

Children in an Age of Austerity

**Exploring the Effects of Welfare
Reform on Children**



A Report by Advice Nottingham

"IT IS SHOCKING THAT 6 OUT OF 10 CHILDREN LIVING IN POVERTY HAVE A PARENT IN WORK WHOSE INCOME IS NOT HIGH ENOUGH TO KEEP THE FAMILY OUT OF POVERTY. TOO MANY PARENTS ARE UNABLE TO GAIN DECENT WORK THAT WILL KEEP THEIR FAMILIES OUT OF POVERTY. TOO MANY OTHERS HAVE LOST JOBS IN THE RECESSION, OR WILL LOSE THEIR JOB BECAUSE OF GOVERNMENT CUTS."

The Campaign to End Child Poverty, 2011

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Advice Nottingham

Advice Nottingham is a consortium of advice agencies in Nottingham city. The group is committed to providing a co-ordinated approach to delivering free, independent and impartial advice to Nottingham city residents on welfare benefits and a range of other issues.

Our Aims

- To increase early access to advice, reducing the impact of problems.
- Provide a seamless, quality service including advice, casework and representation.
- To achieve increased cost effectiveness and efficiency within our partner organisations.
- To increase access to quality advice for local people.

Our Vision & Strategy

- ✓ Enhance social inclusion.
- ✓ Ensure individuals are aware of and able to exercise their rights and responsibilities.
- ✓ Identify and respond to social policy issues affecting the communities within Nottingham city.

Our Members

- Bestwood Advice Centre
- Clifton Advice Centre
- Meadows Advice Group
- Nottingham & District Citizens Advice Bureau
- Nottingham Law Centre
- Notts Housing Advice Service
- St Ann's Advice Centre

Executive Summary

As the British welfare system has developed, the state has increasingly invested in and legislated for the welfare of children. The government's commitment to this has been underpinned by measures such as the Children Act of 1989, the Child Poverty Act 2010, as well as the ratification of the 1989 UN Convention on the Rights of the Child. Although we have made some progress in tackling child poverty and establishing the rights of the child, we are now regressing in our efforts to safeguard the future of our children due to changes to the benefit system, combined with the worst recession to hit the nation in almost a hundred years.

The Welfare Reform Act 2012 has introduced the biggest changes to state welfare in the history of its existence. The aim of this Advice Nottingham report is to evaluate how welfare reform is affecting children in Nottingham. It brings to light the real-life cases of a group far detached from the economics of deficit-reduction, who are experiencing adversity as a direct result of the benefit changes.

In this report we present evidential conclusions – derived using information received from our clients, local schools, and key commentators in the area of social policy, children's rights and child poverty. We seek to reveal the realities of child poverty, where improvements and advances are “in danger of being eroded by some government welfare policies”¹. We examine the hardship that children within families are enduring as a result of welfare reform.

Findings

- Families deemed to be ‘under occupying’ their accommodation are experiencing financial hardship and face either increased costs or potentially moving home and losing social support networks.
- Children may have to change schools or travel further to get to school if their families are forced to move as a result of under-occupancy.

¹ Averil Mansfield, British Medical Association, Board of Science Chair

- Non-resident parents/carers face financial penalties for under-occupancy or losing the room their children use, potentially reducing parent-child contact.
- Families reliant on benefits are struggling to meet their requirement to contribute to council tax, often for the first time, resulting in financial hardship and debt.
- Families in rent arrears face losing their homes due to possession orders.
- Disabled parents and parents of disabled children are facing financial hardship due to changes to the awarding of disability benefits.
- Parents subject to benefit sanctions are relying almost entirely on food banks to feed their children.

Recommendations

- Non-resident parents who have a room designated for their children should not be subject to under-occupancy rules.
- Families rehoused as a result of domestic violence should not be penalised if they have 'surplus' rooms.
- Benefit sanctions should be applied more fairly.
- Help should be offered to all parents whose benefits have been sanctioned.
- DWP staff should aim to accommodate requests to expedite decisions for clients with dependent children.
- All families with children should be able to access hardship funds.
- School should be given additional support when their pupils are experiencing problems as a result of welfare reform.

It is hoped that the messages coming out of this report resonate strongly with policy-makers and members of the public. We cannot look at welfare reform in a simplistic way. We must look beneath the tip of the iceberg and realise the true potential for damage to our children and young people. We owe our children a childhood free from fear and vulnerability. We hope that this report can help motivate a collective effort to address and achieve an improvement in their lives.

Introduction

Welfare Reform & Families with Children

Several of the welfare changes will affect families with dependent children:

- The Child Trust Fund which was introduced in 2004 to encourage saving has been scrapped, as has the health in pregnancy grant, while the Sure Start maternity grant, available to low income families, has been limited to the first child only.
- Child benefit rates have been frozen since 2011, affecting all families, while those families earning between £50,000 and £60,000 will have their child benefit reduced via the tax system and those earning more than £60,000 will lose it completely.
- Lone parents must now sign on for jobseeker's allowance when their youngest child reaches the age of five. They must be available for and actively seeking work while their child is at school, or may face sanctions.
- The baby element of child tax credit has been removed; this was worth an extra £545 in the first year, payable to low and middle income families.
- Childcare costs covered by working tax credit have been cut from 80 per cent to 70 per cent, meaning working parents may need to pay up to £1,560 a year extra for childcare.
- Tax credits have been withdrawn from 'middle income' families. A family with one child may lose tax credits on an income of around £26,000, but there is no income limit and tax credits are still payable at higher incomes if there are additional children, disabilities or childcare costs.
- Most couples with children are now required to work *at least* 24 hours a week (previously it was 16) to qualify for working tax credit, meaning some families have lost up to £3,870 a year if unable to find additional hours of work.

- The backdating of tax credits has been cut from three months to one month. New parents miss out on payments if they do not claim within 31 days of a child's birth².

In addition, the education maintenance allowance (EMA), a payment for young people staying in education, was scrapped following the government's spending review in October 2010 and replaced with a bursary scheme. This will affect some young people's decisions to remain within or leave education, especially those from low income families.

Child Poverty

The Child Poverty Act was passed with all party support in 2010 and commits government to eradicate child poverty by 2020. In 2011, the Institute for Fiscal Studies forecast the extent of child poverty by 2020 – taking two of the measures outlined in the legislation:

- Relative poverty (where a household's equivalent income is below 60 per cent of the median in that year); and
- Absolute poverty (where the household's equivalent income is below 60 per cent of the 2010-11 median income), adjusted for inflation.

Taking actual figures from 2009, the forecast suggests that relative poverty will fall between 2009 and 2012, but will then rise annually until 2020. The proportion of children living in absolute poverty is anticipated to rise from 17 per cent in 2009 (actual: 2.2 million) to 23.1 per cent (3.1 million) in 2020. Far from being eradicated, child poverty is estimated to rise and by 2020, a fifth of all working age parents and their children will be living in poverty³.

An alternative means of measuring child poverty is to look at minimum income standards (MIS). Determined by the general public, they are based on what they consider to be essential for household budgets (in order to achieve a minimum

² Child Poverty Action Group, 2013

³ Brewer et al., 2011

socially acceptable standard of living). MIS exceeds the official poverty measure of 60 per cent of median income, thereby indicating that the minimum wage – currently £6.31 per hour – is inadequate for people to achieve an acceptable standard of living. For 2013, the weekly totals required for a minimum standard, including and excluding rent and child care, were:

- £714.61 and £471.15 for a couple with two children (one pre-school and one school age); and
- £524.57 and £284.58 for a lone parent with one pre-school child.

Compared to out-of-work benefits income as at April 2013, this represents a shortfall of 42 and 43 per cent respectively⁴. Clearly, if we use minimum income standards as a measure, even more children would be considered to be living in poverty.

Child Poverty in Nottingham

The 2011 census shows Nottingham to have a population of 305,680, more than 55,000 of whom are under the age of 16. The Campaign to End Child Poverty estimates that in Nottingham City almost a third (32 per cent) of children are living in poverty and ranks Nottingham in the top 20 of local authorities with regard to child poverty.

Their 2013 figures indicate the level of child poverty in Nottingham North is 37 per cent, in Nottingham East is 33 per cent and in Nottingham South is 24 per cent⁵. Overall, more than 70 per cent of Nottingham's children live in households where either no adult is in work or those who are in work earn a low income entitling them to some level of government support. This is significantly higher than the England average of 45 per cent.

⁴ Hirsch, 2013

⁵ End Child Poverty, 2013

In three wards, Arboretum, St Ann's, and Aspley, the figures are in excess of 80 per cent. Only in one ward, Wollaton West, are the figures less than 50 per cent⁶.

Whichever measure one adopts, whether it is children living in families without work, or families living below average earnings, the results indicate high levels of child poverty in Nottingham, of anywhere between a third and 70 per cent.

The Impact of Poverty on Children

As the figures indicate, child poverty in Nottingham city is higher than average. Evidence suggests that poverty affects children's health and wellbeing, their educational outcomes and future employment prospects, their behaviour and their relationships⁷.

The fact that poorer children generally have worse educational outcomes clearly has a substantial impact on social mobility⁸. Thus, poor children are likely to have fewer opportunities to improve their situation – education and employment being the generally accepted routes out of poverty – and are likely to become poor adults, replicating a cycle of deprivation and exclusion.

While living in poverty has individual costs and consequences for families and children, it has wider costs to society as a whole. Hirsch (2008) estimates the financial cost to society at £25 billion per year⁹, so childhood poverty is a challenge for all of us. This figure takes into account the costs of services and benefits and the losses of tax income and earnings. The welfare reforms look likely to further punish poor families, exacerbate child poverty and may end up costing society more in the longer term if they result in child and family poverty rising rather than falling.

⁶ Nottingham City Council, 2013a

⁷ Hirsch, 2008

⁸ Portes, 2012

⁹ Hirsch, 2008

Food Banks in Nottingham

One of the responses to increasing poverty and welfare reform has been the expansion of food banks to provide food parcels for those in need. Food banks are provided by, among others, Trussell Trust, a Christian organisation that partners with local churches and communities to provide food. Food banks are non-profit charitable organisations that distribute food to those who are unable to feed themselves and their families. They are usually small grassroots community-based organisations where local people help local people. There are more than 10 food distribution points within Nottingham city. Their use has been increasing over the past year. One of these, the NG7 Food Bank, identifies the fastest growing group needing to access its service as those facing benefit sanctions. The Bestwood and Bulwell food bank received almost 300 referrals from DWP between January and October 2013, resulting in food parcels for 374 adults and 182 children. This food bank is feeding, on average, 300 people a month and approximately a third of these are the result of benefits sanctions.

Another of the smaller food banks, Grace Church, reports the provision of 450 food parcels between September 2012 and October 2013, including 77 referrals due to benefit sanctions, 13 of whom were adults with children. They also report that almost as many referrals are due to benefit delays as benefit sanctions.

It is clear that the combination of welfare reform and the actions of DWP staff are forcing many people into food poverty. This is leading to unease within food banks, where staff and volunteers are concerned that by accepting these referrals they are facilitating the sanction process and contributing to subsequent food poverty and hunger. Increasingly food banks are at risk of becoming an arm of the welfare state, meeting the most basic needs that many families are now unable to meet themselves.

Notes from Key Commentators

Baroness Ruth Lister

Welfare reform – more accurately described as social security cuts – represents a steady and concerted attack on the living standards of low income families, both in and out of work. Children are among those worst hit. An analysis by the Office of the Children's Commissioner concluded that the best interests of children are not being treated as a primary consideration in line with the UN Convention on the Rights of the Child. The numbers of children living in poverty are anticipated to rise by half a million or more; families with children are being required to carry a greater share of the burden of deficit reduction than those without children; and low income families are losing a larger percentage of net income than high income families. Already evidence is emerging of growing hardship as families are unable to pay their rent and/or council tax; find it harder to make their money last; incur debt; and turn to food banks, demand for which has soared. Women as the managers of poverty in low income families (two as well as lone parent) are bearing much of the brunt. Their task will get harder when benefit is paid monthly and in one lump sum, with the introduction of universal credit. Growing hardship is taking its toll on physical and mental health. We need reports like this one that bring home the effects at local level.



Baroness Ruth Lister CBE is currently Emeritus Professor of Social Policy at Loughborough University, former director and current honorary president of the Child Poverty Action Group, and a member of the House of Lords. She received a life-time achievement award from the Social Policy Association in 2010.

Professor Aoife Nolan

The impacts on children's day-to-day lives caused by the welfare reform measures described in this report raise clear concerns about the extent to which the UK is giving effect to its duties under the United Nations Convention on the Rights of the Child. The UK is legally bound to give effect to children's rights to food, social security and an adequate standard of living, including adequate housing. The case studies here make it clear that, far from moving forward in terms of guaranteeing these rights to children in Nottingham, the UK seems to be going backwards.



Aoife Nolan (LLB, PhD) is Academic Lead of the interdisciplinary University of Nottingham Children and Childhood Network. She is an advisor to UNICEF UK, the Children's Commissioner for England, and the Right to Education Project. She is a member of the Just For Kids Strategic Litigation Group and a trustee of Just Fair: Justice and Fairness through Human Rights.

An Educator's Perspective

Poverty can affect a child throughout their life, restricting educational outcomes, limiting employment opportunities, reducing social mobility, and ultimately bringing additional costs to society. With this in mind, the views of those working with children were sought, to establish whether welfare reform has led to any noticeable impacts for children in school. We collected information from a sample of six schools with a total of almost 2,400 children. More than a quarter of these children were in receipt of free school meals, an indication that they were living in low income households.

Key Points

- ❖ All of the schools reported that welfare reform had had a negative impact on children in their schools, with four of the six indicating that the negative impact was likely to be large.
- ❖ One school anticipated poverty increasing in the area, with all the attendant problems that this can bring.

Other Findings

Changing Schools

While none of the schools reported children having to *leave* school because their families could no longer afford to stay in the area or had relocated elsewhere:

- Two of the schools suggested that children were travelling further distances to attend school.
- One of the schools suggested that housing was a definite issue, with private sector rents being too high and families struggling to find schools near their homes.

This may lead to siblings being in different schools and, as one of the schools indicated, can have knock on effects of increased travel costs, non-attendance and punctuality issues.

Hungry Children

It is difficult for children to concentrate in school if they are hungry, and they are unlikely to achieve their full potential academically as a result of this.

- Half of the schools reported an increase in the number of children arriving at school hungry and half reported an increased uptake of free school meals.
- All of the schools had free breakfast clubs and approximately one in ten of the pupils were using them.
- Four out of the six schools indicated that the number of children using the breakfast clubs had increased over the past academic year.
- Four of the six schools reported an increase in the number of children who were unable to concentrate in class.
- One teacher suggested that low earning parents were struggling the most to feed their children; indicating that entitlement to free school meals is sometimes lost when parents start work, but that low incomes left some of these parents with insufficient money to feed their children well. The same teacher suggested that immigrant families, who have no recourse to public funds, were struggling to feed their children.

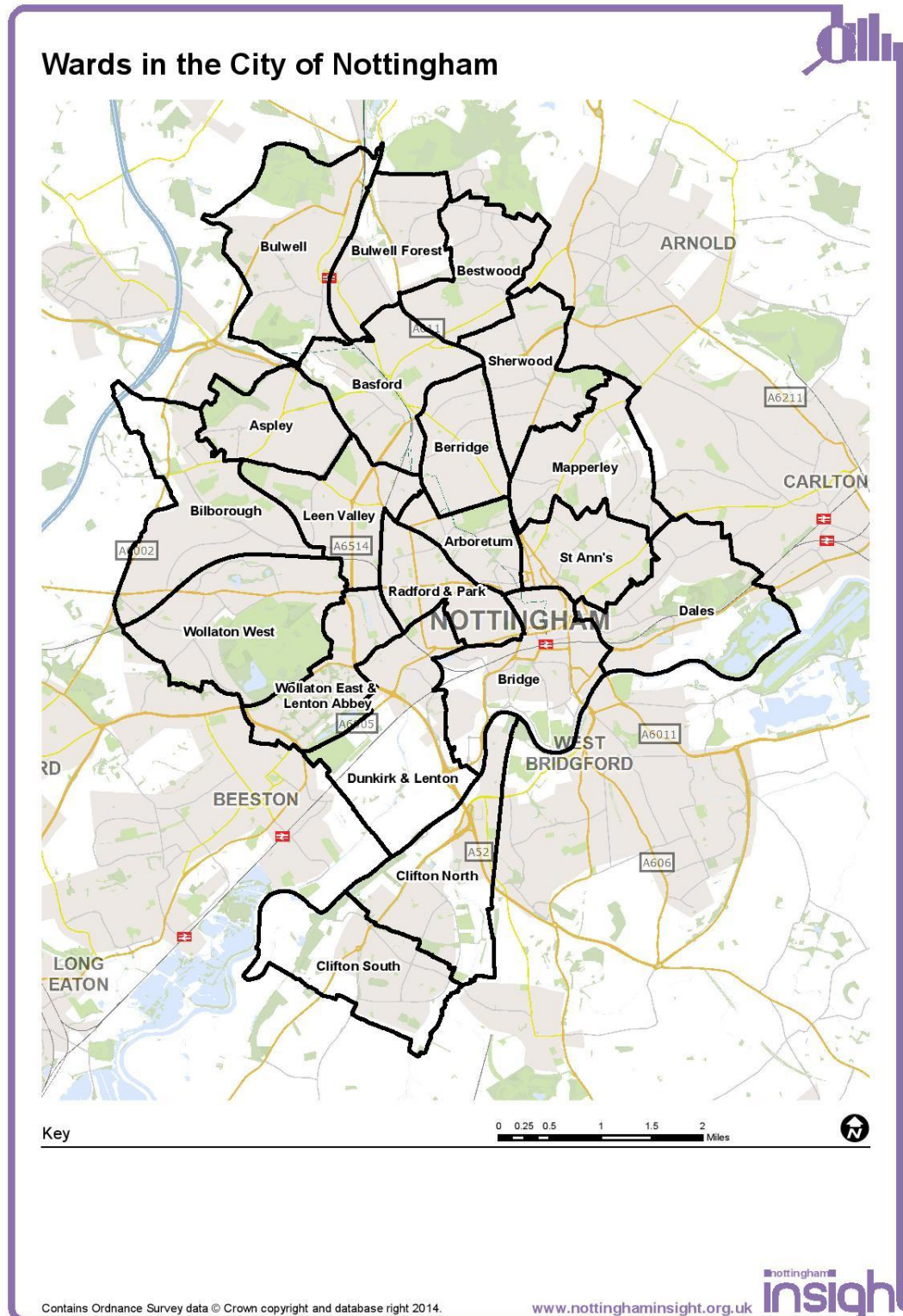
Extracurricular Activities

To achieve their full potential, children should have a rounded educational experience – including the opportunity to participate in extracurricular activities and educational trips. The findings suggest that this is becoming increasingly difficult for low income families.

- Four of the six schools revealed an increase in the number of children unable to afford school trips.
- Half reported an increase in parents seeking educational grants.

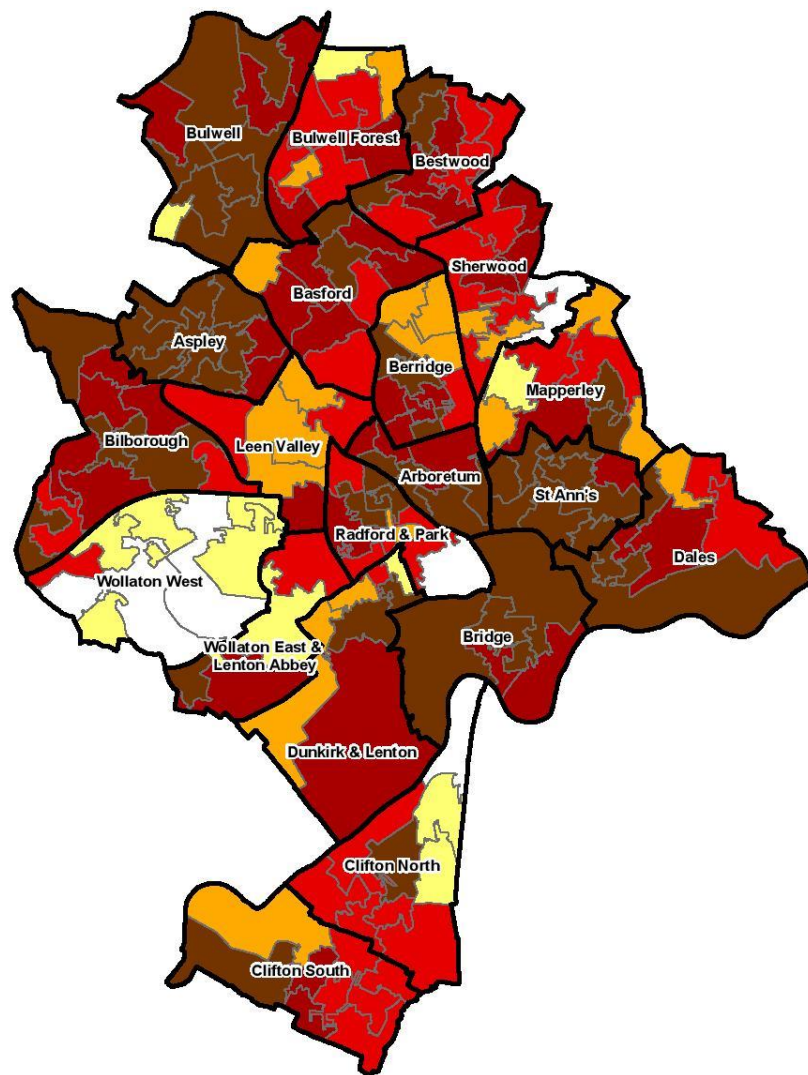
Nottingham City Map:

Ward Map



Nottingham City Map: Levels of Income Deprivation by Ward

Indices of Deprivation 2010: Income Deprivation Affecting Children



Key

0 0.25 0.5 1 1.5 2 Miles



National Rank by Lower Super Output Area

Worst 10%	40.1% to 60%
10.1% to 20%	60.1% to 80%
20.1% to 40%	80.1% to 100%

Wards

Contains Ordnance Survey data © Crown copyright and database right 2014.
Department for Communities and Local Government, Indices of Deprivation 2010.

www.nottinghaminsight.org.uk

Case Studies

In this section we draw on case studies from people who have sought advice and support from across the Advice Nottingham consortium to show how children are often the invisible casualties of welfare change.

Council Tax and the 'Spare Room Subsidy'

Changes to council tax payments are having a significant impact. It has been reported that 19,000 households in Nottingham were facing court action by November 2013, an increase of 51 per cent on the previous year. Of these, more than 8,000 were paying council tax for the first time¹⁰. In the first year of the changes, Nottingham City Council kept the council tax payments lower than many other local authorities, with low income households paying 8.5 per cent of their bills compared to 20 per cent in other local cities such as Leicester and Derby.

However, in the next financial year central government will not provide the discretionary funding that was available in the first year of the changes, and households will pay more; in Nottingham city everyone must contribute 20 per cent. For households already struggling to pay 8.5 per cent this will be a further strain on already stretched household budgets and may result in further court action against low income families. Nottingham Law Centre, a member of the Advice Nottingham consortium, reports a huge increase in the number of people with possession hearings in court; in April 2012 they dealt with 261 hearings, in June 2013, 361 hearings.

Social housing tenants who claim housing benefit and who 'under-occupy' their home (i.e. are deemed to have spare bedrooms), now have to contribute towards their rent. The reasoning behind this position is that they are effectively being 'subsidised' to have a spare room that is not required. This policy has also been termed the 'bedroom tax', and those categorised as being subject to it must pay 14

¹⁰ Nottingham Post, 2013

per cent of the rent if they have one spare room, and 25 per cent for two or more spare bedrooms.

Two Nottingham city wards have been particularly hit by the bedroom tax: St Ann's has 510 housing benefit claimants affected, while Aspley has 740. The amount of housing benefit lost by claimants in these two wards is relatively low, at an average of £12 per week in St Ann's and £12.80 in Aspley, but these wards also have child poverty levels in excess of 80 per cent and so even a small amount of lost money can have devastating consequences. Other wards have fewer claimants affected but the cost to these claimants is higher. In Dunkirk and Lenton, only 76 housing benefit claimants have been affected, but the average loss is higher, at £14.40 per week¹¹.

Parents/carers, including those whose children do not live with them full-time, are being penalised for under-occupancy.

CASE STUDY

Frank is a 54 year old man living in a three bedroom property. He lives alone but shares custody of his eight year old granddaughter with her mother, his daughter. Frank has a residential court order issuing joint custody. His daughter has mental health problems and cannot cope with her three children when she is unwell. Her two older children stay with their aunt when necessary and Frank has a room ready for his youngest granddaughter to stay whenever it is required. His granddaughter usually spends one or two weeks a month with him. It's important for his granddaughter to know she has somewhere safe to live when her mother is unable to care for her. Frank's role as a carer is not taken into account when assessing his housing needs, despite his support helping to keep the family together. Frank has to pay the 'bedroom tax' every month for having two extra bedrooms. The smallest room has recently been reclassified as a box-room (and therefore exempt from the bedroom tax) but the housing benefit has not yet been recalculated. Frank is currently claiming jobseeker's allowance (JSA) and cannot afford to pay the shortfall. His rent arrears are increasing every month.

¹¹ Nottingham City Council (2013b)

Advice Nottingham's Response: Frank was helped to make a successful claim for discretionary housing payments and to negotiate repayments of his arrears which had accumulated due to his reduced income. He is still paying off the arrears but is managing to stay in his home and his granddaughter continues to spend a lot of time with him. Frank says he is 'managing to keep his head above water'. He has no plans to move to smaller accommodation.

CASE STUDY

Lisa is a 49 year old lone parent with one child. She is currently claiming employment support allowance (ESA) and has mental health problems. She is under-occupying by one bedroom and is paying £10.57 per week towards her rent. She is struggling to manage and doesn't know if she can afford to stay in her home where she has lived for more than 20 years. Lisa suffers from depression and anxiety and would struggle to cope with a move to another area. Her anxiety issues include problems with going out, being in unfamiliar places, and being among people. She has many coping mechanisms in place including safe planned routes to places she needs to visit, shops she uses at particular times - usually at night, and family members who live close by including her mother on whom she relies a great deal. Lisa is vulnerable and if she has to move she could lose the support networks she has and her daughter may have to change schools.

Advice Nottingham's Response: Lisa was helped to apply for discretionary housing payments and was awarded £6 per week. Arrangements were also made for her to get a second hand fridge-freezer and cooker via a charity as her own cooker had been broken for some time. She was also helped to negotiate payments of her arrears, accumulated as a result of her reduced income. However, discretionary housing payments are time-limited and Lisa is likely to continue to struggle financially in the future if she remains in her current home.

CASE STUDY

Natasha is a 37 year old lone parent with two dependent children. She works 26 hours a week and receives some housing benefit (HB). Natasha was homeless and housed by the local authority within the last two or three years. She is now affected

*by the under-occupancy reduction in HB; due to her children's ages and sex they are expected to share a room. (The rules for HB are that any two children under the age of 10 can share a room, regardless of their sex, and that two children of the same sex can share a room under the age of 16.) Natasha was allocated a three bedroom house by Nottingham City Council; she did not request three bedrooms and would have happily accepted two. Natasha will find it difficult to manage financially, especially as she is working, and changes to childcare costs when her eldest child started school resulted in a HB overpayment. Going forward, her entitlement to HB has reduced significantly and she now has to pay **all** of her council tax. Natasha did not have the opportunity to make an informed choice about the size of accommodation allocated to her and now feels penalised.*

Advice Nottingham's Response: Natasha was assisted to challenge the HB overpayment which was subsequently reduced. She was also helped to negotiate manageable repayments of the HB overpayment. She is now looking for alternative housing to avoid the under-occupancy penalty.

CASE STUDY

Simon and Kate and their two children aged four and six live in a three bedroom house which they rent from Nottingham City Council. Previously their council tax was paid through benefits but they now have to pay £2.00 per week. They have never paid council tax before and Simon has received a summons for non-payment. They are also subject to an under-occupancy charge for the third bedroom of £10.00 per week. They have rent arrears of £100 and sought help to negotiate repayments to ensure that arrears do not accrue any further. As the children are different sexes, once their oldest child reaches the age of 10 they would not be expected to share a room and therefore the under-occupancy charge would not apply.

Advice Nottingham's Response: Simon and Kate were assisted to negotiate repayments of their arrears and helped with budgeting to minimise the chance of further arrears accruing.

The 'spare room subsidy' raises many issues. For people deemed to need only one bedroom there is a dearth of small properties, especially in the social rented sector. For others, the need to move to a smaller property may result in a move from secure social housing to the insecure private rental sector. Social and support networks will be lost to some families and children may have to change schools or travel further to attend the same school. Ironically, the upheaval and trauma experienced by those families who have to move may not result in any financial gains from the housing benefit budget.

CASE STUDY

*Arthur was living alone in a two bedroom Nottingham City Homes property. His rent was £70 per week. He moved to private rented accommodation to avoid the bedroom tax and is now receiving £88.85 per week housing benefit and **still** has a spare bedroom.*

Private rents are traditionally higher than public rents. The current local housing allowance (LHA) rate for a one bed private rental is £90.80 (as at January 2014) so many tenants in social housing who move to the private rental sector to avoid paying 'bedroom tax' are likely to receive *more* housing benefit rather than less. In some cases, like Arthur, they will also continue to have a spare room. It is difficult to see what the policy will achieve other than to cause hardship, increased indebtedness and stress for many tenants.

Benefit Administration

Sometimes the actions or inactions of government agencies can have a negative impact on families with children and can exacerbate poverty.

CASE STUDY

Caroline is a 28 year old woman and a lone parent. HM Revenue and Customs (HMRC) compliance department was investigating her as having an 'undisclosed partner' living at the same address. She had sent documentary evidence by recorded delivery to prove that this was not the case, but HMRC had lost the

documents. This was the second time she had sent the documents and the second time that HMRC had lost them. Caroline had no income. She had to ask family to help her as much as they could and had to rely on a local food bank to feed her children. She didn't even have the bus fare to travel to CAB for advice. She was worried about her inability to properly care for her children and the fact that HMRC showed no concern about how she was managing financially.

Advice Nottingham's Response: We contacted HMRC regarding the loss of tax credits and arranged for food parcels from a local food bank. Caroline was also offered help to manage her debts, accumulated due to her reduced income. Once her tax credits recommenced she felt able to manage without any further support.

CASE STUDY

Suzanne is a single parent of two year old twins. She fled an abusive partner who would often beat her in front of her children. Her partner had previously controlled all claims – including child benefit and working tax credit. Suzanne submitted a claim for income support, which the DWP would not pay until the child benefit was transferred to her name. DWP informed Suzanne that new claims were currently taking 12 weeks to process. Despite her explaining her situation with regards to domestic violence, the DWP were not willing to speed up the process. In the meantime, Suzanne was struggling to support her two children and often had to leave them home alone for short periods when she worked.

Advice Nottingham's Response: We contacted DWP on Suzanne's behalf and are awaiting a decision as to whether income support can be paid early before child benefit is transferred to her name.

CASE STUDY

Mahmood is a father of five school age children who had to leave the UK to deal with a family emergency in Pakistan. He informed Jobcentre Plus before leaving and on his return but his benefit (JSA) was stopped. Due to language difficulties Mahmood did not understand that the benefit was stopped only for the time he was out of the country, nor was it explained to him how to make a fast track application

to have the benefit reinstated. This led to significant financial hardship and an increase in debt for Mahmood and his wife.

Advice Nottingham's Response: We helped Mahmood to make a fast track application to have his benefits reinstated and offered advice on managing his debts which had worsened due to his loss of income. He was given specialist debt advice.

CASE STUDY

Winston is a 24 year old single father who had a retrospective sanction imposed for four weeks after failing to attend a Work Programme meeting. We understand that he missed the meeting because his two year old daughter was taken ill. He was the sole carer that day and his daughter was too ill to take with him to his meeting. He telephoned before the due appointment, but was told this would still have to be noted as 'did not attend'. Winston has diabetes and the four week sanction caused severe hardship for him. He was not told about hardship payments, how to appeal the sanction decision, or food banks, and during the time of the sanction suffered hunger, hardship and stress. He felt this may also have caused a worsening of his diabetes over this period.

Advice Nottingham's Response: Winston was referred to a local food bank for food parcels and helped to apply for charitable help with his housing arrears to avoid homelessness. He was referred for specialist housing advice.

It is difficult to see how Winston could have avoided this situation. Schools, nurseries and child minders are reluctant to take sick children due to health and safety concerns for others. This leaves parents unable to go to work or, as in Winston's case, unable to meet job seeking requirements. However, the inflexibility of the rules for job seekers does not allow for such situations.

Disability

Disability living allowance (DLA) is to be replaced by personal independence payments (PIP) from October 2013 onwards, beginning with adults aged 16-64.

There will be no automatic transfer so people in receipt of DLA will have to make a claim for PIP. Children will continue to receive DLA. Government expectations are that fewer people will receive PIP than received DLA and that some people will not claim the new benefit. Already many disabled people are experiencing hardship due to the bedroom tax.

A report by Habinteg (2013), a housing provider with almost 60 per cent disabled tenants, states that two thirds of their tenants have been affected by the bedroom tax and only three out of 13 who have requested a transfer have found one. Only one of these tenants was disabled. As their report states:

Accessible housing is in very short supply and there are waiting lists in every area for wheelchair accessible housing in particular. Many people have to adapt inaccessible homes to make them safe and easier to live in independently. Sometimes adaptations can be very expensive and if a person is forced to move, they will lose these adaptations and the positive difference they can make¹².

It is not only disabled adults who have been affected.

CASE STUDY

Nicky is a 34 year old single parent of a five year old son who has cerebral palsy and autism. He is currently in mainstream school with support. He requires a lot of care day and night, and has frequent hospital appointments. Her son's DLA has been reassessed and his entitlement reduced from middle rate care component to lower rate. As a result, Nicky's carer's allowance and income support have ceased. Nicky and her son live in private rented accommodation, and Nicky has never been in rent arrears. Nicky appealed the DLA decision but the DWP refused to change the decision and she is now awaiting a tribunal hearing. Nicky is currently claiming employment support allowance (ESA) due to stress, but is concerned that once she has a work capability assessment she will be judged fit to work but will be unable to do so due to her caring responsibilities. She is likely to lose the ESA and have to

¹² Habinteg, 2013: 7

seek employment despite her son's needs. She is concerned that if this happens she may be sanctioned if she is unable to meet job seeker's requirements due to her son's care needs.

Advice Nottingham's Response: Nicky was referred for specialist welfare rights advice to help her appeal the DLA decision. She has a tribunal hearing arranged for April 2014. She continues to claim ESA and is submitting certificates as she is experiencing stress. She says she is 'just about managing to hang on...'

These case studies demonstrate the difficulties faced by families with children in managing the welfare changes. They are struggling to balance family life/parenting responsibilities with demands from the DWP and a reduction in income. Our findings suggest that children are indirectly suffering as a result of welfare reform in several ways. Child poverty, already high in Nottingham, is likely to worsen as families on benefits now have to make a contribution towards council tax out of their benefits. Poverty will be exacerbated in families that are also subject to under-occupancy penalties. Further, the rigidity of DWP rules can result in punitive action such as the sanctioning of benefits or the cessation of benefits where fraud is suspected. While benefits paid for children, such as child benefit and child tax credit may not be affected, it is unrealistic to assume that families allocate money in this way. A reduction in parents' income equals a reduction to the family income, which affects all family members. The uprating of benefits by just one per cent, rather than in line with inflation, is likely to exacerbate child poverty.

Concluding Thoughts & Action Points

The full impact of welfare reform is yet to be realised, but already it is apparent that children are being disadvantaged. The increasing of some benefits by less than inflation and the freezing of others will mean more children are living in poverty than before the changes. Families that were already struggling to make ends meet will have to make decisions about where to cut back and spend less. As the purchase and consumption of food is one of the few things that lie within their control, some families will have no choice but to make cutbacks in that area and more children will be subject to food poverty. Under-occupancy penalties and changes to council tax benefits have had a huge impact on low income households, and some parents/carers whose children do not live with them full-time will be faced with the choice of either, (a) paying the charge for under-occupancy and potentially falling into debt, or (b) downsizing and having no spare bedroom for their children to stay in future.

Children's Rights

Adopting a children's rights perspective, we can see that welfare reform has had a negative impact on a wide range of those rights set out in the UN Convention on the Rights of the Child (UNICEF), an international human rights treaty that the UK has been bound by since 1991.

- Article 2 requires the UK to guarantee non-discrimination in the enjoyment of Convention rights but the impacts of welfare changes appear to be discriminatory since the children of lone parents, those from low income families and those with disabilities are affected more severely than children from other families.
- Article 3 states that, in all actions concerning children, their best interests should be a primary consideration. Many of the actions taken by the government have or will increase child poverty which is very much *against* the best interests of the child.

- Articles 9 and 18 cover a child's right not to be separated from their parents and their right to contact with both parents unless this is not in their best interests. The imposition of under-occupancy penalties means that non-resident parents may find it difficult to remain in properties where they can have their children to stay with them, thus violating the child's right to family life by removing or reducing children's ability to participate in normal family life with their parents/carers.
- Article 24 recognises children's right to the highest attainable standard of health, yet food poverty is increasing and children's health will be negatively affected if they are malnourished.
- Article 27 recognises a child's right to an adequate standard of living, including with regard to nutrition. The increasing number of families reliant on food banks constitutes evidence that this right is not being satisfied for growing numbers of children.
- Articles 28 and 29 cover children's rights to education and to achieve their full potential within education. However, when children are hungry, they lack concentration and are unlikely to achieve their full potential. We know that children from poorer backgrounds have worse educational outcomes and lower levels of social mobility.

Moving Forward

We believe the following will protect children from the worst outcomes of welfare reform:

- ✓ Where a parent or carer has children who live elsewhere, but where there is regular contact, the room(s) designated for the children should not be subject to the 'bedroom tax'.
- ✓ Where families have been rehoused as a result of domestic violence, every effort should be made to help them to find accommodation that meets their needs. If this means that they (or their households) have a 'surplus' bedroom, then they should not be penalised as a result.

- ✓ Where DWP clients are sanctioned, help must be offered to those who have dependent children. It is unacceptable that children should be left hungry as a result of their parents' or the DWP's actions or inactions.
- ✓ Benefit sanctions should be applied more fairly, rather than in the arbitrary manner that appears to be happening. Genuine mistakes in compliance with DWP rules should not be treated punitively.
- ✓ DWP staff should try to accommodate requests to expedite decisions involving families with dependent children; particularly those who are vulnerable to poverty and exclusion.
- ✓ Any families with dependent children, whether these households are sanctioned or not, should be able to access emergency hardship funds.
- ✓ Schools should be given additional support and encouraged to voice any identified problems related to welfare reform. This can be achieved through creating more efficient links between school liaison officers and key policy makers.

Concluding Thoughts

The welfare state was established to protect the most vulnerable in society; to protect us all with support in times of need or want; to remove the necessity for, and stigma associated with, charitable provision. Yet recent welfare changes have left many vulnerable people such as lone parents, disabled people, large families and benefit recipients feeling this very stigma and, once again, reliant on the goodwill of charity and voluntary provision. Although individuals and state/non-state agencies have sought to ameliorate the worst impacts of the welfare changes by providing for unmet needs, charitable ad hoc provision is no substitute for citizenship rights. These rights need to be re-established through a thorough evaluation of current

government policy on welfare, and by considering whether or not the Welfare Reform Act 2012 will effectively achieve its aims in the long-term.

As an advice consortium, we are deeply concerned that child poverty is set to rise in coming years, and that poor families are being further excluded from mainstream society due to welfare policy. The feedback we have received from low income families is that they are feeling 'vulnerable' and 'punished', upset that their children are the 'victims' of many of the welfare changes. We hope that this report has provided a tangible insight into the lives of these children, and – in light of our findings and conclusions – would ask readers to imagine what society will look like in future if welfare changes continue and eligibility criteria are further tightened.

Aspirations to end child poverty have been dashed by a combination of recession and welfare change on an unprecedented scale. Children are often the hidden and unheard victims of austerity, the results of which may blight the lives of an entire generation.

Appendix

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