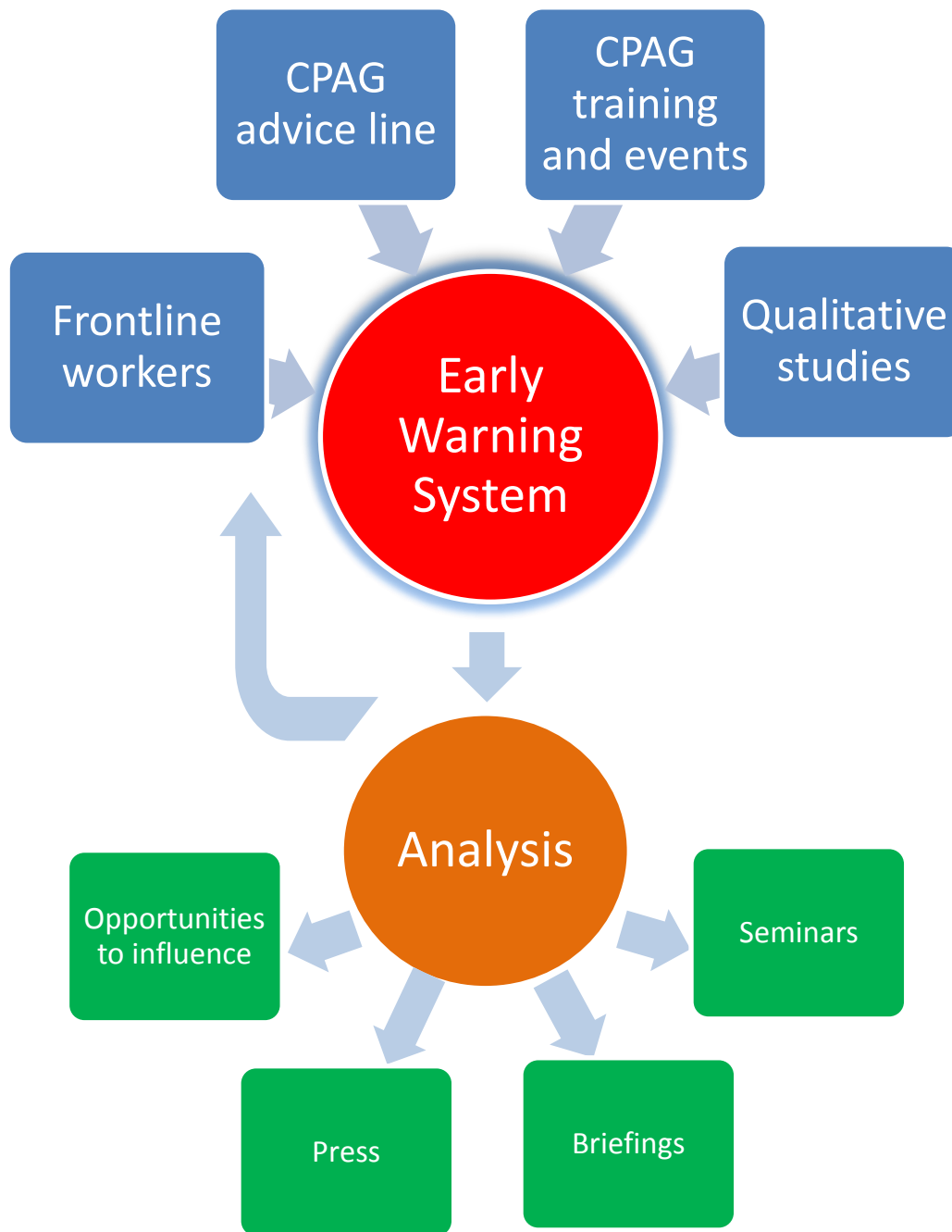




Scottish Housing Network

Welfare reform and the impact on families – Autumn
2015



Reduction in Welfare Spend in Scotland (2011-2016)

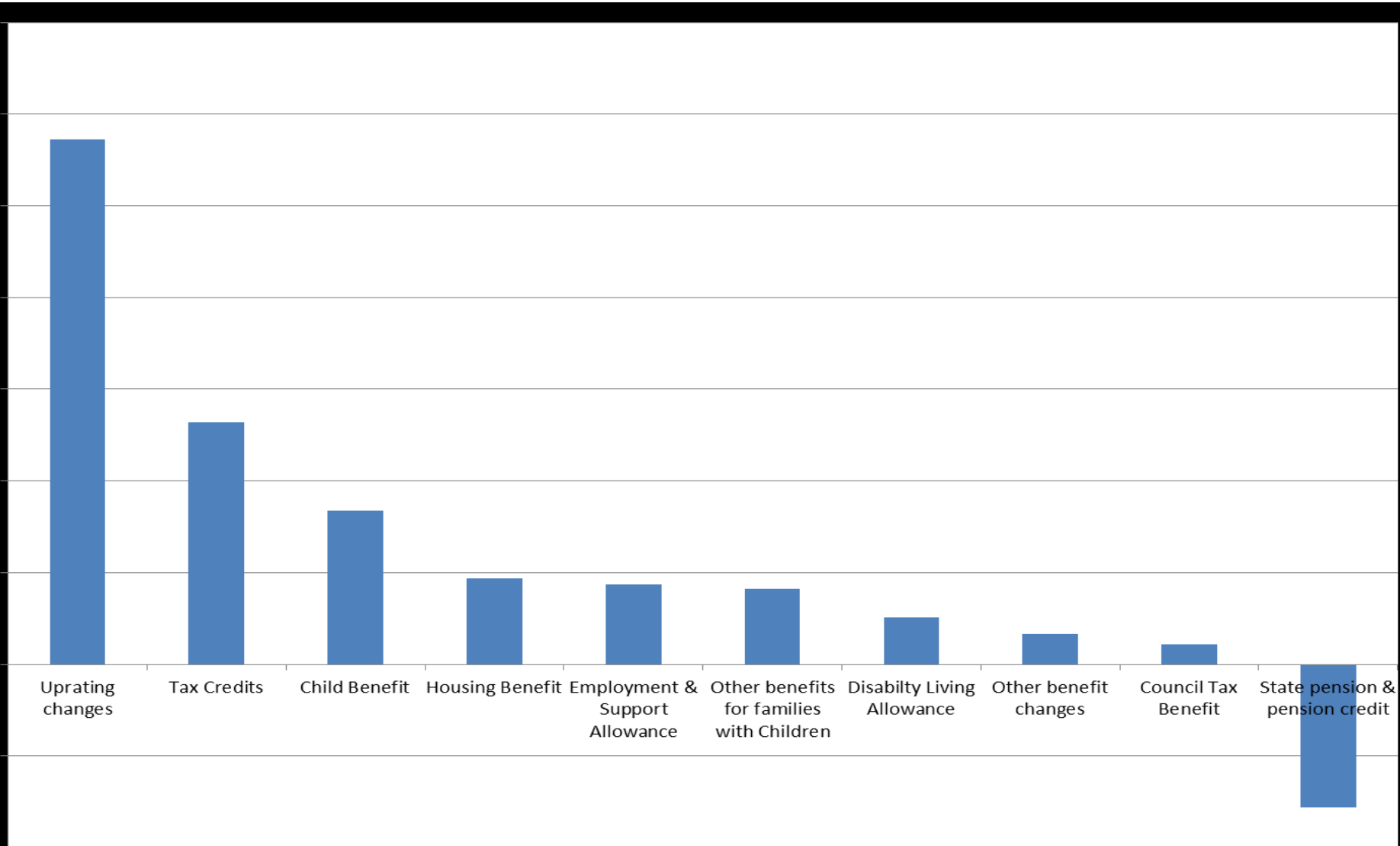
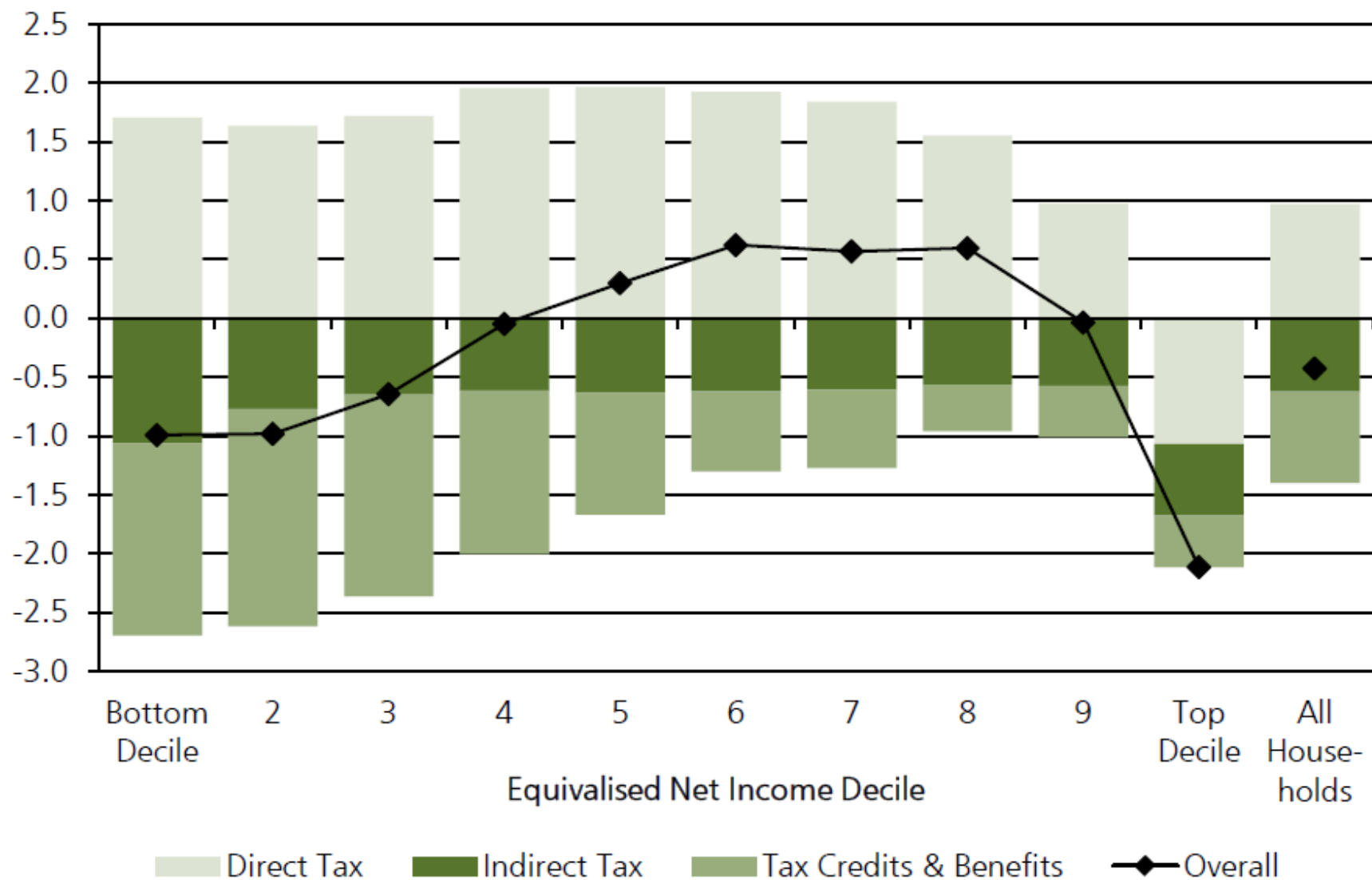
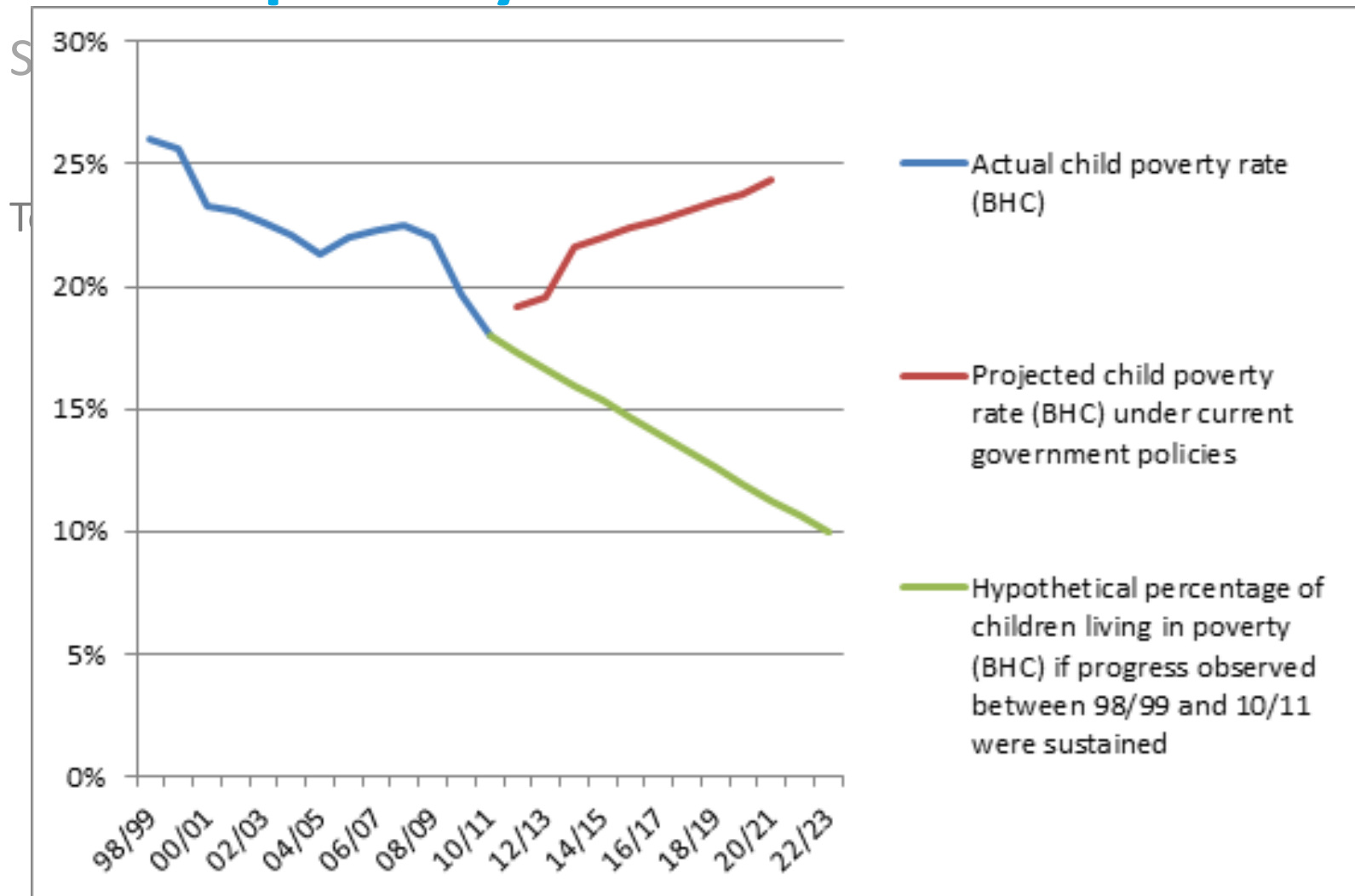


Chart 2.D: Cumulative impact of modelled tax, tax credit and benefit changes on households in 2014-15 as a percentage of 2014-15 net income, by income distribution



Source: HM Treasury tax and benefit microsimulation model

Child poverty rates



Families in crisis

“He managed to pull the sole off his shoe at the start of winter. There was no way I could afford new ones without saving. I had to send him to school in his wellies, which he hated.” **Mother, Glasgow**

“I had to use the food bank as I just got caught with every bill and everything at the same time. I got the same, similar, just before Christmas, I had to use a food bank. I felt actually guilty because I'd asked for a referral to the food bank because I was struggling.” **Lone father of disabled child, Edinburgh**

“I say to the kids, “Tonight, we'll light candles, and we'll get our books in bed”. And it's because I've no electric. And when I've run out of gas and there's no hot water we'll boil kettles for the bath. I don't tell the boy - who's only 12 - because I don't want him panicking and thinking “Oh my god my mum hasn't got any money.” **Mother of disabled child, Edinburgh**

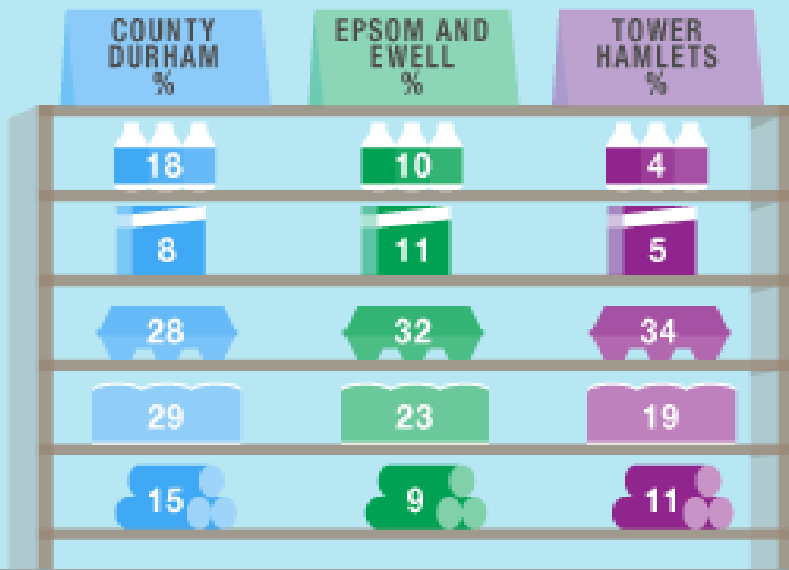
THE ROAD TO THE FOOD BANK

INCOME CRISIS
↓

RESULTING FROM REDUCED BENEFIT INCOME

INCOME CRISIS
↓

RESULTING FROM PROBLEMS WITH BENEFITS



'BEDROOM TAX'

'BENEFIT CAP'

BENEFIT DELAY

SANCTION

BENEFIT STOPPED - FOUND 'FIT FOR WORK'

Summer Budget 2015

- Uprating frozen for 4 years
- Tax Credits
 - income threshold reduced
 - taper rate increased
 - 3rd and additional child element removed
 - family element removed

Summer Budget cont.

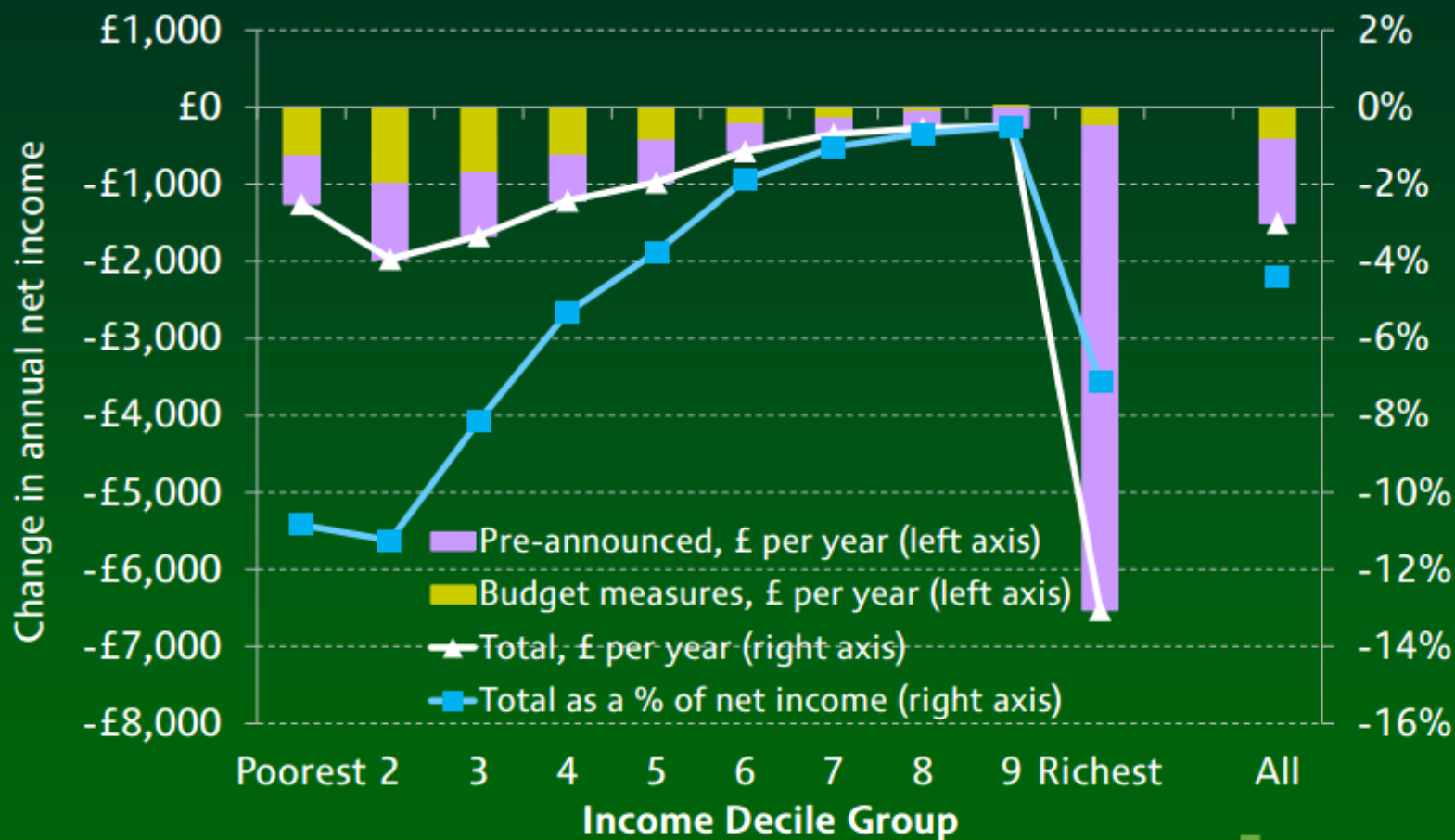
- Universal credit
 - work allowance reduced
 - increased conditionality for parents
 - 3rd and additional child element removed
 - higher 1st child element removed
- Benefit cap reduced
- Housing benefit
 - family element removed



Who loses what from tax credit cuts?



Impact of tax and benefit reforms between Jan 2010 and April 2019 (including universal credit)



Assumes full take-up of means-tested benefits and tax credits.

Key findings from the Early Warning System

- Advice and information is everything
- Sources of emergency support need to be widely publicised
- We need to “poverty proof services”

Early Warning System needs you!

- The EWS gathers information about the impacts of welfare reform from frontline workers
- Identifies issues and trends
- Uses information to campaign, suggest good practice to mitigate impacts of welfare reform and inform the media

Please give us your case studies!

-on EWS training questionnaire

-sign up to submit more online

www.cpag.org.uk/scotland/early-warning-system

Getting help

Do you work with clients who have questions about **benefits**, **tax credits** or **welfare reform**?

Advice line for frontline advisers and support workers in Scotland

0141 552 0552

Monday – Thursday 10am – 4pm
Friday 10am – 12 noon
advice@cpagscotland.org.uk

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