

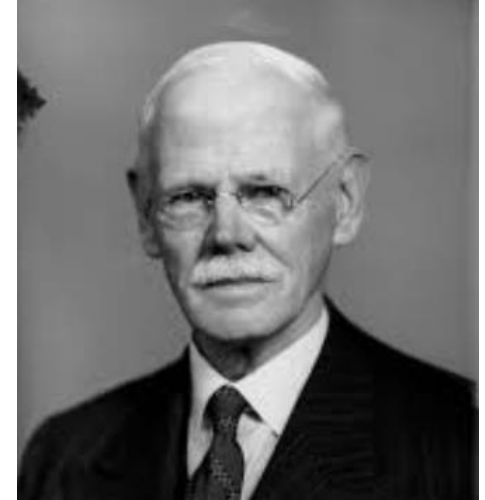
Poverty in the UK – Disability during the pandemic

What is it, who is most at risk and how can we solve it

David Leese, Joseph Rowntree Foundation – 14th December 2020

An organisation that has been fighting poverty for over 100 years

- The Joseph Rowntree Foundation is an independent social change organisation working to solve UK poverty
- Established in 1904 by Joseph Rowntree to provide housing in communities and to understand the root causes of social problems



The relationship between health and poverty - People on low incomes have worse health outcomes on average than those on higher incomes.

- People living in the most deprived areas of the country are more likely to attend accident and emergency departments.¹
- They are more likely to die young from conditions such as cardiovascular and respiratory disease.²
- Rates of suicide are considerably higher in less well-off areas.³
- Prevalence of emotional disorders, such as anxiety and depression is almost twice as high in children living in households in receipt of low-income benefits and almost three times as high for children living in household with a disability.⁴

1. <https://digital.nhs.uk/data-and-information/publications/statistical/hospital-accident--emergency-activity/2017-18>

2. https://connect.healthdatainsight.org.uk/health_inequalities/segment_tool/

3. ONS

4. Mental Health of Children and Young People in England, 2017

How do we define JRF define poverty

- “Poverty is when your material resources are well below the cost of meeting your basic needs, including social participation”
 - Resources (income)
 - Costs (housing, disability, childcare)
 - Participation (social norms)

What does it feel like to be in poverty?

- Themes we hear over and over again...
 - Stressful, constant difficult decisions about money need to be made
 - Stigmatised, and feeling judged by others
 - Trapped by lack of choices

Poverty rates for all people by disability in the family

Source: JRF analysis of Households Below Average Income



Disability and poverty prior to the pandemic

People with a disability face a higher risk of living in poverty

- 32% for those using the core definition
- 41% for those who are in receipt of disability benefits

Half of all people in poverty either have a disability themselves or live with someone who does

Why do we need social security?

Markets on their own cannot prevent people being swept into poverty

Markets don't provide adequate income or affordable costs for all

- Unemployment/ underemployment
- Some people unable to work full-time or at all due to health, disability or caring responsibilities (temporary or permanent)
- Unexpected life events or shocks to income/costs
- Housing or other markets not working well



INCOME REPLACEMENT / TOP-UP / COST REDUCTION BENEFITS, CRISIS SUPPORT, EMPLOYMENT SUPPORT

Market wages cannot be set differently dependent on need

- Extra costs of children or a disability mean people need different levels of income
- But labour market does not set wages differently depending on circumstances



ADDITIONAL COST BENEFITS

Markets can make it difficult to save and plan for the future

- Saving and planning for the future, even for big expected events, is difficult for everyone - but particularly if you never have any spare money
- It can be difficult for the private market to provide adequate cover for all



LIFE COURSE BENEFITS

Experiences of people with disabilities throughout the pandemic

More likely to have seen a fall income - (25% vs 12%)

Increase costs

- Difficulties accessing groceries, and a real issue around digital exclusion.
- Increased care needs due to closure of services

Labour market impacts

- Increased caring responsibilities for carers (due to closure of services), means many are cutting hours or losing jobs altogether

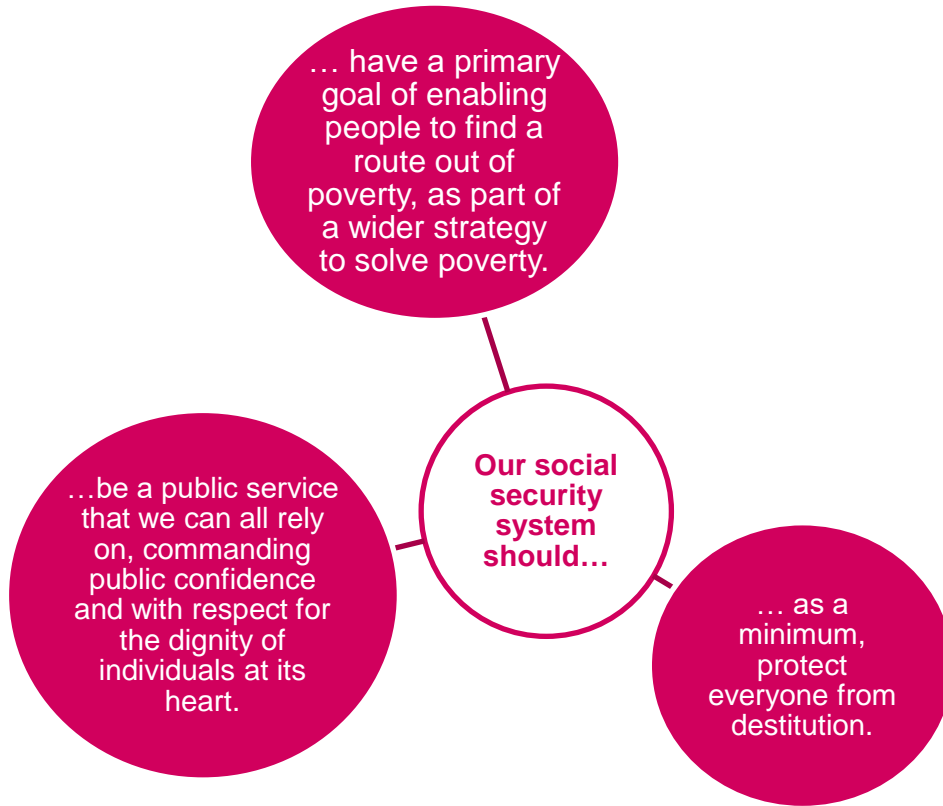
Many people in receipt of disability benefits remain on Legacy benefits and were therefore excluded from the £20 uplift to Universal Credit #keepthelifeline

In May 2020, almost 80% of people in receipt of disability and income replacement benefits (IS, ESA or JSA) remained on the legacy system.

Why? – There is a lack of trust in the system

- People consider the legacy system to be more secure for them
- Experiences of moving between DLA and PIP were so stressful, people are not willing to risk that their disability/carers payments may be reassessed

Summary – what we want, and problems in the way



But the problem is, the system doesn't...

1)... command enough broad public support to secure it as a sustainable public service in the long term, resulting in persistent pressure to reduce investment in it.

2)... provide a good service that people can understand, trust or use with dignity, causing stress and hardship for some and resulting in others missing out on support when they need it.

3)... provide support that is sufficient or secure enough for some people to avoid poverty or destitution, nor help others to escape poverty through work.