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New family finances survey shows Autumn statement needs to protect struggling families and those near tipping point, say Scottish charities

Single parents and families living in deprived areas are feeling the pinch, suffering financially related stress and cutting back on food, heating and children's clothes, according to a **new study** which puts family finances across Scotland under the microscope.

And those families that are struggling, as well as ones who are maybe just getting by, face being thrown even deeper into crisis if they and their children aren't protected from possible further cuts to their incomes in this week's Autumn Statement.

That's the call from leading Scottish charities working with families and children, as they release their analysis of a new Ipsos MORI poll of 1,000 Scottish families. The poll shows that while many are getting by post-recession, some are only just making ends meet, and others are struggling with stress, anxiety, and having to make cut-backs to family essentials.

Parenting across Scotland, an umbrella body for a number of high profile charities released its report ahead of the upcoming budget, calling for 'efforts to combat poverty' to be concentrated on families 'in the red' and already struggling and those ' in between' who are currently only just managing.

The new survey, **In the pink? In the red? Or in between?**, paints a picture of a Scotland divided by clear financial lines but warns that further benefit cuts could cause fractures to families currently only just getting by and plunge those struggling even further into the 'red'.

The report, which will be presented to MSPs and invited guests at the Scottish Parliament on December 2, highlights the already perilous state of family finances in Scotland and warns of the expected impact of tax credit cuts on parents and children, calling for changes to be minimised for those whose wallets are already threadbare.

Parenting across Scotland partners are: Children 1st; Aberlour; Capability Scotland; Children in Scotland; Families Outside; One Parent Families Scotland; Relationships Scotland; Scottish Adoption; The Spark.

Clare Simpson, Project Manager, Parenting across Scotland, said: "Scotland is split between those families which are managing, those just getting by and those already struggling. In many cases it can be just one step to financial poverty and those just getting by, those 'in between', can easily be tipped into the red, for example, by job losses, sickness, family break-up, or benefit changes.

"We know from our report that single parents, those living in deprived areas and people with a disability are already struggling and proposed benefit changes will throw many of them over the edge, leaving some with a choice of heating or eating. Around half of all parents questioned said they had been less able to put money aside or save for the future so have nothing to fall back on in tough times.

"Families have been told they should work to get out of poverty. And yet, our survey shows that, for too many parents, working does not mean escaping poverty. For many, tax credits have provided some protection against falling into poverty, and now it looks like even that option may be withdrawn. It seems that, no matter how hard families try to do the best for their children, they just cannot win.

"We urge Westminster and Holyrood governments to make sure that efforts to combat poverty focus on those who are already struggling as well as on those 'in between' who, through no fault of their own, may be thrown into the red by even the smallest change."

She added: Our report highlights the impact of family finances on parents' stress levels, work-life balance and relationships impacts on children. We know that spending time with children is fundamentally important and one in three parents said changes to financial circumstances meant they had less time to spend with their children. Couple this with parents being affected by cuts to local services, like libraries, and having less money to spend on toys and clothes and we face a generation of children affected by financial instability and harsh government cuts."

Some headlines from the report:

- More than one in three parents reported increased stress and anxiety as a result of changes in their financial circumstances.
- Around one in three parents said changes to financial circumstances meant they spent less time with their children (compared to this time last year).
- Around one in five parents said changes in financial circumstances were adversely affecting their health, or causing relationship problems with their parents, family or friends.
- A third of parents are finding it more difficult to pay their household bills.
- Almost two thirds of parents are paying more for food.
- Half are paying more for their fuel bills.
- A third had to cut back on food shopping. This particularly affected single parents, with around half having to cut back on food shopping. In addition, two in five single parents had to cut back on children's clothes, compared to around one in seven of those living with a partner.
- Around a quarter had to cut back on gas and electricity.
- Around half of parents said they had reduced the amount of money that they were able to put aside or save for the future.
- Around one in seven parents said they had fallen into debt.

- Most working parents received around the same as, or more than, the 'living wage' of £7.85 per house but over one in ten received less than that.
- Around a quarter of all parents said they were affected by cuts to benefits (such as tax credits).
- Around one in ten working parents said they had been affected by employers imposing reduced hours.

Anyone struggling can access advice from Parenting across Scotland website. <u>http://www.parentingacrossscotland.org/</u>

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Notes to editors

Parenting across Scotland (PAS) commissioned Ipsos MORI to survey Scottish parents about experiences of parenting and raising a family. The research followed similar surveys conducted in 2004, 2007, 2008 and 2010. The survey is based on a representative sample drawn from respondents to the Scottish Household Survey (SHS) which describes the composition, characteristics, attitudes and behaviour of Scottish households and individuals. 1,000 parents with children aged 0 to 16 took part in the survey which ran between 11 August and 10 September 2015.

The findings from the report will be presented at a special reception at the Scottish Parliament on Wednesday December 2, from 6-8pm. To register your interest in attending, email <u>Alison.Clancy@children1st.org.uk</u>