

DÁIL ÉIREANN

AN COMHCHOISTE UM CHOIMIRCE SHÓISIALACH

JOINT COMMITTEE ON SOCIAL PROTECTION

Déardaoin, 6 Deireadh Fómhair 2016

Thursday, 6 October 2016

The Joint Committee met at 10.30 a.m.

MEMBERS PRESENT:

Deputy John Brady,	Senator Ray Butler,
Deputy Joe Carey,	
Deputy Joan Collins,	
Deputy Gino Kenny,	
Deputy Willie O’Dea,	

In attendance: Deputy Denise Mitchell.

DEPUTY JOHN CURRAN IN THE CHAIR.

BUSINESS OF COMMITTEE

Business of Committee

Chairman: I have received apologies from Deputy Maria Bailey and Senators Kevin Humphreys and Catherine Ardagh. I welcome members to the meeting. I remind colleagues to turn off their mobile phones, not just for the private session but in particular for the public session, as they interfere both with the meeting and the recording of it. I propose that we go into private session to deal with some housekeeping matters before returning to public session. Is that agreed? Agreed.

The joint committee went into private session at 10.34 a.m. and resumed in public session at 11 a.m.

Lone Parents: Department of Social Protection

Chairman: We are now in public session. I welcome Ms Simonetta Ryan, assistant secretary general at the Department of Social Protection, to discuss the matter of lone parents. Ms Ryan is accompanied by Mr. Niall Egan, principal officer, Ms Fiona Ward, principal officer and Ms Erika Klein, assistant principal officer. I propose to ask Ms Ryan to make her opening remarks first and then members will be invited to address questions to her. We have received Ms Ryan's opening statement.

I wish to draw witnesses' attention to the fact that by virtue of section 17(2)(l) of the Defamation Act 2009, they are protected by absolute privilege in respect of their evidence to this committee. However, if they are directed by the committee to cease giving evidence in relation to a particular matter and they continue to do so, they are entitled thereafter only to a qualified privilege in respect of their evidence. Witnesses are directed that only evidence connected with the subject matter of these proceedings is to be given and are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable. Ms Ryan's opening statement to the committee will be published on the committee website after the meeting.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official, either by name or in such a way as to make him or her identifiable. Members should switch off their mobile phones.

I invite Ms Ryan to make her opening statement.

Ms Simonetta Ryan: I thank the committee for meeting the Department's management board recently and I welcome the opportunity to discuss the issue of lone parents in more detail today. I am joined by my departmental colleagues, Niall Egan, principal officer of working age and child income policy; Erika Klein, assistant principal officer of working age and child income policy; and Fiona Ward, divisional manager of the Dublin south division. I am also joined by Paul Hessian, a higher executive officer in my division.

Since 1997 the one-parent family payment, OFP, scheme has played an important role in providing income support to lone parents. The scheme currently supports almost 41,000 lone parents and is estimated to cost approximately €500 million in 2016. The jobseeker's tran-

sitional payment, JST, supports almost 15,000 lone parent families and is estimated to cost approximately €177 million in 2016. In total, more than €1 billion was spent by the Department on lone parents during 2015 across all schemes including family income supplement, FIS, back-to-work family dividend, child benefit and other schemes. The one-parent family scheme has undergone significant reforms since budget 2011, which have seen the qualifying age of the youngest child for receipt of the payment gradually reduce to seven years of age. There are special exemptions for those who are recently bereaved, are caring or are in receipt of a blind pension. Prior to the reforms, the OFP scheme was payable until the youngest child was 18, or 22 if in full-time education, with limited engagement from the State. Spending on the scheme exceeded €1 billion per annum from 2008 until 2012. This support produced poor results in terms of tackling poverty rates among lone-parent families. The scheme was administered centrally, resulting in many lone parents being disconnected from the education and employment supports that were available to them. The need to tackle these issues through an active labour market policy approach was addressed in detail in the OECD report, *Babies and Bosses: Reconciling Work and Family Life*, which was published in 2003. The report argued that the passive income support policy towards lone parents until their youngest child was aged 18 or 22 years was a significant contributory factor to the low levels of employment and high levels of poverty among them. The Department reached the same conclusion in its report, *Proposals for Supporting Lone Parents*, published in 2006, which highlighted Ireland's outlier status in terms of the maximum qualifying age of the youngest child. The report recommended that there was a need to bring the OFP scheme in line with international standards where there was a general movement away from long-term and non-conditional income support and towards a more active engagement approach.

The first reforms to the OFP scheme were introduced by the Social Welfare (Miscellaneous Provisions) Act 2010. On foot of this change, from 27 April 2011 a new entrant could remain on the one-parent family scheme until his or her youngest child's 14th birthday. Budget 2012 extended these reforms so that a lone parent's entitlement to the OFP scheme would continue until his or her youngest child's seventh birthday. The reduction in the age threshold of the youngest child was implemented on a phased basis for all recipients during the period 2013 to 2015. As part of the Department's wider reform programme, in particular the integration of the Community Welfare Service and the public employment service elements of FÁS into the Department, the administration of the OFP scheme was devolved to Intreo centres, thereby connecting lone parents with the integrated services now available in those centres. A number of changes were made to the original reforms including the introduction of the jobseeker's transitional payment, which was a significant change as it gives lone parents whose youngest child is under 14 years of age choice around work and caring for their young children. Another change was extending the existing special provision for carers to lone parents caring for people other than their children. This extended the existing arrangement where a lone parent with a child in receipt of the domiciliary care allowance can remain on OFP until that child's 16th birthday. Payment of OFP for those in receipt of the blind pension was extended and the back-to-work family dividend was introduced, which is paid on top of an individual's family income supplement entitlement. Lone parents affected by the reforms transition to alternative income supports including jobseeker's allowance, the jobseeker's transitional payment and family income supplement. The reforms ensure that, for the first time, lone parents gain improved access to the Department's Intreo service. Those who transition to JST or JA have access to a case officer who assists them in producing a personal development plan. This tailored plan supports them towards appropriate education, training and employment support opportunities based on their individual circumstances and requirements.

The implementation of the reforms was thoroughly and carefully planned by the Department. The Department set up an implementation group and a dedicated project team, given the large numbers involved, in 2015. In addition, the Department liaised with other Departments on the reform, most notably the Departments of Education and Skills and Children and Youth Affairs. The Department regularly engaged with lone parent representative groups on the reforms. This involved consulting with them on the content of the correspondence issuing to lone parents and their feedback was taken on board. The lone parent representative groups received regular information updates and regular briefings in advance of each July and after each budget. Issues raised by the groups concerning specific individuals were followed up and resolved. Since 2011 all affected customers have received a number of letters from the Department explaining the changes to the scheme. Approximately 18,000 people transitioned from the OFP scheme between July 2013 and June 2015 to alternative social welfare payments. The final phase took place on 2 July 2015, when approximately 25,500 recipients transitioned from the one-parent family payment to another of the Department's income supports. Of the 25,500 customers affected by the OFP reforms on 2 July 2015 the majority transitioned to the following schemes: 13,600 to the jobseeker's transitional payment; 2,500 to the jobseeker's allowance scheme; and 8,100 to the family income supplement scheme. Affected customers were invited to an information seminar with staff at their local Intreo offices. These seminars began in February 2015. Approximately 750 information seminars were held throughout the country and approximately 25,000 people attended. Every effort was made to contact customers who did not respond to the invitation. In 96% of cases, the transition to another social welfare payment was seamless. For the remainder, a contingency plan was in place if a customer was without payment where a designated member of the community welfare service was available in each Intreo office to arrange a supplementary welfare allowance payment in the interim.

It will take several years before the full impact of the reforms can be assessed. This is due to the fact that lone parents on foot of the reforms will take up education, training or employment support programmes which will take time for them to complete. However, early indications show some positive outcomes. More than 3,000 lone parents became new FIS recipients by the end of 2015, indicating that these customers entered or increased their employment. Through the combination of earnings and FIS, these lone parents have been lifted out of poverty. A total of 4,500 JST customers have either met case officers or are being scheduled for appointments. Of these, 1,400 have met case officers and agreed and are progressing with personal plans. Of those 1,400, just over half have moved into education and training, ranging from personal development to third level.

Along with the changes to the reforms, there were other measures contained in budgets 2015 and 2016 which benefitted lone parents. For example, budget 2015 maintained the OFP income disregard at €90 and budget 2016 introduced the following measures: the alignment of the JST means test with the more generous OFP means test; the FIS threshold was increased by €5 per week for each of the first two children; child benefit was increased by €5 to €140 for each child per month from January 2016; a 75% Christmas bonus was paid to recipients of long-term social welfare payments, including to OFP, JST and back-to-work family dividend recipients; and the fuel allowance was increased by €2.50 to €22.50 per week from January 2016.

The Department's social impact assessment of the cumulative impact of budgets 2015 and 2016 showed an increase in the average household income of employed lone parents of 2.8%, comparing favourably with an average household increase of 2%. The Department is continuing to build on the OFP reforms and the key areas are child care, in respect of which the Department of Children and Youth Affairs is the lead on the development of the single affordable

child care scheme, and barriers to third-level education for lone parents, in respect of which the Department of Education and Skills is taking the lead. The Department of Social Protection is continuing to work with those and other Departments on these and other relevant issues.

I thank members for their time and I would be happy to answer any questions they may wish to pose.

Deputy Willie O’Dea: I thank the witness for her presentation. I am conscious of the fact that her job is to administer the scheme as it stands. Policy is a matter for the Government and administration is a matter for the public service. I have a question for the Minister on lone parents later on this afternoon so I will have a chance to discuss the policy there. The witness stated that there was regular consultation with lone parents right throughout the process whereby the change was brought about. The implication seems to be that they more or less went along with it. That does not seem to accord with the reality. I have been in regular discussion with the various lone-parents groups and I have not met anybody, quite frankly, who is happy with the changes. I say this with the greatest of respect to the witness. The picture she paints does not seem to accord with the reality as experienced by me on the ground. I have constant complaints through my constituency office from lone parents who have lost out. These are working lone parents, not non-working lone parents for whom nothing has changed. I understand that the basis of the policy is to activate more lone parents and get them out to work. However, I have a regular flow of complaints - the latest was last weekend - from single parents whose income is less as a result of these changes. We had a visit last week from the Society of St. Vincent de Paul. The written submission it provided us with stated, “The main impacts of the reform of the OFP have been to reduce the income of lone parents in employment; and to reduce the likelihood of lone parents who are not in employment, education or training to take up work or education in the near future”. That is the conclusion reached by Society of St. Vincent de Paul, having done a survey on the matter.

We are now also in possession of the Millar report. The Millar report is very critical of the changes. It states that the OFP “needs revision”. It states that the OFP has had the perverse consequences of both reducing household income and reducing the incentive to go out to work. I came into possession yesterday of a matrix done by SPARK, one of the organisations representing lone parents, that showed clearly the changes to the detriment of working lone parents, especially once the back-to-work family dividend ceases. As we know, it is only a two-year payment of 100% for the first year and 50% for the second. Therefore, I am a bit baffled to hear that everything seems to be grand, incomes are up and everybody is happy. I cannot speak for my colleagues and I can only speak for myself. This is the experience I have had. This is what I have been told by organisations such as the Society of St. Vincent de Paul, SPARK and all the different organisations representing single parents. As I say, it accords with my experience. I do not want to take up too much time. How does the witness reconcile that and answer all of these criticisms? Everybody seems to be unhappy from the point of view of working lone parents.

I understand that a single parent who is working - and, therefore, getting FIS - and who is in receipt of maintenance payments, will be advised, or there is going to be a campaign, by at least one or more of the organisations representing the sector, to the effect that he or she should transfer from FIS back to JST when the back-to-work family dividend runs out. This will be done on the basis that he or she will be better off. I have been sent figures which prove this. If the basis of the policy is activation and to encourage single parents to go out to work, the effect of it seems to be that there will be thousands of single parents advised next year - by way of a

public campaign - to go from work and FIS back to JST. The latter is exactly the opposite of the direction in which the policy was supposed to lead them.

Deputy John Brady: I welcome the officials. Not only do I and many lone parents have concerns, as Deputy O’Dea correctly stated, many organisations also have concerns. I will go through some of those concerns in a moment. We know all of the facts and figures in terms of the numbers of single-parent families. One in four families is a one-parent family. That is a sum of 215,000 one-parent families across the State. We know the figures in terms of poverty. A total of 23% of one-parent families live in a consistent state of poverty. Those figures are not mine; they are recognised and approved figures.

One of the harshest cuts that was implemented and that has compounded the difficulties lone parents are facing was that to the one-parent family payment in 2012. It has had a hugely detrimental impact, not just in terms of poverty or access to education but right across the board. We know that the Minister of the day said that these cuts would not come into effect until we had a Scandinavian-type child care service within the State. That has fallen off the radar. There is no affordable child care and certainly no Scandinavian model in place here. We will wait to see what comes out of next week’s budget but I would not hold out much hope for it. The Irish Human Rights and Equality Commission report recommended that the State actually reverse these measures that were introduced in 2012, in the absence of an adequate and affordable child care system being in place. That commission has called for a reversal of these measures because of the detrimental impact in terms of poverty and all the other areas. There are questions to be asked around that specific element but I also have other points to raise. I will put the point separately to the Minister later, but based on the recommendation by the Irish Human Rights and Equality Commission, could I get a view from the Department officials who are here now? Has the commission’s report been taken into consideration at all by the Department? Has the reversal of the measures been costed by the Department?

Another recent report “Lone Parents and Activation; What Works and Why”, commissioned by the Government, carried out by the UNESCO- child and family research centre, is a review of the international evidence in the Irish context. There are some lines in the report about the policy changes to lone parents which certainly strike a chord with me but, more important, show clearly the real world facts affecting the real people about whom we speak. The report states: “[the change] has the perverse effect of encouraging welfare dependency and reducing household income.” We know from lone parents themselves that these changes have trapped them in greater poverty and they feel stuck. They cannot leave their children at home alone, they cannot afford child care and therefore they cannot go out to work. They are worse off than before. This Government-commissioned report backs up the evidence from the real world. Perhaps the officials could offer a view on that.

We have already touched on the lone parent families who are living in consistent poverty, which is 23% of lone parent families. That compares to 8.2% of other families who live in poverty. We know the facts there but the measures that were introduced are compounding the problems of poverty for single parent families. The at-risk rate for single parents is 31.7% who fall into that category. I have specific questions around that report and the poverty faced by single parent families. Of the 23,000 children across the State who are reported to be living in consistent poverty, do we know how many of those children are actually in single parent families? Do the officials have those figures and facts or could they be provided to the committee?

It is clear that in order to tackle childhood poverty it is essential that poverty in one parent families must be targeted. Can the committee get an overview on how the Department is actu-

ally going about this? I do not want to put words into her mouth but the witness said that the measures introduced in 2012 have given a certain perception but we need an overview of what is being done to target those families. The reality, on the ground, says differently.

Another serious aspect of the impact of the cuts on single parents is in the area of back to education. There is huge concern. While lone parents on the one parent family payment can receive the back to education allowance, new measures that were introduced reduce the age of qualifying children from 14 years to seven years. People are being told they can go on to the family income supplement but once a single parent goes onto that payment they do not qualify for, or are not entitled to, the back to education allowance. That measure has had a huge impact on single parents which is hard to quantify. I am not sure if it is easy to break down the figures, but could those figures be forwarded to the committee so that we can see how many single parents have been denied the back to education allowance due to these measures?

There has been a lot of talk about another report that was due to be published in August on barriers to educational access for single parents. In the programme for Government it was planned to have the report published before the budget. We know the budget is next week and we know that report has still not been published. All the evidence from these organisations states the measures already introduced are having a detrimental impact on these families and I fear we are now entering a budget without the report. With regard to the back to education allowance, I do not want to pre-empt the report's contents and I am sure the report will highlight some concerns there. Part of the process in the programme for Government was that this report was to be available, so the budget could be framed around some of the measures such as removing the barriers for access to education for lone parents. However, as the budget approaches we have not seen the report. I am not sure if the Department has seen it or is aware of the report's contents. I am not aware of it and I do not know when the document or report is going to be published. Perhaps the witnesses have some inside information from the Minister.

Based on the facts, is the Department seeing the barriers that have been put in place through these measures and cuts removed with regard to facilitating single parents to return to education? Can they give the committee some facts and figures? It is probably difficult to break it down from the overall back to education allowance applications. I do not know if it is an easy process to whittle it down to see how many of those applications are from lone parents, prior to 2012 and subsequently. I thank the officials for appearing at the committee. The measures that have been introduced are a huge area of concern and are having a detrimental impact. They are not helping lone parents. They are actually compounding the difficulties and the real poverty that exists for these lone parent families. The figure of 23% living in poverty comes from 2013 and I would be interested to see the more up to date figures on lone parent families who live in consistent poverty.

Deputy Joan Collins: Good morning. I understand, as has been said already by the officials appearing before the committee today, that they are responsible for the administration of the payments and not the policy. There are however some points I wish to make. The cuts to lone parent payments were probably the most controversial cuts during the austerity years because they have impacted so hard, particularly on the parents who are working. At the time we had this discussion in 2015 we made the figures very clear for the Department with regard to the example of a lone parent with one child earning €8.65 per hour, which was the baseline used by SPARK. Someone who was working 20 hours pre-July 2015 would have been on a wage of €173 a week, in receipt of the OFPA of €176, family income supplement and the fuel allowance, giving him or her an income of €453. By July 2017, lone parents will have lost €80 of that sum.

We brought these figures to the Minister and the Department never questioned them. They were accepted as being close enough to the correct figures. Lone parents who are working 20 hours a week will lose 18% over the two years; those working 28 hours, 14%; and those working 35 hours, 11%. I do not know how the Department can state these working parents have not lost out. The issue should be addressed in the next period as a matter of policy. SPARK has come up with a few effective measures in its pre-budget submission to address the impact of the different payments and so on.

I wish to raise a child maintenance issue. In July 2015, 15,000 lone parents were transferred from the OFPA to the jobseeker's transition payment. When the legislation was being drafted for that payment, the Department forgot to include a provision covering a liable relative. As a result, in October 2015, it wrote to thousands of dads to tell them that as their former partner was no longer in receipt of the OPFA, they had no further obligation to the Department to pay maintenance for their child, unless a court order was in place. This has resulted in a significant reduction in the maintenance payments made to single parents. Non-custodial parents have received letters telling them that they are no longer obliged to pay maintenance, yet the parent raising a child is expected to seek maintenance because the Department told him or her to do so. I would like to hear a comment on this because the lone parents in question have been put in a difficult position as they have to approach their partners to seek maintenance, even where they have had rows with them, when it should be paid directly.

I understand the reason the officials say they do not make policy, but there are other issues, particularly the poverty rate among lone parents with children aged under 18 years, which stands at 22.1%. It is 7.9% for families comprising two adults with one to three children aged under 18 years, while it is 11.9% for other households with children aged under 18.

Last Sunday I participated in a debate with a Minister. I asked him why the Government would not introduce a financial transactions tax. He replied that the reason it would not entertain something like it was that it felt jobs would be lost. We have a scenario where the circumstances of many one-parent families were not poverty proofed. We tend not to protect those who are most vulnerable. I would like the officials to examine the suggestions made in the SPARK pre-budget submission to tackle the measures in which they believe they were dreadfully let down.

Deputy Gino Kenny: I thank the officials for coming. This measure was introduced in 2012 and there have been more anomalies and holes in it than Swiss cheese. The more I look at it, the more it looks like single parents were targeted for political reasons. Deputy Joan Collins touched on what it was all about. As she said, next year the income of a lone parent who is working 20 hours a week and in receipt of social welfare payments will be down by 18%. If that is intended to remove people from poverty, it has been completely ill-thought out. I do not know who is thinking this stuff up and would like the issue to be addressed.

Deputies Joan Collins and Willie O'Dea mentioned the child maintenance issue. It throws up many questions, with parents having to chase up others who leave the scene.

I did not read all of the Millar report, but it categorically states labour activation measures ultimately do not work; therefore, somebody has got the policy wrong. Single parents are exposed to consistent poverty which this attack on them has compounded. Somebody has to ask questions about why this is happening because in the past four years we have gone backwards rather than forwards. Single parents will say there had to be changes to the OFPA, but, overall, everything that has been put in place has been detrimental to them.

Senator Alice-Mary Higgins: I welcome the officials and thank them for their presentation. Previous speakers have highlighted the amazing number of holes and anomalies in this policy approach and it seems that each time the Department attempts to put a patch on one, another issue arises. There is a patchwork of measures in place to cover over a fundamentally flawed approach. I will not touch on them or the many new problems arising, but I will do so, if we have time later. There will be more holes because people continue to face real life challenges.

I thank Ms Ryan for delving into the origins of this issue. While it is worth revisiting, it may also be worth throwing a different eye over it. The fundamental problem highlighted at the beginning, for example, in the Babies and Bosses reports and others was the limited engagement by the State or its failure to engage with lone parents and to support them adequately in accessing education and employment. It was not a failure of lone parents, many of whom were striving to improve their lives and access opportunities. The 2006 report mentioned by Ms Ryan contained proposals to support lone parents. I question the way it was framed because it did not focus on conditionality as the main issue. It referred to what a meaningful set of supports for lone parents would look like. It was a combination of the child care and social supports needed, as well as education and training opportunities. The narrative was to provide support for lone parents in accessing opportunities, not conditionality. It is, therefore, important that we do not retrospectively pick out one aspect which was focused on to the detriment of the thrust of the report. At the time, many lone parent groups engaged with the constructive proposals made in it which were then lost, for example, those relating to the introduction of Scandinavian child care models.

A fundamental problem with which the Department needs to wrestle in all of its schemes is the underlying assumptions, or push and pull. Rather than focusing on the pull factor of greater supports and incentives for lone parents, there is an assumption that we need to move towards giving a “push” and focus on conditionality. The obstacle all along has been the assumption that lone parents, some of the busiest people in Ireland, are somehow not looking, pushing for or seeking opportunities. That fundamental assumption is visible across many other areas and I hope we will question it when we come to deal with other areas, such as qualified adults.

We need to focus on the pull and the supports, rather than a narrative of conditionality because that narrative has brought all of these problems upon the Department and upon lone parents. The assumption is that we need to move people to the live register before we can give them decent training and opportunities. Why were all the case workers with their personal development plans not directed to those on the one-parent family payment? I am sure there are many who would have appreciated a heavy investment in resources in that area. Instead they must first be pushed into the live register. That clearly does not work. The jobseeker’s transitional payment has been introduced. It should actively recognise the value of caring but instead of an active engagement, it has waived the requirement for full-time employment, which is a small step and is not enough. However, by putting people on jobseeker’s transitional payment, the Department lost visibility of lone parents in the system and was no longer able to respond in the same appropriate way to their concerns. I recognise this was a political decision not that of the witnesses who are officials.

If I believe we have used the wrong cart we have also put that cart in front of the horse. The measures were not adequately or appropriately designed and were implemented well ahead of any of the ameliorative supports being put in place. Any response now comes afterwards. We talked about 3,000 lone parents whose income has improved, out of 43,000, that is less than

10% of those who have been moved. When we say “they moved” we should be clear they “were moved” from the one-parent family payment. That leaves more than 90% of lone parents whose income has not been shown to have improved. As for the 4,500 appointments with case workers, that is less than 10% of all those who have been moved. Child care hours run to tens of thousands for the women, mainly, who have been moved, while the number of child care places accessed is in the hundreds. These people have been shown to be the poorest in the country and most at risk of deprivation, and to have the least wealth resources, according to the wealth survey last year. They do not have something to fall back on while things are being sorted or child care is being arranged. They do not have reserves. People only go without and deprive themselves when they have to make hard choices on the basics of life. We have asked them to carry this period of transition rather than front-loading a period of support and transition before asking people to engage with them.

The risk that has been thrust onto lone parents applies at an even more dangerous level to maintenance payments. The Department - because of the anomalies, because it is the live register and jobseeker’s transitional payment and not one-parent family payment - has not only sent the message to absent parents that it will not look for maintenance but has placed a requirement on lone parents to contact partners, including partners who potentially engaged in domestic violence. Whether it has been proved or not, many lone parents who might have been affected by domestic abuse have a genuine fear of being forced to chase up and press a former partner and they fear the penalties if they do not. The human rights report was mentioned but we have a public sector duty, which affects the Department and which I am sure the Minister is cognisant of because we raise it with him all the time, to ensure human rights and equality. We also have a duty in respect of poverty proofing. We have commitments to gender and equality proofing in the budget. There is nothing more clear than that this is a gendered issue because it affects women in the majority. Surely all of these considerations give us an opportunity and a mandate to go back and re-examine this policy.

I believe the Department has engaged constructively with anomaly after anomaly. I recognise it has sought to change the policy in respect of reducing income disregard when that was shown not to be working. I believe it can now take the Millar report and all those strong mandates which it does have, as an opportunity to review, consider a change in direction and maybe to learn from some of the mistakes made around that process. I will not discuss the specific issues but I know the witnesses are aware of them because I have spoken to Mr. Egan about anomalies in connection with back to education, the student universal support, SUSI, grants, the education and training board, ETB, courses and rent allowance, that patchwork of measures. In respect of those who are not on jobseeker’s transitional payment but on jobseeker’s allowance and who have teenage children, the excellent research by the Vincentian Partnership for Social Justice, which the Department funded, on minimum essential standards of living showed that the cost of raising a teenager in Ireland is much higher than that of a younger child yet those lone parents on jobseeker’s allowance who have a child aged more than 14 are completely invisible in respect of that cost.

Deputy Joe Carey: I welcome the officials from the Department of Social Protection and thank them for their presentation. Case officers have worked with many lone parents on delivering tailored plans. Has there been analysis of the type of educational opportunities or training or employment opportunities they have taken up? Access to child care is a problem and I look forward to the announcement of a new package in the budget next week. It is a particular challenge for lone parents. It is a particular challenge also that they cannot access the back-to-school clothing and footwear allowance when they move to on the family income supplement,

FIS. Does the Department have plans to tackle that or do the witnesses think there is a need to do that?

Chairman: The Society of St. Vincent de Paul has come before the committee and subsequently we read the Millar report, with which I am sure the witnesses are familiar, which highlight a different view of how the reforms are working or not working. Within the Department, what significance is being given to the Millar report? How is it being analysed? Will the Department read the recommendations and findings and issue its own report, supporting further change or whatever, based on the Millar report, which was substantial?

Ms Ryan indicated the Department is responding to an administrative process. Policy decisions were made but that is a different issue. If the decisions were made and well motivated, the challenge within the Department is to ensure there are no unforeseen consequences and that the changes are analysed and kept under constant review and the reforms as initiated are amended to ensure anomalies are dealt with. Ms Ryan mentioned in her reply that 18,000 were moved from the one-parent family payment between July 2013 and June 2015 to an alternative social welfare payment and a further 25,000 from 2015. Later, she said it would take several years before the impact of the reforms could be assessed but early indications show some positive outcomes and referred to more than 3,000 lone parents.

My concern is that the Department is using global figures rather than a qualitative approach. In other words, I do not expect it can follow every individual but there must be some sort of tracking of individual families that can show who is benefiting. There are always unintended consequences. Somebody could well transition back into the workplace but the cost of child care could mean he or she would be worse off than before. It is that type of analysis that is required in the Department. It is not a matter of policy; it is procedural. The Department needs the types of analysis and information I describe to ensure the policies it is implementing do not have the negative effects about which we have expressed concerns.

I would like a little insight into whether the qualitative analysis and measurement to which I refer, based on the tracking of individuals, even in sample cases, are being carried out to ensure the policies do not have unintended negative consequences. I acknowledge the global figures are available but they do not drill down into what members on this side of the room are encountering in their clinics. We all have examples of people who have come to us who feel they have been negatively affected. I am wondering whether qualitative analysis is feeding into the policy decisions of the Department.

I will not delay the meeting any longer. There were several questions on several topics for Ms Simonetta Ryan. I will now afford her an opportunity to address them, particularly those on the administrative side. We acknowledge the policy is not Ms Ryan's responsibility.

Ms Simonetta Ryan: Many issues have been raised and I will try to cover whatever I can. I will be asking my colleagues to contribute because they have a certain amount of expertise also.

Deputy O'Dea asked about consultation with lone parent groups. It is acknowledged that our main role is to implement policy but I can talk a little about the policy separately. As part of our role of ensuring that the policy is implemented, that people get paid and that everything works as it should, there was a lot of work with the lone parent groups. We made sure that people at least understood what was happening. Letters were issued and people were engaged with. Considerable work was done on the ground. To some extent, this work continues, including in respect of talking about the kinds of letters we are issuing, etc. When I talk about consul-

tation, that is really what I am talking about. The reform entailed a huge change for everybody. It was obviously a huge change for the recipients but it was also a huge change for us to make sure the measure was implemented and that people got paid. This has to be our first priority in operational terms.

A number of Senators and Deputies raised the question of consultation in a broader way and asked whether we are listening. As acknowledged by some of the speakers, the way in which some of the reform arrangements have been amended as we went along shows we do listen and read, and we are aware of what people are saying. Departmental officials regularly meet representatives of non-governmental organisations and other groups at various fora. We do keep in touch. The jobseeker's transition payment, which was a major change through the reforms, was a way of reflecting the fact that we did understand and hear that child care issues would arise for people. The objective was to allow somebody with a schoolchild between seven and 14 the flexibility to work part-time and have his or her child minded. It is not full-time education because it is really primary school one is talking about. Up to age seven, the arrangement allowed for more full-time care. The change to the scheme was major and very significant in terms of how we administer the jobseeker's payment.

A number of speakers have raised the Millar report. It was not actually commissioned by the Department. In fairness to everybody, we need to be clear about that. The Department's social inclusion division provides support for social policy research, and the Millar report was funded under that. We are very interested in determining the areas of activation that work best for lone parents. That was an area on which we were looking for more information. The Millar report, while we believed it might address that in more specific detail, focused more on people's experiences and international experience. There are some points in the Millar report with which we probably agree and some on which we have counter-views based on our own experience. People need to be aware that we did not actually commission the report. It is not a departmental report.

From a policy perspective, a thread that has been running through the whole approach to helping lone parents — this goes back for many decades and there is nothing new here — concerns the question of how one can prevent single parents, who are largely women, from becoming locked in poverty for many years, from not progressing and from not getting an education. It is a matter of deciding on the best policy? There is agreement on this, and it is actually reflected in the Millar report that the principle of activation is a good direction to follow. One can talk about how one might go about that.

With regard to the policy direction, some unintended consequences arise when one gets into the complexities of starting to change the social welfare system, which is so complicated. There is acceptance that groups of lone parents, although not all and by no means the majority, have lost out as a result of the reforms. Some of the changes that have been made have been an attempt to address that. No doubt, there will be others. Mr. Niall Egan will talk a little about this issue and what happened to the various groups of lone parents.

I will ask my colleague, Ms Ward, to talk about what we are doing on the ground in terms of the activation of lone parents and our experience of working with people. A lot of research has shown that the education of the mother is very important in determining the level of poverty experienced by children. It is not just a matter of work *per se* because the experience of working helps to lift people's self-esteem and enhance their development. These are all important factors.

I might return to the issue of maintenance later because it is complicated. If I get into that, it might deflect people from the points they wish to raise. The Chairman asked some questions on how we are following on from the reforms, tracking and obtaining information. It is early days but we do have systems in place, particularly in respect of the jobseeker's transition payment. Mr. Niall Egan will probably want to talk a little more about this. The data on the payment are very recent because the scheme has only just begun. We wanted to wait until the school year started and all the rest of it. It is very early days so we do not have a large amount of information. Once somebody is on the jobseeker's transition payment, however, we put him or her into our system to measure his or her distance from the labour force.

Mr. Niall Egan: Many questions were asked, particularly on poverty. Deputy John Brady raised poverty rates in 2013. He said the rate among lone parents was 23%. Deputy Joan Collins raised the figures for 2014, which are from the survey of income and living conditions, which provides the most recent figures we have. I acknowledge there has been a small drop, down to 22.1%, but both Deputies are correct that lone parents have suffered and continue to suffer in this regard. They are much more at risk of poverty than any other cohort. That is not a new story, however. The poverty rates of ten years ago, in 2006, were 50% higher than those of today. Almost 34% of lone parents were in consistent poverty ten years ago. That was four and a half times the ratio in the general population. Currently, it is two and a half times. That is not acceptable, but we have had a major problem with poverty in respect of lone parents. I wish to bring this to the committee's attention. It is what the OECD report picked up on in 2003. The OECD recognised that we had an issue, pointing out that - I agree with Senator Higgins on this - the State did not engage with lone parents for years. We put them on a payment for up to 18 or 22 years in respect of a single child, or even longer if they had several children, and we did not engage with them. As Ms Ryan stated, those payments were processed centrally in a location in Sligo and were not dealt with locally. Due to how the Department had structured itself, lone parents were distant from what supports were available. This is one of the reasons referenced in the OECD report.

The principle behind the reforms is to break that down and bring lone parents much closer to available supports. Combining the public employment service with the income supports traditionally provided by the Department has allowed for a better relationship with all individuals - jobseekers, recipients of the one-parent family payment and lone parents who are receiving jobseeker's transitional payment, JST. They know where they can go to get supports.

As my colleague stated, the forms were not introduced at the best time economically and their introduction has caused people a loss. That there have been issues with the forms must be acknowledged.

I wish to bring a further point to the committee's attention. Any lone parent who is in receipt of the family income supplement, FIS, is not at risk of poverty. Such lone parents and their families are out of consistent poverty. We can categorically state this. Based on 2014 data, the consistent poverty threshold for a lone parent with one child is €278 per week. If that lone parent is receiving a combination of earnings from employment of 19 hours at the minimum wage, which is the smallest amount of money that someone can get from employment, and FIS, he or she is earning in excess of €100 more than the threshold. I acknowledge that he or she may be in deprivation and have issues with, for example, the cost of child care. We all know that child care is expensive and is a major issue for many of the Department's customers. However, FIS is a very effective tool for lifting lone parents out of poverty.

Deputy Brady asked how many children of lone parents were at risk of consistent poverty.

I do not have the definitive figure for him but, based on our most up-to-date figures, there are 134,000 children living in households that are in consistent poverty. That is unacceptable. The single largest cohort within that group are the children of lone parents. Those who are most at risk of poverty and are the furthest down are those lone parents who have no income other than social welfare. The aim of what we are trying to do is to help lone parents on an individual basis by engaging with them, in particular those who are not in employment, and finding for them whatever supports are available. Importantly, the JST does not require them to seek work. It allows an engagement process to take place between our case officers and an individual based on his or her circumstances. If that lone parent is in a position and wishes to return to employment, the case officer will offer the available supports. This may include access to FIS, the back to work family dividend or subsidised child care. Obviously, subsidised child care is not as widespread or available as we would like, but the Government intends to examine that matter. This is the nature of reform.

Deputy Collins raised the issue of losses and referred to SPARK's figures specifically. Am I correct that those losses were based on someone who worked 20 hours?

Deputy Joan Collins: Twenty, 28 and 35 hours.

Mr. Niall Egan: Those figures were accurate at the time, but there have been a couple of changes since. In budget 2016, there was an increase in the FIS thresholds, child benefit and the national minimum wage. I believe that SPARK's figures were based on the national minimum wage. All these increases are helping to reduce the loss somewhat, although there will still be a loss. Thankfully, the economy is recovering. It is possible that the lone parent accessed more employment or received a pay rise. There has been a significant loss for that cohort if lone parents were on FIS before they made the transition, but it may not be to the same extent as SPARK's figures show.

The 3,000 people to whom the Deputy referred are new FIS recipients, not any of those who exited last July. That figure does not relate to anyone who has moved off FIS. This is a direct result of the Department's engagement with lone parents since February 2015 advising them that the best option for them is FIS. According to our feedback from local offices, many lone parents were not familiar with FIS. At 3,000 of the 25,000 recipients, the new cohort accounts for 12% or 13%. We want it to be more, but it is an encouraging sign.

There was a question on the activation of lone parents. As my colleague mentioned, the process started this year with the JST. We have a new activation case management system that enhances visibility of that payment's cohort from an activation perspective. These figures have been provided to the committee. Approximately 4,500 people have been or are being engaged with and 1,400 have definitely had an engagement with a case officer, of whom just over half have gone into education or training. This is a positive outcome.

I should have stated at the start that one of the Department's problems with the lone parent population is that it is a very diverse one. It includes people who are incredibly well educated but might be missing some experience or for whom child care is an issue. At the other end, we have many who are distant. They might have left school early or have numeracy and literacy difficulties. Key for the Department is being able to provide an individualised approach to each parent based on his or her specific need. The engagement with case officers is designed to identify the best plan for each individual.

Deputy Joan Collins: Would Mr. Egan be the right person to reply to Deputy O'Dea's

question on the public campaign that could be launched next year advising people to go onto the JST rather than FIS?

Chairman: Before Mr. Egan responds, does Deputy O’Dea wish to add something?

Deputy Willie O’Dea: I would like a specific answer to that question. SPARK and other organisations will advise people who are in receipt of maintenance as well as FIS to revert from FIS to the JST next year and have supplied figures showing that they would be better off. Is that not deactivation rather than an activation?

Senator Alice-Mary Higgins: I will add a line on that anomaly. The Society of St. Vincent de Paul has proposed that people should be able to receive JST and FIS subject to means testing. That would serve as a way of ensuring that people who wanted to access some of the other measures that come with the jobseeker’s transitional payment, JST, for example, would be able to benefit from that while still accessing family income supplement, FIS. We have seen cases and anomalies arise where lone parents who are on FIS try to access back to education measures. Is there potential for concurrent payment of JST and FIS? I know there have been concerns in the Department about that but I would like to know the thinking on that now. It is building on the point made by Deputy O’Dea.

Ms Simonetta Ryan: Mr. Egan will continue, but I would like Ms Ward to have an opportunity to talk about the activation we are doing on the ground. I will give the reason for that. The Treoir report, Watch Them Grow, indicates the labour market readiness of one parent family recipients. That is a direct policy issue for us, and it is an operational issue. Some 30% of those lone parents who are not working have never worked. That is the reason the work with those who are far from the labour market is so important. I would like Ms Ward to have a chance to talk about that.

Chairman: Absolutely. Mr. Egan might deal with the points raised first.

Mr. Niall Egan: On the points Deputy O’Dea and Deputy Collins raised about maintenance and FIS, we have examined the figures on that and I will make a couple of points in that regard. It is possible in certain circumstances, usually if they have one child or a small number of children, and it involves a high level of maintenance. Our figures show that many FIS recipients would not necessarily be incentivised to move back to JST but I have to acknowledge that is because FIS currently does not treat maintenance in the same way as our working age schemes. That is because our working age schemes are predominantly for social welfare recipients and it is their core income. Family income supplement is different. It is an in-work benefit designed for people whose main income is their wages from employment. It is something we are aware of and that we can examine in greater detail.

Senator Higgins asked about FIS and JST concurrent payments. The issue here is the disincentive effect. In terms of allowing lone parents on JST to have access to the family income supplement, ideally, we want to help them, even those on the family income supplement, to earn more money so that they transition off family income supplement. We do not want them remaining on those schemes and having a dependency in terms of that in-work benefit. The issue with this is that if a JST recipient received FIS, the benefit for every additional hour they would work would be less than 20%. We then have to factor in the cost to them of taking up that additional hour. They would very likely not be incentivised to increase their hours from work, which, from the Department’s policy perspective, would be counter productive to what we are trying to do.

Senator Alice-Mary Higgins: The question of both-----

Mr. Niall Egan: Even within the margin of an extra hour, if, say, a lone parent receiving €10 an hour, between family income supplement and if JST was an option, and they went from 19 to 20 hours, they would benefit by less than €2 extra because in terms of the way it works, the JST means test would take off 50% of the extra hour and the family income supplement would reduce the balance by another 60%.

Senator Alice-Mary Higgins: However, there are those particular care concerns, which are recognised through JST. It is an issue we need to return to because it is about the valuing of care alongside the valuing of further engagement with the-----

Mr. Niall Egan: Absolutely. The better solution from the Department's perspective might be enhanced access to affordable child care, and to reduce the cost for the lone parent to access and take up additional employment while addressing the care issue. The point about the family income supplement is that it has a minimum hours threshold of 19 hours, therefore, depending on the individual circumstances, it already facilitates lone parents' access to employment while still maintaining a caring role.

If I have time I will address the issues about maintenance.

Chairman: Yes. Mr. Egan might answer the questions on maintenance, and then we will come to Ms Ward.

Mr. Niall Egan: I need to be categorical with regard to maintenance. With regard to incidents of abusive partners, the Department's policy is very clear on that. We will not require a lone parent to seek maintenance where there has been an abusive relationship in the past. We have clarified that with a few lone parent representative groups because that issue had been raised with us, and I want to be clear on it. We acknowledge the very difficult circumstances, and we do not want to put people into dangerous situations.

On maintenance and the liable relative provision in particular, to be clear, the Department did not forget to include the liable relative provision in the jobseeker's transition. The original policy intention of the liable relative provision originates in the concept of the State recouping the cost of paying the one parent family payment. It was introduced in 1995 or 1996. The number of lone parents in receipt of a payment for maintenance is approximately 35%, yet we know the liable relative provision relates to fewer than 8%. We know that many lone parents, through existing arrangements, have that ability and using the family law provisions, they have an obligation to maintain a child.

Extending the liable relative provision to the jobseeker's transition payment is complex because not all lone parents who transitioned off the one parent family payment went on to the jobseeker's transition payment. Jobseeker's transition, by its very nature, is done over seven years. From our Department's perspective, in theory, we could consider extending it to all our schemes across the board. However, that would entirely duplicate a system that exists under family law and the relevant support services. I refer to the family mediation service and the legal aid board that already provide assistance to people seeking maintenance supports. While we are looking at this issue, I stress that we are operating in a complicated landscape.

Ms Fiona Ward: I will talk about what is happening on the ground and the divisions with regard to our JST customers. Currently, we are calling all of them in for one to one meetings with the case officers. They will go through their individual circumstances and outline the vari-

ous education and training options that are available and the employment supports that might be suitable for them to assist them in identifying the steps they need to take and to avail of opportunities to secure employment.

We also run information meetings for our JST customers in partnership with community training providers, the local partnerships and the local education and training boards, ETBs. They outline to them the types of programmes they have that might be suitable for them.

We are conscious, as Mr. Egan and Ms Ryan mentioned, that a number of lone parents would be very distant from the workforce and that some of the pre-existing programmes would not be suitable for them. We are working with the local ETBs to develop pre-employment type training programmes of short duration of about nine to ten weeks. They are held in the morning only during the school term because if they have a child of, say, seven, the child is in school. It is about focusing on personal development, skills and profiling. We hope that at the end of those programmes our customers will have a plan for how they might progress further. They might identify other training and education programmes also that might be suitable for them.

We are the very early stages in our engagement with our customers and for those customers, it is a different way of engaging with the Department in that we expect them to come in to us. The results so far have been mixed. I will give an example of one programme, which we developed with a local ETB adult education service. The course started on Monday, but to get to that stage we had two group information sessions with the adult education service to which we called 65 of our JST customers, and 38 customers turned up. Of that 38, 20 said they were interested in partaking in a pre-employment programme. A further session was called to identify what lone parents wanted in their programme, and 16 people turned up. Four of those had issues around literacy, and they were referred to the literary service. The remaining 12 were interested in personal development, skills and profiling, so we put a programme in place. That programme started on Monday, and three of the 12 people attended on that day. That was very disappointing because of all the work we put into that but we realise this is a group of customers who are not used to engaging with us in a proactive way. We will follow up with those who did not attend to determine what prevented them from attending on the day. We are not giving up on them because if we can get them to participate in that type of programme, they can move on to do other things. That is our position in the division. As I said, it is at an early stage.

Senator Alice-Mary Higgins: I thank Ms Ward for that presentation. Does she have information on where we are in terms of developing, say, quality part-time activation or training and education measures? I know that has been looked at because previously community employment, CE, schemes tended to be examined. I am aware issues arose around the education and training board, ETB, courses. These transitions are very important. The pre-development work is excellent and necessary but in terms of the training opportunities people are taking up, concern has been raised about the way ETB courses are structured and whether people are able to transition into them. It is about ensuring there is a suite of options available.

Ms Fiona Ward: The Department has an agreement with the ETBs and we engage with them at divisional and area level with regard to identifying suitable programmes for our clients. Currently, we are working with them on our jobseeker's transition, JST, customers because some of the programmes would not be suitable or they may be full-time when our JST customers can only work part-time. We are looking at all that in terms of developing programmes that would be suitable for them. We are starting with the pre-employment programmes.

Chairman: I thank Ms Ward.

Deputy Willie O’Dea: As we are up against the clock I will make some brief points. First, I was interested to hear that the Department did not commission the Millar report. I am at a loss to know what difference that makes but the fact is that the Millar report is very critical of the system as it currently operates and states specifically that it requires revision.

Second, I believe it was Mr. Egan, in reply to Deputy Collins, who referred to the SPARK matrix and said that there had been some changes. I have the matrix from a week ago, taking into account the change in the minimum wage, etc., and the losses are still substantial. There is only a marginal difference between those and the figures quoted by Deputy Collins.

In his reply to Deputy Higgins on the suggestion from SPARK that jobseeker’s transition and FIS should be paid together, Mr. Egan stated that the marginal benefit would be only 20% of the wages. I presume the intention from SPARK was that the jobseeker’s transition would not be counted in the assessment of the FIS. What is the point in introducing an extra payment and then counting it in the means test for the other payment they are getting?

I note that the vast majority of the people on FIS were on FIS and the one parent family allowance before the changes were introduced. They are now on FIS alone, plus their employment. Beforehand, they were employed, had the one parent family allowance and FIS. The one parent family allowance is gone, and FIS has increased, but it has only increased by 60% of what was the one parent family payment. It is a weak argument to make that if that does not bring them below the poverty line, it is all right. It certainly brings them a lot closer to the poverty line than the position they were in previously.

The case was made consistently in the Dáil by the previous Minister about the need to activate lone parents, deactivation measures, etc. Linking lone parents, as they were, to the activation system did not require all these changes. They did not have to be put on jobseeker’s transition or whatever. They could have been linked in anyway.

Chairman: Does Deputy Collins want to come back in?

Deputy Joan Collins: No. The points I made have been addressed.

Deputy John Brady: I thank the officials for their presentations and for answering the questions but I want to make a specific point on the Millar report. I note the comments made, but the officials effectively rubbished the report when they said it had not carried out the work it was supposed to carry out, and that they would have counter views on the many issues highlighted in the report about which serious concerns have been raised. It would be very useful if they would put those counter views in a report which could be brought before this committee. That would inform us of their views on the very serious points identified by Millar in the report. Can we get a comprehensive response from the Department with regard to the Millar report?

Chairman: That concludes the questions from this side. The point Deputy Brady raised was an issue I raised also. What will be the formal response from the Department or what is the approach to the Millar report? I take the point that the Department did not commission it, but it is a substantial report on this issue to which there will surely be a departmental response. What format will that take, and when will that happen? I call Ms Ryan.

Ms Simonetta Ryan: In fairness, there are many reports on the area of lone parents going back many years, and we do not always do a response on them. We were asked about this particular report and we made some comments on it. I would not say we rubbished the report. I accept there is some interesting and useful material in it about the international position,

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people's views and so on, but we have our own views of some of the statements in the report, some of which are contradictory. The report does acknowledge that the overall thrust of policy around activation is sound. I do not have the sentence in front of me but there is a reference to that effect in the report.

In terms of policy direction, in anything I have ever read there is general agreement, subject to all the other issues, on policy direction and the importance of supporting lone parents into work, education etc. However, when we get into the detail, issues arise, and then there are other consequences from that. I cannot honestly say that the Department intended to critique the report. I am not sure if that will help anybody.

In terms of our views on the reforms, as I stated at the outset, we are aware of the different views of various people on those, and the inputs from them on this area. Some of those have already led to significant changes being made to these reforms. The next wave of that process will be on the jobseeker's transition payment to see what happens and identify the challenges.

I would accept from reading other reports in this space that in terms of working with lone parents who are very distant from the labour market, it is not easy to design programmes for them because they face particular challenges, some of which Ms Ward outlined. We had hoped the report would have given us something more specific around that, but perhaps that was a big ask. It might be something that we just have to tailor at local office level, which is what we are trying to do. I cannot honestly say that the Department had intended to produce a critique of the report.

Chairman: I thank Ms Ryan, Ms Ward, Mr. Egan and Ms Klein for attending, their presentation and, importantly, their direct answers to a number of challenging questions. From the point of view of the committee, this is our starting position on this issue. Our starting position with a number of issues has been to examine the Department's response. From that point of view, the historical background given in the officials' opening statement is useful to the committee.

Deputy Willie O'Dea: Sorry, Chairman. I forgot to thank the officials for coming in.

Chairman: I am doing it on behalf of all the members. It is much appreciated, and I thank them for attending. That concludes the business of the day. The committee is adjourned for two weeks until 20 October.

The joint committee adjourned at 12.30 p.m. until 10 a.m. on Thursday, 20 October 2016.