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PRESS RELEASE

Scottish Civil Society backs call to end the benefit freeze

Forty-five organisations across Scotland have called on the Chancellor of the Exchequer to end the freeze on working age and children's benefits in the November budget. Charities, trades unions and faith groups have joined to highlight the increasingly negative impact of the benefit freeze, particularly at a time of rising inflation. It is expected that the benefit freeze will be the main driver of rising poverty over the coming years.

The freeze on most working-age and child related benefits was announced in the 2015 Summer Budget and includes:

- Jobseekers' Allowance
- Child and Working Tax Credit excluding disability elements
- Local Housing Allowances
- Income support
- Child benefit
- Work Related Activity Group Employment and Support Allowance
- Universal credit

The freeze means that these benefits will not be subject to uprating until 2019/20, and will remain the same cash value as in 2015/16.

Research from Sheffield Hallam estimates that the freeze in working-age benefits will lead to losses of £300m in Scotland per year. It is expected that this will affect 700,000 families in Scotland, with an average loss of £450 per year.

The organisations raised concerns that rather than creating a fairer social security system that supports people when they need it and helps them into employment, the freeze only serves to add pressure to already stretched budgets.

Peter Kelly, director of the Poverty Alliance, said:

“We believe that the time is right to reverse the freeze on working age and child benefits.

“If the Government is serious about supporting those who are ‘just about managing’ then it is vital that this unjustified and harmful policy is brought to an end.

“The freeze will have a lasting impact on the wellbeing of those affected by it, particularly children in Scotland and across the UK.

“We would urge the UK Government to invest the resources required in this Budget to provide a better social security system for those who need it.”

Emma Ritch, Director of Engender added:

“In the years of austerity since 2010, 86 percent of net ‘savings’ raised through UK Government cuts to social security and tax credits will come from women’s incomes. As a result of these cuts, women have been put at greater risk of deeper and sustained poverty, with significant reduction in living standards.”

“The freeze on working age and child benefits will only serve to exacerbate women’s poverty, and we urge the Chancellor of the Exchequer to use the Budget to end the freeze and help create a fairer social security system.”

Richard Frazer, Convener of the Church of Scotland’s Church and Society Council, said:

“As the cost of heating and eating continue to rise, the freeze in benefits is increasingly forcing people into poverty rather than supporting them out of it. That is neither good for those directly impacted nor for our society as a whole.

“In every part of Scotland, the Church is encountering people who are finding it harder and harder to make ends meet. That is not surprising. Since the freeze was put in place inflation is higher than was predicted so people on benefits have less money than was intended. On that basis alone, it is time to end the freeze.” John Dickie, Director of Child Poverty Action Group said:

“The benefit freeze is pushing tens of thousands of children in Scotland and across the UK into poverty, with potentially devastating consequence for their health, education and long term life chances. The Chancellor must use this Budget to end the freeze and ensure that financial support for families, whether in or out of work, keeps pace with inflation.”

Bill Scott, Director of Policy at Inclusion Scotland added

“Because of their exclusion from employment, disabled people are more reliant on benefits for some or all of their income. This means that the benefits freeze has a disproportionate impact on them. The freeze should end as it punishes the victims of discrimination and inequality”.

email: admin@povertyalliance.org - web: www.povertyalliance.org

The Poverty Alliance is a network of community, voluntary, statutory and other organisations working together to combat poverty

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Derek Mitchell, CEO of Citizens Advice Scotland said:

“Of all the recent welfare reforms, the benefits freeze has had one of the biggest impacts on the incomes of households in Scotland, but is one of the least talked about.

“The money people receive has decreased in real terms, meaning more and more clients are struggling to make ends meet. A recent survey of CAB clients showed that, 40% on out of work benefits said they worried about money ‘all the time’ with 40% saying they ran out of money ‘more than once a month’. This is consistent with increased demand for advice regarding food parcels (171% increase) and Crisis Grants (47%) which bureaux have seen since 2013.

“It is time to end the benefits freeze to help lift these families out of destitution and poverty.”

ENDS

For more information, please email carla.mccormack@povertyalliance.org or call 0141 353 0440.

Alison Douglas	Chief Executive	Alcohol Focus Scotland
Rami Usta	Chief Executive	BEMIS Scotland (Empowering Scotland’s Ethnic and Cultural Minority Communities)
Annie Gunner Logan	Director	CCPS - Coalition of Care and Support Providers in Scotland
John Wilson	Interim Chief Executive	Chest Heart and Stroke Scotland
John Dickie	Director	Child Poverty Action Group Scotland
Mary Glasgow	Interim Chief Executive	Children 1st
Jackie Brock	Chief Executive	Children in Scotland
Martin Johnstone	Secretary	Church & Society Council
Derek Mitchell	Chief Executive	Citizens Advice Scotland
Hugh Foy	Head of Programmes	Conforti Institute
Hilda Campbell	Chief Executive	COPE Scotland
Ewan Aitken	Chief Executive	Cyrenians

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Layla Theiner	Director	Disability Agenda Scotland
Norman Kerr	Director	Energy Action Scotland
Emma Ritch	Director	Engender
Ian Galloway	Chair	Faith In Community Scotland
Helen Moore	Chair	Glasgow and West of Scotland Forum of Housing Associations
Tressa Burke	Director	Glasgow Disability Alliance
Helen MacNeil	Chief Executive	Glasgow Council for the Voluntary Sector
Margaret-Ann Brunjes	Chief Executive	Glasgow Homeless Network
Drew Smith	Scottish Political Officer	GMB
Mike Dailly	Principal Solicitor	Govan Law Centre
Ian Welsh OBE	Chief Executive	Health and Social Care Alliance Scotland
Nathan Sparling	Head of Policy & Campaigning	HIV Scotland
Bill Scott	Director of Policy	Inclusion Scotland
Pete Ritchie	Executive Director	Nourish Scotland
Satwat Rehman	Director	One Parent Families Scotland
Elaine Downie	Co-ordinator	Poverty Truth Commission
Mark Serwotka	General Secretary	Public and Commercial Service Union
Shona Stephens	Chief Executive	Queens Cross Housing Association
Alastair Cameron	Chief Executive	Scottish Churches Action on Homelessness
Fiona Garven	Director	Scottish Community Development Centre
Martin Sime	Chief Executive	Scottish Council of Voluntary Organisations

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Janis McDonald	Chief Officer	Scottish Council on Deafness
Dave Liddell OBE	Chief Executive	Scottish Drugs Forum
Dave Moxham	Deputy General Secretary	Scottish Trades Union Congress
Agnes Tolmie	Chair	Scottish Womens Convention
Peter Kelly	Director	The Poverty Alliance
Tony Graham	Director of Devolved Nation	The Trussell Trust
Dave Watson	Head of Policy & Public Affairs	Unison
Pat Rafferty	Scottish Secretary	Unite the Union
Allan Johnstone	Acting Chief Executive	Voluntary Action Scotland
Bernadette Monaghan	Chief Executive	Volunteer Glasgow
Claire Stevens	Chief Officer	Voluntary Health Scotland
Grant Sugden	Chief Executive	Waverley Care

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