). Community care grants, which did not need to be repaid, were of particular importance for single parents – as they were specifically intended,

among other things, to help families under exceptional pressure. In fact, between a quarter and a third of those awarded community care grants in the last years of provision were single parents (DWP, 2012 and DWP, 2013).

Box 4 Local crisis support

Local welfare assistance schemes: Devolved schemes run by English local authorities (and Scottish and Welsh governments). They were introduced in April 2013 to replace discretionary Social Fund support (as 'crisis loans' or 'community care grants') previously provided by the DWP. Social Fund support provided financial welfare in emergencies or during periods of transition; the new schemes, however, often offer only non-financial support – for example, providing white goods or furniture.

Discretionary housing payments (DHPs): Payments that can be given at the discretion of local authorities to help with housing costs. They currently form one of the key planks of the local welfare safety net and are intended to be used for short-term shortfalls between housing benefit and rent. Central government increased grant funding to help mitigate the short-term impact of welfare reform.

Unsurprisingly, the risk of financial emergencies faced by single parents has not gone away. Around one in ten (11 per cent) single parents surveyed had received non-cash support from their local authority in the last two years – for example, through a local welfare assistance scheme. Notably, single parents have particularly taken up local support in the form of DHPs – a fifth (19 per cent) of single parents surveyed said they had received a DHP in the last two years. This is perhaps unsurprising, given DHPs are largely provided to mitigate the latest housing benefit cuts which have such a significant impact on single parents (eg the benefit cap, local housing allowance restrictions and the 'bedroom tax').

In fact, new Freedom of Information data obtained from a sample of local authorities reveals that single parents make up nearly 30 per cent of DHP awards and nearly 40 per cent of the cash sum provided through DHPs – despite making up just 7 per cent of households. In some areas, single parents represent around half of the awards or cash sum awarded locally (Figure 11, Figure 12). These figures illustrate the extent to which welfare reform can tip families into financial crisis.

Figure 11 Proportion of DHPs awarded to single parents, by local authority

n=102 local authorities

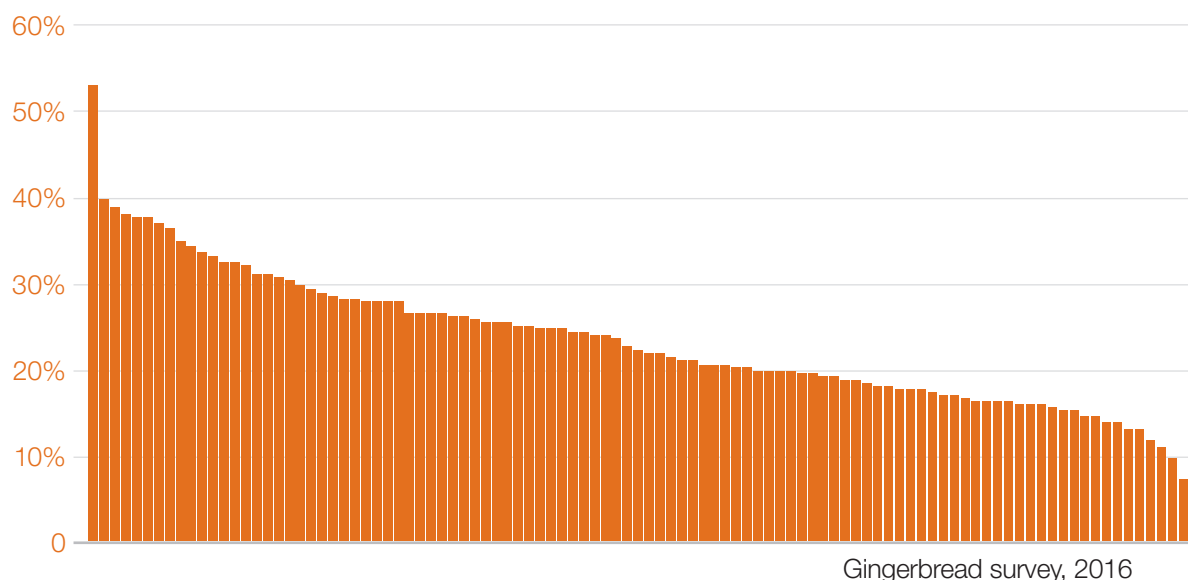
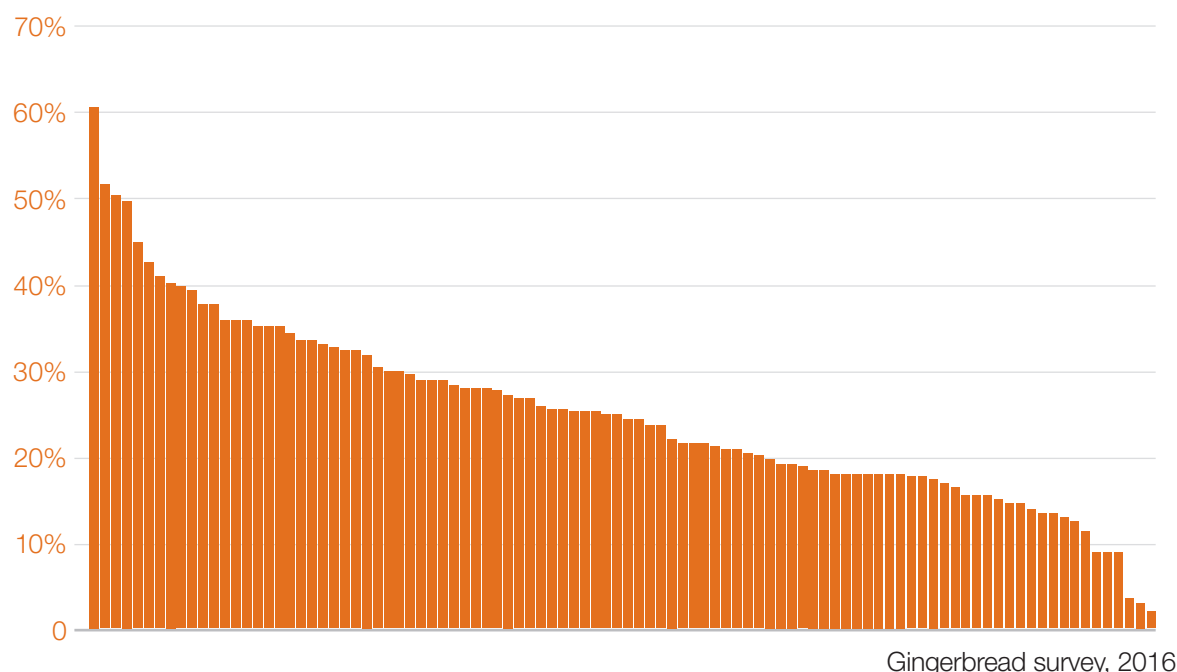


Figure 12 Proportion of DHP cash awarded to single parents, by local authority

n=98 local authorities



But despite a clear need for financial help, there are increasing constraints on local crisis support. DHP funding was cut by a quarter in 2015/16, reducing funding from £165 million to £125 million. The Summer Budget in 2015 did announce further DHP funding; however, there have been reports of a decline in DHPs awarded by councils. For example, the Work and Pensions Committee inquiry into the local welfare safety net raised examples of some local authorities' reluctance to grant awards, despite financial hardship (Work and Pensions Committee, 2016). This is also borne out to some extent in survey responses, which showed a significant minority of single parents had applied for support but been turned down. According to our survey, one in seven (14 per cent) and around a third (36 per cent) of single parents had been turned down for non-cash support and DHPs respectively in the last two years. This partly reflects local government's own constraints after cuts in central government funding to councils – leaving single parents and other families twice-hit, by direct welfare cuts and cuts to the support that helps to mitigate their impact.

4 Navigating austerity

Single parents have experienced mixed fortunes in trying to make ends meet during the past few years of austerity. Finding work has helped, but is often not enough to ensure financial stability in the face of reduced state support and an uncertain job market. While it is clear there is no uniform 'single parent' experience, for those who have managed to progress, there are some common factors that help families move towards a more secure footing – particularly childcare provision, training, employer flexibility and parents' perseverance.

The single parents featured in this report illustrate some of the different courses low income families' lives have taken in recent years. While there were some rare positive stories of progression towards a more secure financial footing, by far the most common experience has been one of single parents struggling. This includes those who had managed to make changes that were expected to improve their financial security (eg finding a job or embarking on a course), but have either found it hard to sustain or that the changes have still not yielded benefits. There have been others who are in a similar position as at the outset of the project – either struggling on low pay or struggling to find work. And there are parents who have had to deal with a significant life change (eg a diagnosis from a health problem in themselves or their children) and were forced to re-assess and readjust to new pressures on work and finances.

Looking at single parents' experiences illustrates some of the common structural factors that can help or hinder parents' ability to progress, and where policy can best be targeted to help families in the future. Just as important, however, has been single parents' personal perseverance in tackling the structural issues faced. Whether struggling to ensure they can make ends meet or finding a way to progress, single parents' determination consistently shines through.

Tackling the childcare barrier

Inevitably, access to childcare is a key factor in helping single parents move into and sustain work. Our evidence reveals a number of factors have impeded single parents' access to childcare. Constraints to childcare provision – including quality, affordability, availability and flexibility – limit the extent to which childcare helps single parents into work.

Affordability is particularly a barrier to taking up childcare in the context of restrictions on financial support. The 2011 cut in tax credit support for childcare from 80 per cent to 70 per cent of costs meant a number of single parents struggled to cover childcare bills. Childcare costs now take as much as half of disposable income for some single parents (Gingerbread, 2016). Around half of single parents we surveyed had borrowed from friends, family or a formal lender to cover childcare costs (Rabindrakumar, 2015a). Alongside the continued administrative delays to tax credit payments, the high costs of childcare have left some parents struggling to maintain work. Conversely, being able to find suitable childcare that fits around working hours can provide both peace of mind with regard to children's development and enables employment.

In fact, the cases where parents had managed to progress in work (eg Carl's story, Box 5), or felt that extending to the longer hours needed to increase their earnings was possible (eg Emma's story, Box 2), tended to be those where children were now older and less in need of childcare.

"I'm not on the nursing course any more...you need childcare from 5 o'clock in the morning, and then someone to take the kids to school, and then someone to pick the kids up and play with them till 9 o'clock when you got home. My uni wasn't very supportive...the childcare was the deciding factor. I just had to give it up...I let them know that I was having problems, with the course itself and with the childcare, and they were just very blasé about it, kind of like, 'Make up your mind and get it over with.'"

Paying the Price panel member

Supporting entry into work and progression

Studying and training have also been critical factors in enabling them to move towards more stable finances. It is notable that, for single parents out of work, courses which have made a tangible difference are those that match their skills and career ambitions – which in turn tend to reflect parents' aim to find work that can be managed flexibly around caring responsibilities, and is therefore sustainable.

Based on panel members' experience (eg Carl's story, Box 5 and Sophie story, Box 6), these courses are usually sought out directly by parents themselves, rather than signposted by Jobcentre Plus. Courses and training provided via Jobcentre Plus have instead tended to be shorter term, more basic and less focused on longer term employment prospects. Indeed, the most positive Jobcentre Plus feedback came from a single parent whose advisers recognised the value of his training and provided practical support to build on these foundations (see Box 5).

Where the jobcentre had provided useful support, it was notable that this could arise almost by chance. For example, in Emma story (Box 2), it was her mention of interest in self-employment which prompted her adviser to flag available support via the New Enterprise Allowance. It suggests there is some way to go for consistent signposting towards the full range of support available to those seeking work. Where this did occur, for example when advisers flagged the availability of in-work credit (and its imminent withdrawal) was invaluable to parents then able to access this fall-back support (see Box 2 and Box 5).

"They just want a result... they persuade you to take roles that they think you should do, or take something more convenient for them, just so you can say that you've got a job... [one adviser said], 'Listen, you're aiming too high. What you need to do is broaden your horizons and apply for something else. Everybody wants a job in a school. What makes you think that you're going to be successful?'"

Paying the Price panel member

Understanding employers

Employers also play a significant role in assisting single parents to progress. In interviews, a number of single parents report unsympathetic employers or stigma from colleagues when they have requested flexible working hours or needed time off to juggle caring responsibilities. This has tended to hinder progression in work and, in some cases, led to parents feeling pushed out of their job. Where parents felt most positive about their balance of work and care, and their prospects for financial security, tended to be when they had roles where flexible working was both in place and valued, and where employers seemed to understand the particular pressures facing single parent employees.

"I got to that stage where nothing was working for me, so when I went into the interview, I just went wild...I said to her the amount of times that I've gone for interviews and it's been no good...I went into everything with her and she just basically turned around and said, 'I want to give you a chance'."

"I thought, 'They will never call me and I'm never going to get this job'...My level of web developing was very low... I was telling them [about my] visa and passport...so they were like, 'Okay, so what does your husband do?' So I said, 'No, he passed away,' so then they became really emotional...they just went for me and they just gave me a job... I'm so grateful...I learned a lot and I'm still learning a lot, and the things [I'm learning] are amazing."

"In terms of my employer, they couldn't be more helpful, they are great and really flexible in terms of working from home or leaving early... I don't have to pay childcare costs...[now that] my employer has allowed me to work different hours so that I can finish work at 4 and get home for 5."

Paying the Price panel members

Box 5 "It's paying off now. It's just all that hard work": Carl's story

Carl's route to work hasn't been easy, and jobcentre benefit rules haven't helped. But with training, financial support, some helpful jobcentre staff and less reliance on childcare as his children grew up, his perseverance is finally paying off.

Becoming a single parent

"I had to care for the children"

Carl was forced to give up work as a painter and decorator when he became the main carer of his two children, as his job didn't allow him to juggle his responsibilities as a single parent – particularly while his children were going through a difficult time. On top of this, he was diagnosed with asthma and was told he should find a different job for his health. In other words, he needed to retrain.

Finding a way back to work

"The individual I spoke to at the jobcentre kind of understood, but the system doesn't really"

"It's a process rather than actual help"

Carl applied for income support when he became a single parent. Advisers who doubted his position as the main carer of his children didn't make the process easy. He looked for work and continued to do so when he moved onto JSA, when his children were a little older. His main criterion for a job was working hours and, while some jobcentre staff members were sympathetic, there was little in-depth discussion about his employment support needs as a single parent. And, while he was told about childcare available locally, he found costs were still too expensive for his budget.

"I felt that I had been given a set of rules to stick by and I had to do it"

Carl looked for ways to develop skills that would help him move into a different career. He had an interest in IT and took up courses at a local college (which provided free access to software and equipment) and learnt how to code in his own time. He needed a government loan for older learners (aged 24+ years) to pay for the courses, but felt this was worthwhile to find secure work.

In the meantime, he was placed on the Work Programme for additional support. In reality, this didn't always turn out to be useful. There was increased pressure to move into a job. Carl found himself applying for jobs he'd already been rejected for, just to meet the quota of applications set for him. He found little leeway in restricting the types of jobs he could apply for, where his preferred working hours were taken into account.

Rules stated Carl could only do up to eight hours of coursework a week, but his Level 4 qualification demanded much more. Carl was forced to make excuses in order to complete his qualification – as he says:

“They felt that there was work I could get with low qualifications... [which were] enough for you to get work in a call centre. I think they had decided that that's where I should plan my career...But I knew I had the skills to go further than that.”

Managing on a tight budget, with support

“We are living week to week, rather than day to day”

Carl found money was tight, but not unmanageable, with a little help. Initially, Carl managed to put a little aside for a few months – these savings covered extra costs of going to school, like uniforms. However, he didn't have any significant sums for emergencies, such as an appliance breaking and worried an event like that would “maybe push us over the edge”. There were some weeks they were short on money, and had to borrow small sums from Carl's mum. And, in order to spread costs, he had a substantial catalogue bill that could only be paid off in small amounts.

There were also additional costs to manage, such as council tax payments, following reforms to council tax support. This tended to get managed through cutting back on household shopping and using supermarket loyalty points to make up the difference.

A rocky road to employment

Following his own training, Carl managed to move into part-time self-employment focused on web design and PC repairs. He claimed in-work credit to help him move into work (£60 a week in London, for a year), just before it was stopped in October 2013 – crucial support “to fall back on” while he started out. And he felt reassured that his Work Programme provider could provide some advice on setting up a business if needed.

The combination of being able to choose his own hours, doing some work online from home and accessing additional childcare provision after school meant work seemed more feasible.

“I am not any richer than I was before, and more tired at the end of the week”

But, as many others have found, finances were still tight. What's more, Carl had to work a lot of unpaid hours to get the business going. Extra wages tended to be absorbed into bills. Difficulties in finding clients, and in parenting while working, meant it was impossible to put in the hours needed. By the next interview, Carl had returned to JSA.

Instead, he looked for employee roles – but came up against the continuing insecurity in the labour market. Most jobs were short-term contracts, with lots of night-shift work. Worryingly, given his recent experience, jobcentre advisers continued to encourage self-employment as an option, this time without additional financial support. Finances were getting stretched, with Carl's debts creeping up to around £7,000.

“There was that pressure: ‘You've been in for four interviews. Now you have to start taking any job that comes along.’ [But] the individual advisers were understanding.”

Carl persisted with his job search, and took on a series of short-term contracts. He also got help with getting a web design business going again, when a jobcentre adviser mentioned he could get a £1,000 government loan to set up as a sole trader. He used early mornings, evenings and holidays to fit his self-employment around employee jobs.

“The money worries have kind of evaporated, and hopefully I’m setting a better example for them being in full-time work rather than hodgepodge working here and there.”

After 18 months of 12-week contracts, he eventually managed to get a full-time job in March 2016. This was a relief, as the temporary contracts created ongoing stress and money concerns. And, with Carl’s children now older and less in need of childcare, he had more time to take on work. The years of training and resisting jobcentre pressure to settle for less are finally paying off – with some financial help and easing childcare duties.

Persevering despite setbacks

But one of the strongest common themes across single parent interviews and surveys in the project has been the perseverance needed from parents in recent years – in trying to make ends meet, prioritising longer-term ambitions in the face of Jobcentre Plus pressure and looking for work and opportunities to progress in work.

This perseverance is in part seen as necessary as a result of single parents’ role as main carer and main earner. With no other parent to rely upon, it requires particular strength to keep on top of family responsibilities – and more so than ever when finances are tight. Determination was also seen as a necessity in the face of the barriers facing single parents in managing work and care – particularly regarding the limits to labour market opportunities, childcare availability and financial and practical support.

“I’ve decided it doesn’t matter what I’m going through... I’m just taking each day as it comes... I want to try and remain positive.”

“I think you’ve got to be your own motivation to your children, and you’ve got to go out there and get things for yourself, because people won’t tell you about things that are available.”

“Just persevere...there were times when it felt like, ‘I’m doing all this training, nothing’s happening and nothing seems to be progressing,’ but it did work out eventually. I don’t know if that would be the same for everybody or whether I was just lucky.”

“It’s demotivating...there are a lot of things stacked against you. But I think the key is to keep on with it basically and just not give up.”

Paying the Price panel members

Box 6 "If there's something you really want to do, go for it": Sophie's story

Sophie was made redundant. Free courses, a young child (and therefore escaping JSA job-searching conditions) and part-time work with sufficient hours enabled her to retrain as a teaching assistant. While her future was still uncertain, she felt much more confident and positive about the road ahead.

Tightening purse strings and losing a stable job

"If I don't find something that allows me some type of flexibility... if I don't find a job, I'm worried about how I'm going to manage."

Sophie had worked in insurance for 11 years and had a toddler. When working full-time, it was difficult to manage alongside caring for her daughter, her employer agreed to flexible hours (arriving and leaving early for nursery pick-up) and was able to work four days a week instead. However, at the start of the project, she was due to be made redundant due to reorganisation after a post-recession merger. At the same time, she had experienced cuts to her housing benefit and tax credits. This was partly a knock-on effect of increased provision – access to 15 hours' free childcare for two year olds meant her childcare costs had reduced, but this reduced the amount of housing benefit for which she was eligible. She was cutting back to manage her bills, but found it difficult to pay for one-off costs like the car MOT, and borrowed money from her parents to manage when necessary.

Deciding to re-train

"It's terrible because it feels like you are turning down work. But I just know that I wouldn't be able to give it my best, so I can't"

Sophie went to her local college after being made redundant, where someone suggested she considered being a teaching assistant. As she was keen to find a flexible career path and had felt trapped in insurance work due to the flexible working hours she had been able to agree, she felt this was a good option. Sophie quickly found a local placement and enrolled on a course. As her daughter was still only two, she was able to apply for income support, which allowed her to continue with her course rather than fulfil job-seeking requirements each week.

In the meantime, she looked for flexible work which would allow her to complete her course. However, most vacancies were for very short hours (eg six hours a week), which wouldn't have covered her childcare and travel costs. She also saw insurance vacancies, but most were now located far from home which would make nursery pick-ups impossible.

Finances inevitably got tighter, though Sophie's support network helped. When she had to move to a new rental property, she was able to use her redundancy payment and borrow money from her mum. Sophie's ex-partner had recently moved into work and was starting to contribute which helped to keep their daughter's childcare place.

Juggling work and study

"[It] would have been completely a last resort to have had to give [the course] up, because that's so much more beneficial to me in the long run"

Sophie managed to find retail work in seasonal and short hours (eg 10 hours a week) positions; this provided some additional income, but not much. In fact, as income support is withdrawn after the first £20 a week earned, she worked out that she was working for around £10 a week, after petrol and other costs were taken into account. And, with her daughter due to turn five, she was concerned about how she would manage to continue studying if she needed state support. Her income support adviser warned her that she wouldn't be eligible for JSA as she was studying for a Level 3 course; Sophie was also concerned job-seeking conditions would make it difficult to continue studying.

Fortunately, Sophie's temporary retail job increased her hours to 16-20 a week. She now worked enough hours to access working tax credits. Bills were easier to manage, particularly now her daughter had started school and

no longer needed long childcare hours. This was made more manageable with family support – her mum looked after her if she had shifts in the evening or weekends, and her daughter's father cared for her on Saturdays. Overall, Sophie was in a much better financial position – albeit temporarily, as the contract was for six months.

First steps towards secure work

"I spent 11 years doing a job that I absolutely hated and I'm not doing that again...I wasn't any better off for it really."

"I do feel quite positive...I think it's because I'm finally doing something that I enjoy."

Towards the end of her teaching assistant training, Sophie started looking for jobs and found permanent positions were very competitive. In order to build work experience, she signed up with an agency once she finished her course and started doing one-to-one teaching support. She was managing childcare through informal arrangements, sharing the school run with a childminder friend (at a reduced cost) and her mum.

Finances are still tight. A job was cancelled at the last minute, so she had to wait longer than expected between the end of her retail job and starting work. In the interim, she had to rely on her credit card, leading to some debt to pay off. And, as an agency worker, holiday periods are unpaid, requiring careful budgeting and forward planning. Nevertheless, Sophie felt the rewards of the teaching experience were worthwhile. Importantly, she feels she's now doing something she finds fulfilling and will work well with caring for her daughter. While the future is uncertain, she feels more positive.

5 Where next?

The *Paying the Price* project starkly illustrates just how difficult it has been for single parents to establish financial stability in recent years. The importance of financial support, even while working, is particularly clear – to avoid debt, provide security and ensure family well-being. However, the pressure for many single parents is still not over – further welfare reform is set to come into force in the coming months. If the new government is committed to its promise of social reform, it must urgently act on improving financial and employment support to families on low incomes and help employers and others to foster a genuinely family-friendly labour market.

Lessons from 2010-15 welfare reform

For some single parents, there is light at the end of the tunnel, with a more positive financial outlook than four years ago. However, this has not been an easy journey. As panel members illustrate, the combination of limited state support (both financial and practical) and a challenging labour market has meant many months and years of just making ends meet and slipping into debt. And for many others – including those in work – life is still hard, with limited prospects of a more secure future. Just one in five (18 per cent) of single parents surveyed said they expected to feel better off in a year's time.

The project also serves a vital reminder that money matters. At a time when there have been efforts to broaden focus on other areas when measuring and understanding poverty (DWP, 2015), the single parents we have spoken with underline just how important financial support can be. Through government support or the helping hands of family and friends, parents have paid the mortgage to keep their children in their home, covered childcare costs to stay in work and learnt to drive to look for jobs further afield. With child poverty in single parent families forecast to sharply increase – nearly two-thirds (62.1 per cent) of children in single parent families are expected to live in relative poverty by 2020/21 (Hood and Waters, 2017) – this is an important lesson for the new government's social reform agenda.

Importantly, the project illustrates that the persistent message that work is the 'best route out of poverty' needs to be rethought. Where single parents have found routes to enter and progress in work, this has been successful and affirming. But too many struggle to access the training, vacancies and flexibility needed to find secure and sustainable work. Too often, the only employment opportunities are short-term or insecure hours, with little accommodation for childcare responsibilities. Many working single parents are struggling to make ends meet, have done so for the last few years and feel they have little prospect of any improvement in the near future.

Finally, the broader impact of financial insecurity rings strongly throughout single parents' words. Beyond the risk of tipping into a cycle of debt, the unrelenting pressure of trying to make ends has been a consistent theme throughout our reports. This has taken its toll on both parents and children. Those who have been able to progress to more stable incomes can be more positive, if uncertain, about the long-term effect of previous financial concerns. But for many – if not most – single parents, there are still deep concerns about both the practical and emotional impact of financial difficulties on themselves, and their children. Given government concerns about family relationships and social justice, these effects of cutting income and support need urgent attention.

“There were obviously money stresses... There was never enough money around. No matter how much you explain to them that things are going to get better, I just need to do this a little bit longer...but hopefully now they can look back and say [it] was worthwhile.”

“[S]ince becoming a single parent, that’s when I first experienced emotions such as anxiety.”

“I feel very alone in my struggle.”

“I feel pretty desperate and I can’t see anything very positive on the horizon. I feel a bit stuck. I suppose that doesn’t help my confidence or my self-esteem.”

Paying the Price panel members

“It makes my mental health problems a million times worse and means I am unable to do things which I would like to be able to do with the kids”

Gingerbread survey, 2016

Rocky road ahead

Given these stark lessons, it is worrying that the ‘age of austerity’ persists. The safety net of state emergency support is still diminishing – local authority budgets are stretched, placing local welfare assistance schemes under further threat. Furthermore, their future budget is uncertain; while further DHP funding was announced in the 2015 Summer Budget, this largely reflects yet further housing benefit cuts through the lowering of the benefit cap in November 2016.

Conditionality has been extended for parents with even younger children from April 2017; in universal credit (UC), single parents with children aged three and four will now be expected to comply with full job-searching requirements previously only affecting those with children of primary school age (five years and over). By extending the reach of benefit conditions – and therefore potential sanctions – this move could have a stark financial impact. It is particularly concerning when single parents are already at risk of disproportionate unfair sanctions (Rabindrakumar, 2017). It is yet more so, when parents with very young children tend to be most reliant on often-scarce flexible work and faced with the most expensive childcare until their children reach school age.

In the meantime, many single parents are facing new difficulties in accessing child maintenance, as a result of a reformed statutory system (Work and Pensions Committee, 2017). At a time when social security is being reduced, this places further strain on some parents struggling to ensure their child receives fair support from both their parents.

There are also further significant cuts to welfare support underway. The cap on benefit rate increases was immediately followed, from April 2016, by a four-year freeze on benefit and tax credit rates. This will mean that many families will continue to feel their budgets squeezed. As noted above, the benefit cap threshold has been lowered, affecting around 165,000 single parents. And, from April 2017, a raft of new reforms have come into effect. Higher rates of tax credit and UC payment for first children, in recognition of the higher costs of first children, were abolished. Tax credits and UC are limited to future claimants with two children (from April 2017 for tax credits and November 2017 for UC), penalising single parents taking on the care of children after separation. The UC work allowance for single parents has also been halved (House of Commons Library, 2016). This last cut is particularly concerning – single parents are now set to see weaker incentives to work under UC (Browne, Hood and Joyce, 2016). Far from the original flagship programme to 'make work pay', UC is increasingly set to be a less generous system with lower returns from work than designed.

Overall, Gingerbread analysis estimates single parents will lose around £1,300 per year by 2020/21 from combined cuts – despite taking into account the new 'National Living Wage' for over-25s and tax changes (eg the higher personal tax allowance). £800 per year is lost from the UC work allowance cut alone. Worryingly, working parents on the lowest incomes lose the most – 13.4 per cent (over £1,600) of their income by 2020/21 (Rabindrakumar, 2015b).

I expect to be far worse off when universal credit comes in as I save what I can for the future, and universal credit will penalise me for saving (and working), so I'll be worse off either I spend my savings and get credit, or I keep saving but lose credit - either way, trapped as usual!

Gingerbread survey, 2016

Finally, there are growing concerns regarding new pressures on living standards as a result of the decision to leave the EU, following the June 2016 referendum. With the economic implications only just starting to emerge, the full impact is yet unclear – but higher inflation and a return to real wage falls are now expected, placing those on low incomes once again at risk (Whittaker and Finch, 2016).

Recommendations

With further welfare reform underway and uncertainty in the wake of the EU referendum, it is vital that the new government delivers on its promise to help families who are "just managing" (Prime Minister's Office, 2016). There are a number of key areas in need of reform to help single parents move towards a more secure financial future, namely:

- A fairer benefit and tax system
- Improved employment support
- A family-friendly labour market.

Drawing on this project and wider literature on how struggling families can be helped, there are a range of interventions and changes in practice that can help to tackle these areas for reform. Genuine change – particularly around creating a family-friendly labour market – will not just require action from the central government but, as we have seen, wider actors too, including local government (particularly newly empowered city regions), employers and childcare providers. Yet in the short and medium term, there are clear options for the new government to consider as it sets out its plan for the UK in the coming years, to ensure families are able to find financial security.

While these policy changes have some cost implications, the government is not without choices over how it distributes its spending. Indeed there are a number of policy options – particularly in the tax system – which would help to fund improved support for 'just about managing' families. For example, it has the option to slow down proposed increases to the personal tax allowance, which does not benefit those on the lowest incomes (who do not pay tax). The latest rise in the personal tax allowance and higher rate thresholds, in April 2017, cost over £2 billion (Finch, 2017). Similarly, it could scrap the marriage tax allowance, which benefits very few families and does not help those on the lowest incomes. The policy was estimated to cost around £700 million a year (Joyce, 2013).

Immediate priorities for action

• **Ensure UC is fit for purpose**

Much of low income families' financial security will depend on the success of UC. Now is the time to take stock and restore this flagship reform to its original intentions – to be simple, efficient and to make sure work always pays. As a priority, the government should:

- Reverse cuts to the UC work allowance to maximise work incentives and minimise in-work poverty, with cuts for single parents to be reversed as a priority
- Reduce the delay to a first UC payment, including scrapping the seven 'waiting days' for a first UC payment
- Assess the quality of jobcentre provision – particularly work coaches and claimant commitments – to ensure single parents' needs are recognised

• **Provide support for childcare costs for families struggling now**

Investment in childcare should be seen as part and parcel of investing in infrastructure – it helps life chances, employment and the economy. Yet the bulk of investment promised is not targeted at those who need it most; to address this, the government can:

- Make the £300 million promised extra childcare support under UC (to increase support from 70 to 85 per cent of costs) available to families on tax credits, now full UC roll-out is set to be delayed until at least 2022

- Extend eligibility for 30 hours' free childcare for parents of three and four year olds to those in education and training, and those on variable-hours (including zero-hours) contracts, to help those who need support to enter and progress in work
- Support claimants with up-front childcare costs through a guaranteed deposit paid directly to the childcare provider (by central government or devolved administrations, eg 'metro mayors'), which is then returned when the child leaves

- **Ensure vital support is not cut**

Welfare policy has increasingly used cuts or suspension of benefits for non-working families as a means to incentivise work. This can lead to support being cut regardless of parents' intentions to work, pushing them towards poverty – and further from the workplace. To redress the balance, the government can:

- Introduce a genuine 'yellow card' system in the sanctions process, which ensures a robust warning system before JSA/UC payment is suspended
- Introduce exemptions to the benefit cap to single parents with children aged two or under and those in training.

Medium term priorities for action

- **Restore the link between state support and need:** Reforms mean state support no longer reflects need for many low income families; restoring this link would help to ensure greater financial security – including ending the benefit freeze by uprating of working-age benefits in line with the cost of living, and ensuring fairer local authority means-testing for council tax support (eg ensure child maintenance is not counted as income and reintroduce 100 per cent exemptions for those on the lowest incomes)
- **Improve long-term debt prevention:** Beyond adequate financial support, the government can do more to intervene when families on low incomes are at risk of long-term debt – for example, if they need access to credit. This includes:
 - Working with local partners to ensure sufficient debt advice service provision
 - Developing interest-free loan provision for low income families
 - Tackling high prices charged for rent-to-own goods (eg catalogue purchases)
- **Re-think wider welfare reform:** For families struggling now, it is not enough to commit to no further reform – major changes already passed have had, and will have, a big impact on families' finances. With mounting evidence of limited cost savings and incentive effects (eg to move into work or move home), a government serious about tackling social injustice should consider reversing previous reforms such as the benefit cap and the 'bedroom tax'.

It is becoming increasingly clear that, despite a jobs boom, neither state support nor work is sufficient to ensure financial security for low income families. Despite record high employment levels, a single parent with two children and working full-time still lacks nearly a fifth of the income required to cover a decent living standard (Hirsch, 2017).

These trends raise broader labour market questions for both employers and government around the quality and security of work, and ensuring jobs fit with a growing demographic of working parents. Yet the evidence of this project and others also underlines the importance of social policy decisions in recent years, and the urgent need to rebalance the distribution of their impact. Indeed, recent data indicates the tide of public opinion is turning in favour of such a move (Clery et al., 2017). Austerity and the financial strain faced by many families are not inevitable. The government has choices it can make to ensure it keeps its promise to those families who are only just managing; whether it has the political will to do so remains to be seen.

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Appendix 1 Methodology

Online survey

We conducted our survey online between 20 January and 22 February 2016, using SurveyMonkey software. We used convenience sampling, with the survey promoted via Gingerbread's social media outlets and membership e-newsletter.

We have excluded responses from those who are not single parents – we define single parents as those with at least one dependent child, who do not currently live with a partner and who are the main carers for their children (ie whose children stay with them for at least half the week). As a result, non-resident parents without equal shared care are not included in our sample of single parents.

We are conscious that a convenience sampling approach can introduce bias to results. We have, however, compared the demographic data we collected in our survey with that of the single parent population to provide context to our sample. Critically, the income profile of the sample broadly reflects the income profile of the wider single parent population. This is important, as it indicates that our survey sample does not over-represent single parents on low incomes (our primary focus for the report).

Due to the non-random nature of the sample, we cannot assess how reliable our results are in relation to the whole single parent population. We therefore take efforts to ensure we only apply findings to those single parents surveyed, and consider these alongside wider evidence. While not perfect, we feel that this approach presents the best available snapshot of single parents' current lives.

Panel research

For this *Paying the Price* report, our panel research included 17 out of 25 remaining panel members (missing members were not available for this round of interviews). We used a purposive sampling approach to establish a panel with a range of circumstances; further details on the recruitment and sampling for the panel can be found in the appendix of our first two *Paying the Price* reports at: www.gingerbread.org.uk/payingtheprice.

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