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Newsletter

June 13th, 2018

The urgent need for a UK poverty strategy

By Graham Whitham

In 2008 the UK was experiencing falling poverty rates, the number of people sleeping rough was less than half of what it is today and those of us who had heard of food banks thought of them as an American not a British phenomenon.

If someone had said ten years ago that in 2018 the <u>UK's unemployment rate</u> would be at a 42-year low and that the proportion of workers in <u>low paying jobs</u> would be at its lowest level since 1982, we might have been forgiven for thinking the country was well on its way to meeting the target to reduce the proportion of <u>children experiencing relative poverty to less than 10% by 2020</u>. Instead that

target, and complementary targets set out in 2010 Child Poverty Act, have been scrapped and an extra one million children are expected to fall into poverty in the next few years.



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The lack of a central government anti-poverty strategy means that policies are introduced without their impact on poverty rates being considered. Opportunities to meaningfully address poverty through recent positive measures, such as extra investment in childcare or increases in the minimum wage are missed as other policies, such as cuts to benefits, actively work against them. The lack of a strategy has meant the UK has completely missed the opportunity to harness positive labour market developments. Jobs growth and reductions in the number of people in low-paying work should have resulted in falls in poverty and increases in living standards.

This isn't just about headline rates of poverty. Policymakers need to understand both the changes in levels of poverty and the risk of poverty among different groups of the population, if they are to develop, adapt and amend policies aimed at tackling the issue. The make-up of poverty has also changed considerably overtime. The risk of poverty for single-parent households, for example, has fluctuated over the last thirty years. Working households now make up a greater proportion of those people experiencing poverty compared to twenty years ago. Families with more than two children have always been at greater risk of poverty, but the <u>level of risk for those families is growing</u>.

Recent analysis published by Child Poverty Action Group has <u>identified a worrying trend as poverty in the UK</u> <u>becomes more entrenched</u>. Analysis of the 'poverty gap' shows that families in poverty are now living, on average, further below the poverty line than they did ten years ago. This development is highly concerning, with huge swathes of families at risk of being cut adrift way below the poverty line. It is also a significant shift, as the UK has tended to have relatively high levels of child poverty but a low 'poverty gap', with lots of families in poverty but with incomes just below the poverty threshold.



Graham Whitham

New experimental analysis by the ONS <u>looking at expenditure poverty (as opposed to income poverty</u>) further illuminates our understanding of the issue. There is an abundance of data and information about poverty – the UK is 'data rich' – but there isn't the necessary strategy in place nationally to respond to what this data tells us and to ensure policies drive down rather than drive up poverty.

Without a clear strategy capable of dealing with these developments, the UK's poverty crisis will only get worse and the cost of dealing with it in the future will only get greater.



Sarah's story

Sarah's medical conditions forced her to give up work. Now she is a disability activist and a champion for people with housing needs in Greater Manchester.

Sarah grew up in South Manchester, her mother was abusive and had mental health problems. "She would batter us, beat the devil out of us. Nobody tapped me on the shoulder, and said 'it's not you kid, it's her'. My dad was a battered husband for 20 years. He was hospitalised one time. Once, my mum locked him in the cellar for a week, didn't give him food, all he had was water. Dad worked in hospitality, Mum



didn't work, so we didn't have much money. We weren't starving poor, but only because Dad always used to divert the delivery van on the way to the restaurant – things would go missing on the way", Sarah laughs. "But it was the 70s. Everybody was dirt poor. So you couldn't really tell.

"When I turned 16, and I knew I was not legally required to live there anymore and be a punchbag. I packed my bag with my O-level books, and out I went, followed by my sister. We were homeless for a few months. First we spent a few nights in a greenhouse shed, in someone's back garden, of a house that was empty.

"Then we headed to Hulme, and told the Council, "we'll take anything you've got". Before that came through, we lived in the old Crescent squats. It was a hard, tough, awful, derelict place. And dangerous. There was a dark side to the Hulme Crescent squats because you were living outside the law, outside the rules, outside of protection. You took your chances. The squats were basically run by the gangs. They were the enforcers. There were murders. The police stopped policing it, it was a no-go zone. For squats in general, you might not pay rent, but it extracts a price. It takes something from your head. The lack of security. Being seen as beyond respectable, worthy society. The way people look at homeless people, with disdain.

"We were there for several months before we got a council flat, just up the road. It had dust falling from the ceiling, rotting walls, and holes in the windows. The heating didn't work, and there was mould everywhere – it was just as bad as the squats. But it was a start. And we were so poor we just lived on tins of spaghetti hoops.

It was cold, hard and hungry. I worked nights in a bakery, and then I started an early morning office cleaning job too. I was also trying to do my O levels. I didn't know at the time that I could have claimed child benefit for my sister. Nobody told me. There's so much I didn't know then, I suffered for not knowing"

"After a few months, my sister got pregnant and moved to north Manchester with her boyfriend. When she had her baby, I promised him that he would not suffer like we did, and he would have a better life. But I felt trapped, and I thought, "how am I going to do this?" At the age of 20 I stood on the balcony of my flat. I thought, I could jump, or I could fill out the PCAS form for polytechnic. I filled it in and applied for a degree in London, never in a million years expecting to be offered a place. And I got a letter back offering me a place to study Media and Cultural Studies, at what later became Westminster University.

"That was my escape and I grabbed it. I couldn't afford to enjoy London on my student loan, but anything was better than what I'd come from. I ended up in a grotty room in West Hampstead, for £35 a week. After my degree, I realised Manchester was my soul. So I came back, wanting to make things better. I loved cultural stuff, and I ended up doing ASDAMs (an award scheme a bit like Duke of Edinburgh) in Museums with young people. I loved it, realised that's what I wanted to do."

But then, about 8 years ago, Sarah started to become ill, bed-bound with severe pain and reduced mobility. After several years of tests Sarah was diagnosed with Hashimoto disease. "The insurance that I had through my trade union saved me from real poverty", she says. "It paid me the equivalent of benefits while the medical tests were ongoing. After my diagnosis, and given how seriously my condition had deteriorated, I was moved onto Personal Independence Payments.

"I started to stabilise, from being very badly ill and I wanted to re-evaluate my life, and be useful. Young people and housing, especially with my background, was something I've always been passionate about. I realised things hadn't improved since I had been in that position when I was young. Things had got worse. I met people from Unite the Union who were interested in campaigning. With the support of Unite and TUC, we decided we would set up an organisation to make policy changes in a devolved Greater Manchester."

Sarah's story concludes on the following page.

Sarah's Story continued

Sarah now does outreach with young people in squats across Greater Manchester, working to keep them off the streets. "Things have changed since the dangers of the old gang-filled Hulme squats, they are now better organised. They are viewed with prejudice, and ignored by most homeless organisations, but homeless squatters still deserve help."

"I'll fight for them like hell, because nobody came to rescue me when I was younger. I try to be the person who I wish had turned up when I was that age. To save others from the traumas I went through." "I am really proud of the work I do on housing with some awesome, super-committed activists. We see Section 106, the Council's own target for affordable housing of 20% in each development, being waived repeatedly, so we look at the big picture and make policy submissions. We want root and branch change, not just getting involved in a little bit of charity and giving people some sandwiches. We've developed a lot of good relationships with the media. I am most proud of the fact we are credible, and taken seriously."

Sarah asked us to keep her identity private, so this has been written under a different name.

Interview carried out by Peter Cruickshank for Greater Manchester Poverty Action's <u>Beyond Poverty report</u>

Good Mentor Hunting



Enriching young lives

The Mentoring Service at Bolton Lads and Girls Club has been matching adults and young people for well over 20 years. The young people who are referred to the Service are identified as particularly vulnerable – they could be living in care, have a chaotic home and family life, and often live in poverty. The Service matches volunteer adults with young people and they then meet once a week for a year in order to spend quality time together. The Mentors' primary function is to listen and support the young people, and very often find that their

young person will want help with a specific task; for instance, homework, tackling anxieties, anger issues or to become more confident. We get great results from our matches and find that the young people improve their self-confidence, self-expression and resilience. The Service aims to empower and equip young people with the skills and confidence they need to lead more positive and successful lives, and to ultimately help towards tackling the negative effects of the poverty in their lives.

Daniel and Paul have been taking part in the Mentor service for 18 months. Paul signed up to become a Mentor in 2016 to Daniel, 16, who has learning difficulties and lives in foster care. Paul tells us a bit about his story: "You offer an independent support to youngsters that doesn't report to schools, social workers, parents – it can be amazing how the relationship can flourish and grow. The fact that you are an unpaid volunteer is very important to these youngsters – the fact that you are there for them because you want to be ... not because you are paid to be is very significant. BLGC are desperate for mentors but particularly male mentors. So all you guys out there PLEASE give it some serious thought – its just a few hours a week but you can make a huge difference to a young person ...and really for doing nothing more than offering a pair of ears that are for your young person only."

If you are keen to donate your time to one of Bolton's vulnerable young people, please get in touch with <u>Gemma</u> today by email or call 01204 504111



Left: Mentor David Quilliam with Lewis

Right: Mentor Jackie Lord with Lincoln



Mentor Darren Knight with Corey





New scheme offers free central heating for local residents

500 homes across Greater Manchester will get a new central heating system fitted for free thanks to the Warm Homes Fund. The Greater Manchester Combined Authority has secured £1.8 million in grant money from a national pot of £150 million established by National Grid and administered by Affordable Warmth Solutions. It offers a helping hand to households in fuel poverty or vulnerable to the cold as modern central heating offers greater warmth and lower bills than old electric heaters or solid fuel fires.

To be eligible for the Warm Homes Fund scheme a household must:

✓ Qualify for one of the affordable warmth schemes in Greater Manchester (see below for details) and receive a home visit from a trained energy advisor

✓ Never have had central heating before (i.e. it currently has electric storage heaters, room heaters or open fires)

 \checkmark Live in a property that is suitable for the safe and economical installation and operation of a central heating system.

Both homeowners and tenants are eligible, subject to a landlord's permission.

The Warm Homes Fund covers the cost of everything that's required: the boiler, radiators, pipework and (where needed) a gas connection. Eligible households won't have to contribute anything towards the cost.

The affordable warmth visit will also provide advice on saving energy, switching energy tariffs, install small energy saving measures and identify any other opportunities for a household to reduce their bills, such as insulation and income maximisation. The scheme is being managed by AgilityEco on behalf of the Greater Manchester authorities. The systems are being installed by Engie, formerly Keepmoat Regeneration.

How to apply

To apply for yourself or for someone else please contact the relevant affordable warmth scheme for your area. They will arrange a home visit and check whether you are eligible for the Warm Homes Fund. The contact details are as follows:

Bolton: Bolton Care 01204 328178 website Wigan: Awarm Plus 01942 23936 website

Oldham: Warm Homes Oldham 0800 019 1084 website All other areas: LEAP 0800 0607567 website

If you are an organisation or landlord and would like more information about how the scheme can benefit your clients or tenants, please contact James Sommerville



endition has welcomed the Financial Cond Authority's announcement that it will consider a cap on the total cost of goods bought through rent-to-own. The End Child Poverty coalition has welcomed the Financial Conduct

Anna Feuchtwang, Chair of End Child Poverty and Chief Executive of the National Children's Bureau, said "We welcome the FCA's announcement. It is the poorest families that pay the highest prices for essential household items. By considering a cap on the total cost of rent-to-own goods, the FCA has recognised the need to protect households who incur real financial hardship simply through purchasing essential items such as fridges.

"As child poverty increases across the UK it is imperative that regulators and businesses play their part to ensure families are not forced to service high levels of debt at the expense of putting food on the table, or heating their home and we urge the FCA, at the end of their consultation, to impose a cap."

The End Child Poverty coalition is calling for a cap of not more than double the total cost of rent-to-own goods and welcomes the move to consider banning the sale of warranties at the time of purchase. In their report *Feeling the* Pinch: Furnishing your home with rent-to-own published in November 2017, the coalition found that rent-to-own customers have the lowest incomes of all high-cost credit customers and are likely to be in arrears for other households bills. Unable to afford to buy goods outright, low income households often have little choice than to buy essential goods through rent-to-own.

The rise in families turning to high-cost credit has come as the Government has frozen children's benefits. End Child Poverty is calling on the Government to end the freeze and create a single interest free fund for anyone eligible for Universal Credit so that low income families can access an alternative to high-cost credit.

GMPA is a member of End Child Poverty.

gm living wage campaign

At the GM Living Wage Campaign meeting, on the 14th of March, attendees provided the information we needed to set out our objectives and associated intended outcomes and impacts for 2018-2019. However, this has led to more discussions about our year ahead. Including how we contribute to the changing

Greater Manchester (GM) landscape of employment, work, wages and poverty. Included in this is the GM Good Employment Charter, which is likely to include a call to pay the real living wage, once live.

The changing GM context provides us with an opportunity to review how we work together, including:

- How we all get involved in a range of campaigns.
- How we contribute to increasing the number of GM employers applying, to the Living Wage Foundation, for accreditation

All of this will be discussed at the Campaign Group meeting on the 13th of June. I will then be sharing the results, of this discussion, in the next Newsletter at the end of June.

In the meantime you can contact Lynn by email or call 07948 549 485.

Forthcoming Events:

Manchester Day

on Sunday June 17th 2018 all day across the city centre

An annual event that celebrates everything great about the city. It is a day for families, residents and visitors to get together and celebrate all things Mancunian <u>More information</u>

Health and Social Care: Carers and the VCSE sector

on Wednesday June 20th, 2018 from 10am - 12.30pm at St Thomas Centre, Ardwick Green North, Manchester M12 6FZ

This Assembly meeting will enable the wider VCSE sector to find out more about the work going on across GM with regard to Carers. It will build on the GM Carers Charter and provide a strategic update. There will be examples of good practice and an opportunity for attendees to feed into a discussion on issues related to Carers and the commitments set out in the GM Carers Charter. <u>More information and book</u>

Welfare Conditionality: Sanctions, Support and

Behaviour Change <u>SHUSU, University of Salford</u> Wednesday July 18th, 2018 from 1 - 4pm at The Old Fire Station, The University of Salford, M5 4WT

This project has created an international and interdisciplinary focal point for research on welfare conditionality, providing a new and wide-ranging evidence base on the impact and ethicality of welfare conditionality across a range of policy areas. This event provides an opportunity to discuss the research findings and how they can feed into the work and welfare agenda across GM. More info and book

Do you have any events that you'd like GMPA to publicise? Please <u>Email us</u> with the details.

The Charity Tax Commission is investigating whether charitable tax reliefs could be used more strategically to produce better outcomes for beneficiaries. This is a chance to influence the commission's recommendations before it is too late. Please come to this event and have your say.

Tuesday July 3rd, 2018 from 2 - 4 pm at St Thomas Centre, Ardwick Green North, Manchester M12 6FZ

Tax reliefs for charities are estimated to be worth £3.77bn a year, eg business rates relief, Gift Aid and VAT relief. But are the right charities benefiting? The Commission is investigating whether charitable tax reliefs could be used more strategically to produce better outcomes and wants to explore bold ideas for reform. Commissioners will be attending. The event is held in partnership with NCVO.

More Info & Book

For more information about Greater Manchester Poverty Action please visit our <u>website</u>, follow us on <u>Twitter</u> or visit our <u>Facebook</u> page.

We want to find new ways of working together, share the network's successes and provide a voice for the people living in poverty in our region but we can only do this with your help and support.

Copies of previous newsletters are available on our <u>website</u> If you would like to submit an article for inclusion in a newsletter please <u>get in touch</u>

For more information please contact us by <u>email</u> or call 07419 774537 and we will reply as soon as possible.

NB GMPA does not have full-time dedicated administrative support so please do not expect an immediate response.



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