

Hammond needs British families to go deeper into debt to meet his own targets – John McDonnell

Labour analysis reveals that Philip Hammond is relying on British families to borrow hundreds of billions of pounds extra by 2022. The Chancellor is also relying on households to go into deficit by over £5 billion so he can meet his own growth targets.

Buried in the detail of forecasts in last month's Budget is the news that UK households have moved from a total annual surplus of £85.7 billion in 2010 to a £2.8 billion deficit this year (2017).

And borrowing is set to rise even further, hitting £5.5 billion by the end of the Parliament (2022).

Furthermore, according to the OBR UK households are set to borrow £445 billion by end of this Parliament.

There are worrying signs this could mean more people getting into financial trouble. The Office for Budget Responsibility is forecasting household debt to income ratios to reach 150 per cent in 2022. That is close to the levels just before the financial crisis.

The latest ONS figures published this month also reveal that the household saving ratio has fallen to 5.5% – the lowest third quarter level since Q3 1971. Furthermore, the debt-to-income ratio was at 138%. This is the highest Q3 level in 5 years since Q3 2012.

John McDonnell MP, Labour's Shadow Chancellor, said:

“Rather than set out a proper investment plan for our country, the Chancellor is relying on millions of British families going further into debt to hit his own targets.

“Philip Hammond should be

seeking to rebalance the economy away from an over-reliance on borrowing and debt, and seriously tackle the cost of living crisis as wages fail to keep up with prices.

“The next Labour government will introduce a £10 per hour real living wage and build a high wage, high skill economy for the many not the few.”

“New Year’s lifeline” for children of alcoholics a victory for campaigners – Jonathan Ashworth

The Shadow Health Secretary, Jonathan Ashworth, says the Government’s response to his calls to support the children of alcoholics is a victory for campaigners, but warns it must be backed up by real action.

In response to the Department of Health’s announcement, Mr Ashworth said:

“Since I spoke out in Parliament about my own experiences of growing up with an alcoholic father, I have been inundated with messages from people who suffered the same blight on their childhood, and want to help children facing the same fate today.

“Growing up with an alcoholic parent can not only deprive children of the care and protection needed at home, but often robs them of the childhood they deserved. As I know, it can often mean we grow up having to fend for ourselves, and look after those who should have been looking after us.

“Spending time with those parents over Christmas was always especially hard, because what were such happy days for all our schoolmates always turned into an ordeal for us. For many children of alcoholics this Christmas any spare money would not have been spent on presents or decorations or a special meal, but – as always – on booze.

“So I am glad that the government has chosen this time of year to announce a commitment to a new strategy to help the children of alcoholics. It could literally be a New Year’s lifeline for thousands of children currently experiencing what I and so many others have gone through before.

“It is a victory for the campaigners and charities who have helped thousands of children over many years cope with a parent with a drink problem, especially NACOA, with whom I have worked closely over the past year and who do amazing work helping some of the most vulnerable children.

"It is also a victory for all those other parliamentarians in the All Party Group for Children of Alcoholics, including Liam Byrne and Caroline Flint, who have spoken out so movingly and bravely about their own personal circumstances growing up with an alcoholic parent.

"Over the coming weeks and months, we will all watch closely to ensure the government delivers on this pledge. In particular, after cutting over £40 million from alcohol and drug addiction services last year, we will press them to properly fund the help and support that addicts of all forms need.

"And finally, it is a victory for all those people who have been in touch with me since I spoke out about my own experiences, and were willing to share theirs. Their stories broke my heart a thousand times over, and in each of them, I recognised an episode of my own.

"But what I shared above all with each one of them was that desperate desire to ensure that no child suffering the same fate today is left as bereft of help, support and hope as we were back then. And if this announcement can be the start of making that happen, we will all feel a great relief."

The Royal Borough of Kensington and Chelsea Council have once again failed those that they have a duty to support – Andrew Gwynne

Andrew Gwynne MP, Shadow Secretary of State for Communities and Local Government, commenting on households left homeless by the Grenfell disaster not receiving promised Christmas relief payments said:

"It is unacceptable that so many families from Grenfell have had to spend Christmas in emergency accommodation, and because of a council error may have been unable to afford to buy food.

"The Government gave assurances that the Royal Borough of Kensington and Chelsea Council were up to the task of supporting Grenfell survivors, but during the Christmas period they have once again failed those that they have a duty to support.

"Sajid Javid needs to immediately ensure that all residents are getting the support they need, and needs to undertake an immediate review into the council's corporate governance with a view to sending in commissioners to take control of the council if necessary."

Half of children's intensive care units dangerously full as Labour warns of New Year slump in care – Ashworth

Labour's new analysis of the latest weekly winter data released today by NHS England reveals that half of England's paediatric intensive care units were over 85% full last week.

In the period 18th December to 24th December, over one third of England's children's care units were 100% full, with not a single spare bed.

Labour's analysis further reveals:

- On Christmas Eve, one third of children's care units were running at dangerously high levels.
- On 19th December, the worst day last week, 55% of paediatric intensive care units were running at over 85% capacity, and 47% were 100% full, with not a single spare bed.

Responding to Labour's analysis of occupancy rates in children's care units, Jonathan Ashworth MP, Labour's Shadow

Health Secretary, said:

"Despite the very best efforts of our brilliant NHS staff, our findings today reveal a distressing picture of the unprecedented pressures on paediatric intensive care units across the country.

"To run a children's care unit above 85% occupancy places patient safety at significant risk and is an entirely intolerable situation.

"With the New Year fast approaching and demand likely to further increase, the Government must urgently explain in the New Year how they will avoid another appalling slump in care this winter."

Councils forced to spend valuable resources tackling effects of Universal Credit

Councils across the country are being forced to spend their own resources tackling the effects of Universal Credit and preparing for its roll out.

FOI requests submitted by Labour reveal Councils are committing funds towards offsetting and preparing for the impact of Universal Credit over and above Discretionary Housing Payments provided by the Department for Work and Pensions.

The data shows some Councils are having to provide additional rent arrears support and increase staffing as well as working with their local food banks and Citizens Advice to offset the impact of Universal Credit.

Newcastle City Council is spending nearly £400,000 of its own resources supporting UC claimants, almost a quarter of which comes from additional rent arrears support. That's because the non-collection of rent purely as a result of UC is over £1.2 million across a tenancy base of just 27,000.

In London, Tower Hamlets Council has set aside £5 million over three years to help those affected by Universal Credit and are suffering hardship while Barking and Dagenham is budgeting £50,000 to support UC claimants from January 2018.

Examples of Councils needing, and preparing, to commit resources to offset the impact of Universal Credit (UC) include:

.

Bath and

North East Somerset Council plans to spend its allocation of Discretionary Housing Payments. So far in 2017, nearly three quarters of its DHP spend has gone to supporting claimants in receipt of UC.

.

Bolton

Council has a £750,000 Local Welfare Provision Scheme and a ring-fenced budget of £1.5 million over a five year

period to tackle poverty.

.

Bournemouth

Borough Council has recently commissioned a £10,000 annual service from the Citizen's Advice Bureaux to provide 2 days a week drop-in to help those people either claiming UC for the first time or who are experiencing problems with applying.

.

Brent

Council is anticipating "additional demands on a number of Council departments" from the introduction of UC.

.

Cheshire

West and Chester Council is spending more than £500,000 this year and next on additional staffing. It also has a budget of £60,000 for Discretionary Hardship Payments.

.

City of

Wolverhampton Council expects demand for Discretionary Housing Payments to increase following the expansion of UC during December.

.

Cornwall

Council is predicting an increase in the number of people needing personal budget support for UC from 37 in December 2017 to 191 in March 2018, a rise of 416%.

.

Dudley

Metropolitan Borough Council has increased staffing in its Income Management Team by £500,000 in the last three years to manage the impact of UC and other welfare reforms.

.

Gateshead

Housing Company, which manages Gateshead Council's housing stock, is planning to spend an estimated £90,000 in 2017/18 and £270,000 in 2018/19 on additional staffing to support Universal Credit claimants and help prevent rent arrears.

.

Halton

Borough Council has spent over £13,000 supporting UC claimants who have experienced delays receiving their first UC payment and those having budgeting issues.

.

Haringey

Council has a fund of up to £900,000 to support families affected by welfare reform.

.

Lambeth

Council is spending £775,000 providing advice to residents about social security, debt and money issues. Lambeth Housing are spending £87,000 to provide a supportive service for tenants impacted by welfare reform.

.

Liverpool

City Council has spent £175,000 from its Local Welfare Provision Scheme for customers in receipt of UC.

.

London

Borough of Barking and Dagenham

is budgeting £50,000 to support UC claimants from January 2018.

.

London

Borough of Bexley is spending £200,000 on homeless prevention work, including preventing evictions for rent arrears.

.

Newcastle

City Council is spending over £390,000 of its own resources to support UC claimants. That includes £88,000 in rent arrears support as to date the non-collection of rent purely as a result of UC is over £1.2 million across a tenancy base of just 27,000.

.

Royal

Borough of Kingston Council is

setting aside £181,000 as “bad debt provision in anticipation of the potential increase in the number and value of bad debt write offs”.

.

Sheffield

City Council is holding workshops to prepare for the full roll out of UC. The Council is working on the “understanding from other authorities who have already gone through full roll-out of UC [...] that rent arrears double when tenants move onto UC.”

.

Shropshire

Council has spent over £20,000 supporting local foodbanks to “diversify the type of help they are able to give specifically to suit Universal Credit.”

.

Sunderland

City Council is using resources from a £250,000 Local Welfare Provision Scheme to support residents claiming UC.

.

Telford

& Wrekin Council is using resources from its Welfare Crisis Assistance Scheme to prevent tenants from being evicted due to rent arrears caused by UC.

.

Tower

Hamlets Council has allocated £5 million over three years “to help those affected by Universal Credit and are suffering hardship”.

.

Wakefield

Council has used a further £2,000 from their Local Welfare Provision to support UC claimants.

.

Warrington

Borough Council has spent £6,500 in Local Welfare Support payments supporting UC claimants.

.

Waltham

Forest Council has arranged staff training on UC and is planning a £17,000 6-month project management resource to help prepare for the introduction of UC. It is also hosting a seminar on how UC will change the way staff need to work, the cost of which is £1,700.

.

Wirral

Council is contributing nearly £300,000 to a budget for Discretionary Housing Payments for applicants who receive Housing Benefit or housing costs within UC.

Margaret

Greenwood MP, Labour’s Shadow Minister for Employment, said:

“Universal Credit is causing misery and hardship for thousands of families this Christmas, and Councils are being expected to pick up the pieces.

"It's clear Councils are committing their own valuable resources from already-stretched budgets to offset the impact of Universal Credit and to prepare for the damage its roll out could cause.

"This is yet more evidence that the Government should immediately pause the roll out of Universal Credit so its fundamental flaws can be fixed."