Employers For Childcare

Working For Parents

24 May 2019

Written evidence submitted by Employers For Childcare to the joint inquiry into Northern Ireland's welfare policy

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Executive summary

1. The operation of the Universal Credit system is having a significant, negative impact on many families in Northern Ireland, and this is only likely to get worse should the existing mitigations package come to an end in March 2020. Employers For Childcare's key recommendations for the inquiry are:
    a. Develop the Universal Credit system to enable childcare costs to be paid upfront and directly to childcare providers. This would alleviate the problem of prohibitive upfront costs which can be a barrier to work, and give childcare providers greater security of income.
    b. Continue and re-profile the mitigation package in Northern Ireland to provide protections for evolving welfare changes, particularly Universal Credit, to ensure necessary support is available for families.

Introduction to Employers For Childcare

2. Employers For Childcare is a charity and social enterprise which supports parents with dependent children to get into and stay in work. Our charity's activities include campaigning, lobbying and research on issues which impact on families, such as the annual Childcare Survey series (2010 - present)[1], which tracks the ability of families to access and afford the childcare they need to enter into and progress in work.

3. Our Family Benefits Advice Service provides support, information and advice to parents on benefit entitlements, work related issues and financial assistance with childcare. Last year, the service helped 13,600+ people directly, completed 7,500+ personalised benefits calculations and delivered 450+ outreach advice sessions. Through our work with individuals who are affected by welfare policies we are able to provide an informed and evidence based response to this inquiry

4. Employers For Childcare is part of the Cliff Edge NI coalition, comprised of groups from across the voluntary and community sector in Northern Ireland, which is campaigning for the extension of welfare reform mitigations in NI beyond March

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[1] https://www.employersforchildcare.org/research-and-lobbying/research-and-reports/

2020. In addition to our own response to this inquiry, we endorse the evidence provided by the Cliff Edge NI coalition.

Issues with Universal Credit

Requirement for childcare costs to be paid upfront and reimbursed

5. Universal Credit (UC) requires claimants to pay for registered childcare upfront and claim reimbursement after the childcare has been provided. This may include additional upfront costs such as a deposit to secure a place. This policy can leave households waiting weeks, even months, to receive support they are entitled to with the cost of childcare. This can exacerbate the already precarious financial situations of many families, create financial hardship, lead families to take on debt, or act as a barrier to work, in direct contrast to the stated objectives of Universal Credit (**case study 1 in the Appendix**).

6. The impact of this approach has been well documented by the Work and Pensions Committee which has referred to UC childcare support as "a barrier to work".[2] The UN Special Rapporteur on extreme poverty and human rights stated that this policy "means families may have to go into debt to take a job".[3] Employers For Childcare seeks to draw attention to the particular impact that this can have on households in Northern Ireland.

7. Families in Northern Ireland do not have access to some of the support with registered childcare costs currently available in other parts of the UK. For example, eligible families in England with a three or four year old can benefit from up to 30 hours free childcare per week. Recent research conducted by Employers For Childcare (to be published June 2019) highlights that families in Northern Ireland can expect to pay a greater proportion of their household income on childcare than households across the UK as a whole.[4] For two thirds of families in Northern Ireland, the childcare bill is their largest or second largest monthly outgoing. As a result, the requirement to pay childcare costs upfront will have a greater, negative impact on a household's finances here than in other parts of the UK.

8. Households in Northern Ireland are more financially vulnerable compared to households across the UK. Adults in Northern Ireland are more likely to have no cash

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[2] https://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2017/universal-credit-childcare-report-published-17-19/
[3] https://undocs.org/A/HRC/41/39/Add.1
[4] https://www.employersforchildcare.org/

savings, to be over-indebted and to have a low understanding of financial issues.[5] This can make it difficult for families to pay their childcare costs upfront and has the potential to push them further into debt.

9. Families can experience particular difficulties at certain times of the year, for example, ahead of the longer school summer holidays in Northern Ireland when parents may have to pay for additional childcare upfront and wait for an extensive period of time before receiving their support.

10. While the Government has explained its approach is intended to reduce fraud and error, this concern could be addressed without creating a situation where families are simply unable to afford to pay for childcare up front and, as a result, may feel that their only options are to get into debt, or turn down work.

11. Childcare providers also report difficulties with cash flow because parents are paid their childcare costs in arrears. Some providers tell us how they must chase late payments or, in some cases, go without payment altogether. This is unsustainable and may leave to providers going out of business.

12. Our recommendation is that UC support for registered childcare costs should be paid upfront and directly to childcare providers. This would help claimants with budgeting, to take up employment, and give providers greater certainty of income.

13. We are also concerned about claimants who are exposed to conditionality[6]. With conditionality comes the risk of benefit sanctions, which result in significant financial hardship for households. We know that lone parents will be particularly affected. This is concerning given the difficulties families experience in accessing affordable childcare in NI. We recommend lone parents are protected from additional conditionality until their youngest child turns 5 years old.

Maternity Allowance

14. Maternity Allowance is treated as 'unearned income' for the purposes of UC, despite it only being payable to those who have been in work. As unearned income, which can be used to meet living costs, is taken into account when calculating UC entitlement the maximum UC award is reduced by £1 for every £1 of Maternity Allowance. This is unlike Statutory Maternity Pay which is treated as employed earnings, meaning that mothers in receipt of Maternity Allowance are disadvantaged

[5] https://www.fca.org.uk/publications/research/understanding-financial-lives-uk-adults
[6] Under UC, conditionality starts when youngest child turns 1

under UC when compared to those in receipt of Statutory Maternity Pay (**case study 2 in the Appendix**).

15. An employee may lose their eligibility for Statutory Maternity Pay simply because she has recently changed jobs, even though she has been in employment for as long as an employee who is eligible for Statutory Maternity Pay.

16. Our recommendation is that, for the purpose of calculating UC entitlement, Maternity Allowance is treated in the same way as Statutory Maternity Pay, as employed earnings.

Savings

17. Having capital or savings of £6,000 or more reduces a household's UC entitlement, while having capital or savings of over £16,000 means that there is no entitlement to UC. There is transitional protection of 12 months for those with savings or capital in excess of £16,000 however normal rules will apply after that period.

18. Our concern is that this could disincentivise families from saving in a part of the UK (Northern Ireland) where households are already less likely to hold cash savings. Our recommendation is that relevant savings and capital of over £6,000 should be treated as generating income with no upper limit.

Self-employed

19. Employers For Childcare is concerned at the additional burden for those UC claimants who are self-employed and lose transitional protection payment if they experience a spike in earnings for a three month period. For example, a self-employed claimant may have a successful summer period, lose their transitional protection, and face a difficult winter. This can present particular issues for self-employed farmers who are in receipt of a Single Farm Payment, particularly prevalent in Northern Ireland.[7] Without transitional protection that claimant may be pushed into in-work poverty and financial hardship.

20. DWP has proposed a six month 'grace period' for self-employed managed migration claimants before the Minimum Income Floor is applied to them (Explanatory Memorandum, para 89). To better reflect earnings that might fluctuate annually, we recommend that this grace period is extended to 12 months.

Inaccurate or unclear guidance resulting in incorrect advice given to claimants

[7] https://publications.parliament.uk/pa/cm201719/cmselect/cmniaf/939/93906.htm

21. Our advisors are encountering clients being wrongly told by JBO staff that they should claim UC in circumstances where this is not necessary, and have prematurely 'naturally migrated'. There are a number of changes to circumstances that do not result in the existing benefits closing and some staff in the Jobs and Benefits Offices in Northern Ireland do not appear to be taking this on board (**case studies 3 to 7 in the Appendix**).

22. There is no process by which a claimant can withdraw their UC claim in such instances and we have evidence of claimants who have experienced considerable financial loss as a result. While Employers For Childcare's view is that all naturally migrating UC claimants should be alerted to any financial loss and signposted to independent advice, this is particularly important for families who have childcare costs. UC claims from such households should not progress until independent advice has been sought. Otherwise, this can cause a barrier to those who want to move into work.

23. The giving of incorrect advice appears in part to be a result of misleading communications, for example, in providing advice to a claimant we recently gained sight of Department for Communities guidance, circulated to JBO staff members, which reads:

    65. Claimants in a Universal Credit Full Service (UCFS) area cannot make new claims to any benefit that Universal Credit is replacing, these are:
    Income Support (IS)
    Income-based Job Seekers Allowance (JSA- IB)
    Income-related Employment and Support Allowance (ESA IR)
    Housing Benefit (HB)
    Working Tax Credits (WTC)
    Child Tax Credits (CTC)

    66. If an existing benefit in a UCFS area has a change in circumstances that means they would have to make a new claim to one of those benefits or credits, they will not be able to do so, and must make a claim for Universal Credit.

24. The Guidance splits Working Tax and Child Tax into two separate claims when in fact, for households with children, they are part of the same Tax Credit claim. Our understanding of the Guidance is that it does not take into account that any claimants who have an open Tax Credit claim can simply contact HMRC when they start work and have Working Tax Credit added to their existing claim. They are not required to make a new claim for UC as the Guidance suggested. This has been confirmed by HMRC.

25. This may explain why a number of clients, who already have a Child Tax Credit claim, have been advised incorrectly by JBO staff that they cannot make a new claim for

Working Tax Credit when they move from JSA/IS into work, and stand to lose out financially as a result.

26. Despite our best efforts and those of other advice organisations we cannot reach everyone and therefore unless the Department for Communities JBOs adopt a different approach and widely communicate this across all their NI JBOs, there will continue to be a significant number of claimants moving to UC in error because of mis-information. This could also result in a significant number of compensation claims being submitted by claimants.

27. It is clear that the general nature of existing Guidance and communication for JBO staff is leading to the provision of mis-advice in some instances, which can have severe and irreparable consequences for claimants. We therefore recommend:
    a. Urgent assurance that frontline staff receive updated training and the Guidance is amended to clarify these situations and that staff have an accurate and detailed account of when a claimant is required to make a claim for UC.
    b. That any clarification provided to frontline JBO staff is shared with the advice sector to ensure a joined up approach to protecting claimants from inappropriately making a claim for UC.

Registered childcare provider located outside the UK

28. A change in the law, which came into force on 21 March[8] means that a parent using a childcare provider located outside of the UK may now be able to claim support with registered childcare costs through Tax-Free Childcare or Tax Credits, provided they meet all other eligibility criteria regarding working hours, pay and household circumstances. This change will be particularly helpful for families in Northern Ireland who, due to where they live or work, are considering using a registered childcare provider located in the Republic of Ireland. Previously, they would not have been entitled to any financial support.

29. This change applies only to childcare support through Tax-Free Childcare and the Childcare Element of Working Tax Credits. There is no equivalent change in legislation relating to Universal Credit.

[8] *The Tax Credits, Child Benefit and Childcare Payments (Miscellaneous Amendments) Regulations 2019 Statutory Instruments No. 364.* www.legislation.gov.uk/uksi/2019/364

30. Our recommendation is that similar provision be made within the legislation stipulating UC requirements to extend this change to relevant families who are in receipt of UC. Enabling families in Northern Ireland's border counties to claim up to 85% of their registered childcare costs should their provider be located in the Republic of Ireland could support parents to access employment and alleviate financial hardship. It is inequitable that this support is available through the Tax Credit system and not Universal Credit.

Concerns regarding migration to Universal Credit

31. Recently the UK Government decided to delay the UC managed migration process, until a pilot is carried out, allowing the Department for Work and Pensions (DWP) to put into practice a "test and learn" approach. While it is welcome that the Government is seeking to ensure the managed migration process is effective, the delay in putting a formal migration scheme into place will mean that a significant proportion of claimants will move to UC via natural migration. Current draft proposals fail to provide those claimants who move to UC due to a change of circumstance (via natural migration) with Transitional Protection (TP).

32. Where it is in their best interests to do so, claimants should be advised to remain on legacy benefits until they are required to transition onto UC via the managed migration process, which guarantees additional TP to minimise unnecessary hardship. Natural migration onto UC has particularly severe consequences for those who were in receipt of benefit premiums, which do not exist in UC. While we acknowledge and welcome the provision of legislative protection (and limited compensation) for those who are in receipt of a Severe Disability Premium (SDP), the same protection does not exist for those entitled to an Enhanced Disability Premium (EDP) or a Disability Premium.

33. Employers For Childcare is also concerned about the current proposals for managed migration given the onus on claimants to make a UC claim. This requires an entirely new, online claiming procedure that existing legacy claimants will not be familiar with. The stipulated timeframe for making a new claim (generally one month) is tight. The risk is that by not adhering to the proposed scheme, claimants will lose their TP. For some claimants, this will constitute a considerable drop in income and, for parents paying for childcare, this may increase their risk of incurring debt. We recommend the following:
    a. Claimants receive notification of their imminent managed migration. The notification should include an approximate calculation of the claimant's UC award and clearly highlight the amount of TP they may be entitled to receive.

b. All claimants are invited to attend a meeting with their Work Coach to make a claim. Where relevant, this should coincide with the claimant's regular 'signing on' requirements e.g. for JSA. A deadline applies for attending the meeting.
c. At the meeting, the UC Work Coach explains the managed migration process and TP. The UC Work Coach provides an accurate calculation of the UC and TP award. The UC Work Coach will consider whether any of the UC vulnerable persons measures – such as home visits – are appropriate. Where the claimant is ready to proceed, the Work Coach goes on to discuss the claimant commitment with the view to completing the UC claim. If the claimant is not ready to proceed, the Work Coach arranges a further meeting / deadline.
d. The UC assessment should run for the last month of the claimant's legacy benefit claim. This will ensure that the claimant receives their first UC payment no more than seven days after the legacy benefit is terminated. This will protect claimants from the risk of financial hardship during the first five weeks following making a claim: the National Audit Office notes that while payment timeliness has improved, one in five new claimants do not receive their full payment on time.[9]

34. With our proposal, the legacy benefit is *not* terminated until a UC claim is in place. This removes the risk of a claimant losing their TP. The Department should take all reasonable steps to encourage the claimant to participate in the process e.g. telephone reminders, warnings. If a claimant does not participate in the process then our preference would be that the Department considers sanctioning the claimant rather than terminating their legacy benefit. This could protect a claimant's TP but should only be a last resort.

Mitigations

35. Employers For Childcare is part of the Cliff Edge NI coalition. The coalition highlights the impact that the end of the existing mitigations package in Northern Ireland is likely to have on households here, and calls for an extension to the mitigation package. This will support households through the ongoing transition, and give time for a more comprehensive review of the issues highlighted in this response and by other respondents flagging fundamental issues with the UC system.

36. We are particularly concerned that there is a lack of awareness amongst claimants that the money they are currently receiving includes an additional amount that is part of the mitigations package. We are also concerned that claimants may not know

[9] National Audit Office, 'Rolling out Universal Credit' (2018 para. 11. Accessible here: https://www.nao.org.uk/wp-content/uploads/2018/06/Rolling-out-Universal-Credit.pdf para 11)

the amount of money they receive will be less when the mitigation package ends. Given the financial vulnerability of many families in Northern Ireland (details above), this could result in those families finding themselves in financial hardship.

37. On a regular basis, our advisors are speaking with families who will be impacted negatively when the mitigations end. Examples are provided in **case studies 8 and 9**. These are not just financial, but can also be seen in terms of the emotional and mental well-being of vulnerable individuals.

38. The latest data shows that 370,000 people in Northern Ireland live in poverty. Poverty is highest among families with children and the group with the highest poverty throughout the last decade is lone parents (40% in 2013/16).[10]

39. The Northern Ireland Commissioner for Children and Young People (NICCY) said recently: "The number of children trapped in poverty here will increase due to changes to social security benefits, we are far from eradicating child poverty in Northern Ireland, and quite frankly we are taking backward steps."[11] There are 444,000 children in Northern Ireland, 103,400 of these children live in poverty. The majority (61%) live in households with at least one parent who is working.[12]

[10] Poverty in Northern Ireland 2018, Helen Barnard, JRF, February 2018 https://www.jrf.org.uk/report/poverty-northern-ireland2018?gclid=CjwKCAiAv9riBRANEiwA9Dqv1b2ErfnV6wil54LGcQDqQFbkng4nKtsLzcXiIBuLulshawv_Dw1_xoCK34QAvD_BwE

[11] https://www.niccy.org/about-us/news/latest-news/2018/october/18/1-in-4-children-in-northern-ireland-trapped-in-poverty-welfare-reform-roll-out-must-stop-says-children-s-commissioner/

[12] Child Poverty Briefing, NICCY, October 2017 https://www.niccy.org/media/2904/niccy-child-poverty-briefing-october-2017.pdf

Appendix: Employers For Childcare case studies

These case studies reflect actual clients of Employers For Childcare's Family Benefits Advice Service, although names have been changed to maintain anonymity. All case studies are from Northern Ireland.

Case Study 1: Incurring registered childcare costs

Bob and Alex have 3 children, Bob works full time, Alex is not currently working, and they are in receipt of Universal Credit of £79.33 per week. Alex has been out of work for some time while the children were small, and is considering returning to work part time, working 16 hours earning £131.36 per week. To facilitate Alex working they are considering using registered childcare at a cost of £110 per week. Bob and Alex are aware that they will receive 85% of their childcare costs through the Childcare Element of Universal Credit.

In order to receive help with childcare costs through Universal Credit Bob and Alex must first pay the childcare provider in advance of using the childcare, and then provide proof of payment to Universal Credit through either taking the physical copies to the Jobs and Benefits Office, or uploading a scanned copy to their online Universal Credit journal. They will not start to receive the reimbursement of their childcare costs until at least a month after they have started to pay for the childcare place.

Impact: Bob and Alex cannot afford to pay for at least a month's childcare up front when they will not receive any help towards these costs for at least another month. This means that choosing to start work actually puts them into financial hardship. The way that Universal Credit treats registered childcare costs is a barrier to Alex moving into work.

Case Study 2: Treatment of Maternity Allowance on Universal Credit

Elaine is single and over the age of 25. She is pregnant with her first child and due to go on maternity leave shortly. Elaine is working but due to having changed job, unfortunately she does not meet the criteria for Statutory Maternity Pay (SMP) and has to apply for Maternity Allowance of £145.18 a week.

Maternity Allowance is treated as unearned income and is taken into account in full for Universal Credit. Elaine's entitlement to Universal Credit whilst on maternity allowance is therefore zero compared to someone on SMP who would get £108 a week in addition to their Statutory Maternity pay once the baby is born.

Elaine is a homeowner with a mortgage to pay so will cause her severe financial difficulties during her maternity leave. A zero Universal Credit entitlement also means Elaine is not entitled to the Sure Start Maternity Grant of £500.

Impact: Due to the treatment of Maternity Allowance under Universal Credit, this financially vulnerable claimant is losing out on an additional £108 in support per week, plus a one off payment of £500 designed to help with the cost of a new baby. This will not give Elaine's new baby the best start in life, and Elaine is concerned that she will have to take on debt in *order to meet her costs. Even though the Maternity Allowance is the same amount of money per week, unlike Statutory Maternity Pay, it is treated as unearned income and therefore no work allowance or taper is applied.*

Case study 3: Misinformation given by Jobs and Benefits Office (JBO) staff

Jeanine is a lone parent with two children, and was in receipt of Child Tax Credits and JSA. She approached our helpline having been advised by Jobs and Benefits Office (JBO) staff that she had to make an application for Universal Credit as she was moving on to 16 hours of work. Jeanine asked us to confirm that this advice was correct.

Employers For Childcare advised Jeanine that she could contact Tax Credits to add the Working Tax Credit element to her existing claim and also contact the Housing Benefits team who would not close her claim as a result of her move into work but rather financially assess her existing claim.

Impact: Jeanine was not required to claim Universal Credit, and could instead remain in receipt of Tax Credits. Had Jeanine followed the advice of the JBO staff she would have been financially worse off and faced a barrier to entering work, due to having to pay for childcare up front before claiming support retrospectively. This could have prevented Jeanine from moving into work.

Case study 4: Misinformation given by JBO staff

Gavin and Julie have one young child and were previously in receipt of Tax Credits. Julie was made redundant from her job, however Gavin continues to work full time. Julie was advised by JBO staff that, as she had lost her job, she could no longer claim Tax Credits and that she and Gavin would have to make a couple's claim for Universal Credit, which they did.

This advice was incorrect. Employers For Childcare advised Julie that the couple would not have lost their Tax Credits as a result of Julie losing her job, as Gavin was still working full time. Therefore, the couple was still eligible for Working Tax Credits.

Impact: Julie and Gavin could have provided a revised current year estimate for the tax year which would have increased their Tax Credits for the remainder of that year, while Julie looked for a new job. Instead, the couple are now on Universal Credit and stand to lose out financially as a result.

Case study 5: Misinformation given by JBO staff

Jane and Paul recently had a second child and added their new baby to their existing Tax Credit claim. Tragically, their baby died shortly after this. Jane was advised by the JBO staff that, as a result of this change in circumstances, she and Paul had to claim Universal Credit which they did.

This advice was incorrect. Had Jane contacted HMRC, their Tax Credits claim would not been closed and they would have simply amended the number of children on their existing claim as a result of the death of their child.

Impact: Jane and Paul had significant issues with their Universal Credit application which added stress and anxiety to a very difficult and traumatic time, and were upset to learn that this was unnecessary and they could have remained on Tax Credits.

Case study 6: Misinformation given by JBO staff

Kate and Ryan had one child, before Kate recently gave birth to twins. The couple were already in receipt of Tax credits with one child and advised Tax Credits of the birth of their twins. They were advised by HMRC that they could claim for all three children due to multiple birth rules.

Kate went in to her local JBO and explained that she had done this. The staff member initially agreed that she was fine to continue on Tax Credits however a JBO Manager then changed this and said Kate must claim Universal Credit. Kate felt she was coerced into making an online claim there and then before she left the building despite her insistence that she was already on Tax Credits. Due to feeling under pressure Kate made the application for Universal Credit online in the office and this resulted in the immediate closure of her Tax Credits.

This advice was incorrect. Employers For Childcare advised that Kate and her family could have remained on Tax Credits and should not have been advised to make a new claim for Universal Credit.

Impact: Kate and Ryan have unnecessarily moved to Universal Credit, and Kate is concerned about the financial impact that this will have on the family and how she will receive support for her childcare costs when she goes back to work.

Case Study 7: Universal Credit Helpline

Anne is on Universal Credit. Anne has one child of her own but is also acting as a Kinship Carer for her sister's child who has was removed by Social Services from that household.

Anne is in the process of going through the courts system to obtain a Residency Order for her sister's child is currently in receipt of a Kinship Payment from the Trust to cover additional living costs associated with her sister's child. Anne knows that this payment is ignored for Universal Credit purposes.

Anne is currently on sick leave in order to help the child settle in and start a new routine, this is a highly stressful time for Anne. However, Anne is also starting to think about getting back to work but is confused about who is going to help cover the costs of childcare. No one has been able to give her a definitive answer and this is causing her a lot of additional stress.

Anne called the Universal Credit helpline for further advice. The Universal Credit helpline did not know the answer and simply suggested she pay for the childcare, submit a receipt and then see if she was entitled.

Further research carried out by the Family Benefits Advice Service confirmed that as the child she was a Kinship Carer for was still deemed a 'looked after' child by the Trust, Anne was not eligible for help with childcare costs through Universal Credit.

Impact: Without this further insight, Anne would have faced a large bill for childcare for which she would not have received any financial help, causing immense strain at an already excruciatingly stressful time.

Case Study 8: Bedroom Tax and Universal Credit

Agnieska is single and over the age of 25. She has a sixteen year old son and a fifteen year old daughter that live with her. Agnieska is working sixteen hours a week and earning £6,831 per annum. She lives in a three bedroom Housing Executive house, paying rent of £100 per week.

Agnieska's son has decided to move in with his dad so will be coming off Agnieska's benefits claims. He will still stay with her two to three nights a week. Her child benefit will reduce by £13.70 per week. Her Universal Credit will reduce by £67.46 per week as she will lose a Child Element as well as 14% of her Housing Costs Element. She will, however, be entitled to £14 per week in mitigation payment to cover the loss in her Housing Costs Element.

From April 2020 Agnieska will lose her mitigation payment of £14 per week.

Impact: This financially vulnerable claimant is initially losing out on £67.16 in Universal Credit support per week. She will still need to occupy the three bedroom house her children grew up in so that her son can stay over during the week. She will therefore be impacted by a further £14 per week loss in benefits when her mitigation payments stop.

Case Study 9: Benefit cap

Charlotte is a single mother to four young children and is in receipt of benefits. She left her physically abusive partner a couple of years ago and lives in a private rented property. Charlotte was able to make one of the last claims for Income Support before Universal Credit was rolled out in her area. She is aware that due to changes brought in through welfare reform there is a Benefits Cap applied to her benefits, but due to mitigation payments in place she is not suffering any financial loss at this stage. In total the amount of benefit income sustaining the household is £24,311.56 per year.

Impact: Charlotte is extremely stressed and concerned as she is barely managing financially as it is and is fearful as to how she will cope once mitigation payments cease and her benefit income is reduced to £20,000 per year, a reduction of almost £83 per week. Charlotte is fearful that she will be in dire financial need and not be able to cope emotionally or financially.