



## Couples Hit By Welfare Changes, Family Action Study Reveals

Family Action, a leading charity working with vulnerable families has today warned that the welfare changes announced by the Government capping benefits will seriously affect couples. An assessment of the welfare cap and child benefit changes carried out by Family Action highlight the negative impact of the changes on families.

The Family Action Report highlights

- The couple penalty in these measures – which no one else seems to have picked up on – will have a far bigger impact on some vulnerable families than the child benefit change for high income families. It will undo welfare reforms which are trying to promote stable family life and will disincentivise couple relationships amongst out of work households and could lead to families staying apart because it is more financially viable than getting together.
- Deep concern about the impact of welfare caps and the problems they will cause for the early intervention and home-based family support work Family Action does with families with multiple problems and complex needs. The measures will increase family instability and exacerbate the problems these families face making our work and stable family life more difficult.
- The welfare cap undermines promises in the Coalition agreement to reduce couple penalties in the tax credit and benefit system and will make it very difficult to bring about a new approach to helping families with multiple problems.
- The impact of the welfare caps on couples and the particular couple penalty for out of work lone parents getting together could end up costing the Treasury money as couples chose to live apart because they cannot afford the financial penalties of living together with their children.

**Family Action Chief Executive Helen Dent said:** *“The proposed welfare cap will hit vulnerable families hard, especially those with two children or more and those living with high housing costs in London or the South. It will also impact on the ability of Family Action to work positively with families with multiple problems and help them get back on their feet and provide a stable home for their children to flourish.*

*The couple penalty this introduces into the system is surprising from a government which professes to want to promote stable couple relationships as the foundation for stable communities. If Ministers want to hear more wedding bells – and in fact, many low income couples aspire to this just like everyone else – then putting financial obstacles and penalties in the way will not help families get down the aisle.”*

## Ends

Family Action has been a leading provider of services to disadvantaged and socially isolated families since 1869. We work with over 45,000 families and children a year by providing practical, emotional and financial support through over 100 community-based services across England.. Additionally in 2009-2010 we distributed 4,218 grants totalling over £1,104,883 to families and individuals in financial hardship throughout the UK.

For more information and a copy of the report please contact Anthony McCaul, Senior Media and Campaigns Officer at Family Action on 0207 241 7632 or 0781 309 2040. Alternatively you can email [anthony.mccaul@family.action.org.uk](mailto:anthony.mccaul@family.action.org.uk)