

Vulnerable Families and Couples Cast Adrift

Chief Executive Helen Dent said: "Vulnerable and low income working families will be left thinking they're the ones being left to turn around the deficit super tanker. While we welcome the extension of free childcare for two year olds, taken together the measures in this Spending Review will have a considerable impact on families. Unfortunately many of the announcements make it difficult for work to pay and our research shows that the welfare caps will disproportionately affect couples and in some cases could cost the Treasury more. We'd hoped George Osborne would throw families a life jacket, instead he's making it all the more difficult for them to keep their heads above water."

Family Action's service user Louise, who is taking part in our Look Out for Louise housing benefit challenge had this to say to the Chancellor:

"I'm also absolutely incensed, the stress that these politicians are putting on families like ours who have serious mental health issues which then impact on our children. I am not sure how families like ours will cope, where we will live and whether our children will be able to stay with us, or whether us adults will end up on the streets and our children taken into care due to not being able to afford the rent. Mr Osborne was very keen to repeat the phrases "protecting the vulnerable" and "helping the vulnerable" prior to going into detail of how they are going to withdraw much of the support that is currently provided for this exact group. Alan Johnson, in his reply, put it very succinctly when he said that the government are "recklessly gambling with people's livelihoods". The Chancellor has now shown that in addition to other cuts on spending in helping the country's most vulnerable, he is taking another £7 billion away from the very welfare system he described as being there to "help the vulnerable". This is the equivalent of taking £1000 off each of 1 million welfare recipients. I fail to see how this, in addition to the capping of Housing Benefit (which in effect puts thousands, if not more, at risk of eviction), is "protecting the vulnerable". Surely this is short sighted as this is not helping the most needy, the sick, disabled, children, etc - these are the ones that in the long run will continue to need more and more support from the welfare state because of the damage that these cuts will cause."

Family Action's Initial Calculations suggest:

- Currently an out of work couple with 2 children (£110pw rent, £15 Council Tax) receive £235.29 after housing costs. If one moves into work of 16 hours, with £100 income, their earnings go up to £297.53. However, after changes to eligibility to WTC, their income is reduced to £245.29.

- Child tax credit increase of £30 is worth 8p per child per day. £50 the following year is worth 14p per day.

- Measures which could impact on working families include the reductions in childcare assistance, and changes in eligibility for working tax credit for couples.

Family Action is part of the End Child Poverty Coalition. End Child Poverty are responding today on the important issue of child poverty in a united voice with our partners in the campaign to End Child Poverty. Contact Tim Nichols on: 020 7812 5216 or 07816 909302 or e-mail: tnichols@cpag.org.uk

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Notes to Editors

For further information or to arrange a case study please contact Anthony McCaul, Senior Media and Campaigns Officer on 020 7241 7632 or 0781 309 2040 or e-mail anthony.mccaul@family-action.org.uk

You can see more information about Louise our service user here: <http://www.family-action.org.uk/section.aspx?id=12094>

Family Action has been a leading provider of services to disadvantaged and socially isolated families since 1869. We work with over 45,000 vulnerable 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. Family Action won the 2009 Charity Awards Foundation award for effectiveness and jointly with CAB, Gingerbread and our sponsors Barclaycard the 2010 Third Sector Award for best corporate partnership for Horizons, an integrated welfare advice, training and educational grants package for lone parents. Find Family Action on the Web at www.family-action.org.uk.