

Impact of Welfare Reform in Gateshead

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advice**

Gateshead

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Chief Executive Officer

Gateshead



Population 200,214 people

51% Female – 49% Male

Variety of landscapes – urban,
Industrial and rural

Ranked **73** out of **326** districts for
Deprivation

Average house price **£143,580**

Average income **£22,800**

65% of households have an income of
<£20,000

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The People of Gateshead

1 in 5 children live in poverty

10% of homes are fuel poor

28% live in social housing

12% of households occupied by lone parents



Average life expectancy **77.8** for men and **81.2** for women

Biggest cause of death is **cancer**

23% of population smoke

23.5% of population obese

58% achieve 5 GCSE's A*-C

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Financial Impacts on all Claimants

Universal Credit

- **400,000** claimants will lose over **£50 per week**
- **UC Helpline** - delays getting through, costs incurred for calls

Housing Support

- Bedroom Tax makes affordable housing is harder to find
- Moving or supplementing support from benefit income
- Risk of rent arrears and homelessness

Council Tax

- Rates rising yet less support risking hardship and debt

Civil Penalties

£50 penalty for error and **tough sanctions** for insufficient engagement with work – risks for most vulnerable

Crisis Loans and Community Care Grants

- No guarantees of help, different schemes in each area
- **3.6m** crisis loan applications per year, **far fewer than social fund**

Case Study 1



Jane is a lone parent with one child who is disabled and receiving the low rate care component of DLA

Situation 1: She cares full time for the disabled child

- In the **current system** she will have **£243** disposable income after paying housing costs and excluding DLA.
- Under **Universal Credit** she will have **£212** disposable income. The **£31 loss**, made up of £27 in child disability support & assumed £4 loss of council tax support

Situation 2: She earns £150 a week with £80 childcare

- In the **current system** she will have **£280** disposable income
- Under **Universal Credit** she will have **£229** disposable income. This is **£51 less** than the current system made up of £27 in child disability support & reduced help with childcare costs

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Citizens Advice Gateshead – 2015/16



10,592 clients advised



52,251 issues dealt with including **19,868** relating to debt



11,500 clients visited our website



We provided free, independent advice **face to face, by telephone & online**



630 homelessness preventions



£35,651 savings to clients following energy advice



Gateshead



£5m of income gained on behalf of **clients**

Public value of advice delivered was over **£13.5m**

Citizens Advice Gateshead – 2015/16



Welfare Benefit Interventions

3,223 Personal Independence Enquiries

2,842 Employment Support Allowance

183 Universal Credit

1,542 Housing Benefit

151 Discretionary Housing Payments

1,020 Job Seeker's Allowance

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Case Study 2

Miss T has a learning disability, social anxiety and depression. She also suffers pain and mobility issues associated with bone malformation at birth and walks with the aid of a stick. She lives with her adult son who has mental health problems (NEET).

She received both the care and mobility component of Disability Living Allowance and came to us for help with her claim for **Personal Independence Payment** following mandatory conversion from DLA.

The difference we made:

- Generated **£139.75** per week
- Got **£3000** was backdated
- **Reduced social isolation** - client now attends 2 social clubs
- Son has own income **£92.50** per week
- Mother and son **supported to make choices** re: support services and / or training opportunities.

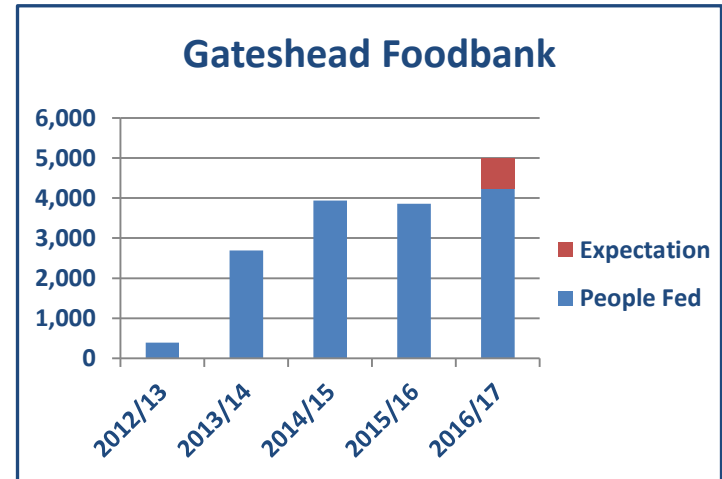
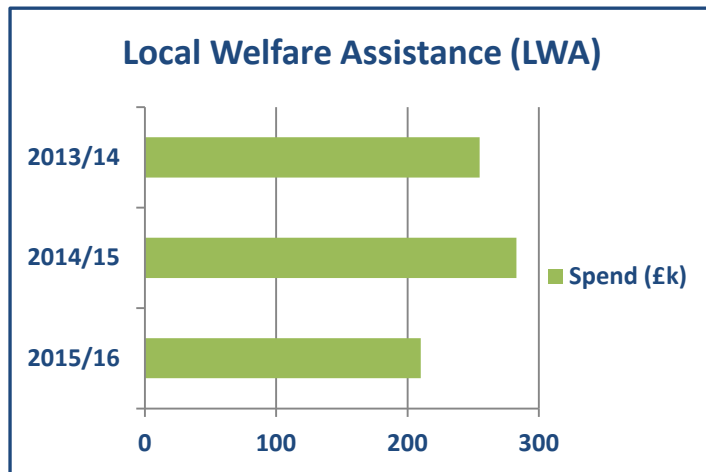
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Other Effects

Local Welfare Assistance was set up to support those in emergency / crisis situations, and those who need help reintegrating into the community



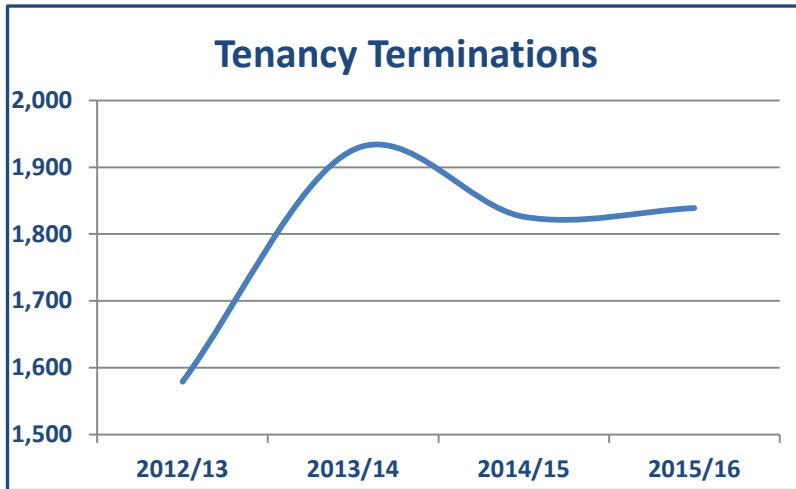
Foodbank established November 2012



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Other Effects

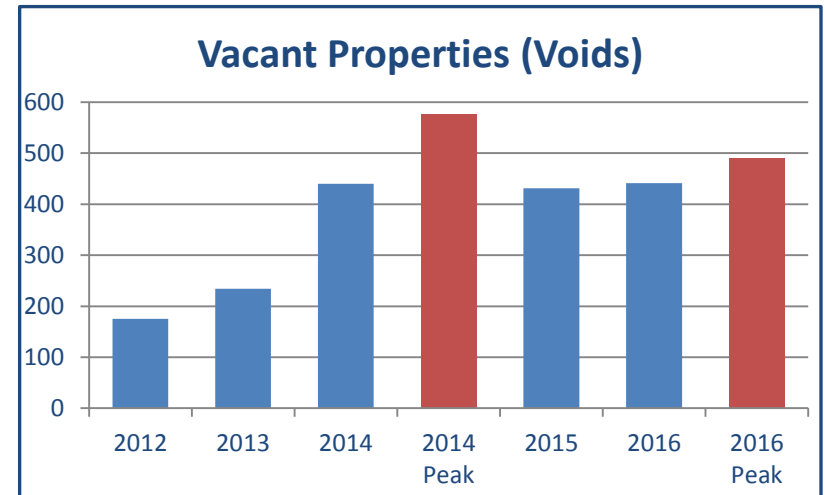


Welfare reform has mainly impacted tenancy turnover and void levels for GHC rather than rent arrears, although arrears are slowly increasing

Tenancy terminations rose from 1,579 in 2012/13 to 1,926 the following year and have remained above 1,800 since

175 vacant GHC properties in April 2012 and prior to notification of introduction of 'bedroom tax'. A year later this had increased by 34% to 234.

Since then levels have risen significantly – peaks in July 2014 (577) and Nov 2016 (489)



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Other Effects

Client apathy, feelings of helplessness

Increased indebtedness

Increased anxiety, stress and mental ill health

Increased social isolation

Fuel poverty

Family breakdown

Domestic violence

Hate crime

Low self-esteem

Zero hour contracts

Rogue landlords

Demand outstrips supply

Volunteer retention more difficult

Increased work related stress for employees

Violence and aggression increased

Rationing of services

Low morale, feeling of helplessness

Increased referrals for workplace counselling

Attendance management issues

Contact Us



Face to Face Drop In Service

Monday	9am – 5pm
Tuesday	9am – 5pm
Wednesday	9am – 5pm
Thursday	9am – 6pm
Friday	9am – 5pm



Website:

citizensadvicegateshead.org.uk

Citizens Advice Consumer Helpline

03454 04 05 06

Monday - Friday - 9am - 5pm



Telephone Service – 0344 245 1288

Monday	10am – 4pm
Tuesday	10am – 4pm
Wednesday	10am – 4pm
Thursday	10am – 4pm
Friday	10am – 4pm

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Thank you

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