



DEBATE PACK

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Poverty in Liverpool

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Summary

A debate on Poverty in Liverpool will take place in Westminster Hall on Wednesday 24th October at 2:30pm. The subject for the debate has been chosen by Luciana Berger MP.

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The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. Background

1.1 Poverty in Liverpool City Region

Official statistics on people in low income are only published at the national and regional level. However, unofficial estimates for **child poverty** have been published by [End Child Poverty](#) based on benefits data, building on separate estimates produced by HMRC. However, there are major issues with estimating poverty levels at the local area as explained below.

Based on End Child Poverty estimates for July-September 2017, around 19% of children in the City Region were in poverty based on incomes before taking into account housing costs, and 29% based on incomes after taking into account housing costs. These were similar proportions as for the North West, but were higher than for the UK as a whole.

Child poverty in Liverpool City Region				
End Child Poverty estimates for % of children in relative low income at Jul-Sep 2017				
	Before housing costs		After housing costs	
	Number	%	Number	%
Liverpool, Riverside	4,300	26%	6,500	40%
Liverpool, Walton	5,000	24%	7,800	37%
Birkenhead	4,600	22%	7,200	34%
Liverpool, Wavertree	3,900	21%	6,100	33%
Knowsley	5,300	21%	8,200	33%
Liverpool, West Derby	4,500	20%	7,000	32%
Bootle	4,500	20%	7,000	31%
Wallasey	4,000	20%	6,300	31%
Halton	3,900	18%	6,200	28%
Garston and Halewood	3,700	18%	5,900	28%
St Helens North	3,700	18%	5,800	28%
St Helens South and Whist	3,800	17%	6,100	27%
Southport	2,600	15%	4,200	24%
Weaver Vale	2,800	14%	4,500	23%
Wirral West	1,500	11%	2,400	18%
Wirral South	1,500	10%	2,400	17%
Sefton Central	1,400	10%	2,300	16%
Liverpool City Region	59,800	19%	93,900	29%
North West		19%		29%
United Kingdom		17%		26%

Note: North West and UK figures differ from official estimates as published by DWP and are provided for comparative purposes only. Numbers rounded to nearest hundred.

Source: End Child Poverty, *Poverty in your area 2018*. Figures for Liverpool City Region, North West and UK derived by Library based on constituency data published by End Child Poverty.

These estimates are based on a measure that is analogous to the **relative low income** measure in the official statistics, that is children living in households with income below 60% of median income in that year, but they are **not** comparable with the official statistics.

As noted above, these data are problematic. The issue with using benefits data to approximate poverty levels is that it underestimates poverty among families where someone is in work, and overestimates poverty among families in receipt of out-of-work benefits – by a lot. The End Child Poverty figures do make some adjustment for this by scaling all the figures so they sum to national estimates as published by DWP, as well as adjusting for more recent changes in numbers of working and workless families. From this point of view they may be considered superior to the unadjusted estimates from HMRC, but clearly it is a crude fix.

Note the after housing costs (AHC) figures from End Child Poverty are obtained by applying a fixed scaling factor to the before housing costs (BHC) estimates, rather than incorporating additional information about variations in housing costs between areas. More information on local child poverty estimates and the measures used are provided in the Library's briefing paper on [Poverty in the UK: statistics](#).

1.2 Poverty in the North West of England

Official estimates of people in low income in the UK are collected via the Department for Work and Pensions' Family Resources Survey and are published in its annual *Households below average income* report.

One measure reported in the official statistics is people in **relative low income**, which counts people living in households with income below 60% of the UK median. In simple terms, this measures inequality between low- and middle-income households. Household income can be measured either before or after housing costs are taken into account.

Relative low income in the North West			
Three year averages for 2014/15 to 2016/17			
	North West		UK
	Millions	%	%
Before housing costs			
All people	1.3	19%	16%
Children	0.4	23%	19%
Pensioners	0.2	18%	17%
Working-age adults	0.7	17%	15%
After housing costs			
All people	1.6	23%	22%
Children	0.5	32%	30%
Pensioners	0.2	14%	15%
Working-age adults	0.9	22%	21%

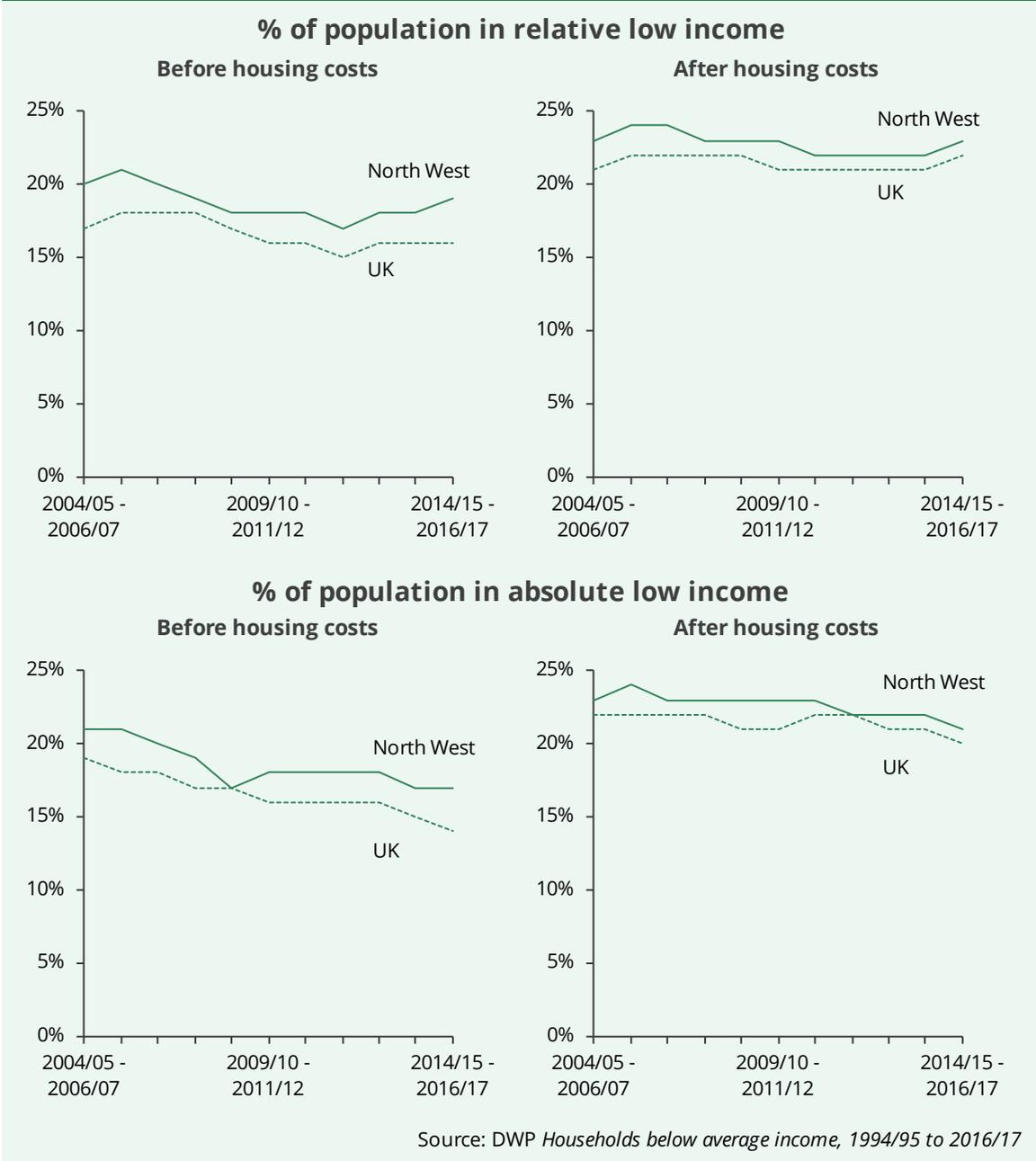
Source: DWP *Households below average income, 1994/95 to 2016/17*

Another measure used in the official statistics is **absolute low income**, which counts people living in households with income below 60% of the median in some base year (2010/11), uprated for inflation. This measure offers an indicator of the extent to which living standards of low-income households are improving over time.

The proportion of people in relative low income in the North West fell after the mid/late 2000s but in the past few years has started to increase again. The proportion of people in absolute low income is slightly lower than in the late 2000s, having previously fallen sharply between the mid 1990s and mid 2000s.

Poverty trends in the North West

Three year averages, 2004/05-2006/07 to 2014/15-2016/17



Future trends

Projections produced by the Institute for Fiscal Studies in November 2017 (before the release of official estimates for 2014/15 to 2016/17) suggested that poverty rates are likely to increase across all regions of the UK between 2013/14-2015/16 and 2019/20-2021/22, assuming no change in government policy.

In the North West, the proportion of all **people in relative low income is projected to increase by 3% points** over this period, while the proportion of **children in relative low income is projected to increase by 8% points**.¹

The main drivers of the projected increases are forecast earnings growth and planned benefit cuts. The projections are discussed in detail in section 4 of the Library's briefing paper on [Poverty in the UK: statistics](#).

1.3 Deprivation

Statistics on deprivation in England are produced by the Ministry for Housing, Communities and Local Government and are published in its release [English Indices of Deprivation 2015](#).

The Indices of Deprivation are based on a variety of indicators, which are organised into seven distinct aspects of deprivation referred to as 'domains'. The domains are then combined into an overall deprivation measure, called the **Index of Multiple Deprivation** (IMD). The seven domains relate to: income, employment, education and skills, health and disability, crime, living environment and barriers to housing/services.

Statistics are compiled for around 33,000 small areas in England ("lower super output areas" or LSOAs), with an average population of around 1,500 people. The small areas are ranked according to their relative level of deprivation. The data for small areas can then be aggregated to produce rankings for larger areas such as local authorities or constituencies, although there are a number of ways to do this which can show different results. The latest statistics were published in 2015 but are mostly based on data for 2012/13. The next publication is expected in summer 2019.

Liverpool City Council have published detailed [analysis of the data](#) for the local authority area and for the City of Region. In particular:

- Liverpool City Region was the most deprived out of England's 39 Local Enterprise Partnerships (LEPs) based on the Index of Multiple Deprivation 2015
- Liverpool City Region ranked most deprived out of 39 LEPs based on the income, employment, and health and disability domains of the Indices of Deprivation 2015.

Results from the 2015 Indices of Deprivation are also discussed in a *Liverpool City Region Area Review*:

¹ A Hood and T Waters, [Living Standards, Poverty and Inequality in the UK: 2017-18 to 2021-22](#), IFS Report R136, 2 November 2017.

At local authority level, Liverpool and Knowsley are ranked in the 10 most deprived areas in the country. Of Liverpool City Region's 989 neighbourhoods, over 30% are within the most deprived 10% nationally. The pattern by neighbourhood across Liverpool City Region is illustrated overleaf⁹. The overall assessment of deprivation across the Liverpool City Region is influenced by concentrated pockets of high relative deprivation within areas throughout the Liverpool City Region. The Liverpool City Region has 16 areas in the most 100 deprived across all of England; 8 of which are in Liverpool, 4 are in Wirral, and 2 each are in Knowsley and in St. Helen's.²

Constituency results are published in the Library's briefing paper on [Deprivation in English constituencies, 2015](#).

1.4 Use of food banks

The Government does not collect statistics on the number of or use of food banks. However, the Trussell Trust – the largest UK food bank provider – publishes statistics on food bank users at the UK and regional level on [its website](#).

In the financial year 2017/18, Trussell Trust food banks provided three days' emergency food to:

- 1.33 million people **across the UK**, comprising 849,000 adults and 484,000 children.
- 197,000 people in the **North West**, comprising 123,000 adults and 74,000 children;
- 63,000 people in **Merseyside**, comprising 39,000 adults and 24,000 children.³

This is not the same as the number of unique users – someone who used a food bank twice in the year will be counted twice. (The Trussell Trust estimates that on average, users need two foodbank referrals in one year.) Individuals must be referred from a care professional or benefits adviser in order to qualify for assistance from a Trussell Trust food bank.

These figures only cover food banks operated by the Trussell Trust so clearly will underestimate the total scale of food bank provision in the North West or UK. [IFAN](#), the UK network for independent food aid providers, attempts to map non-Trussell Trust food banks on its website although does not collect statistics on use.

The Trussell Trust has also [published](#) annual totals for the number of food parcels given out by its food banks in each region since 2011/12. However, these figures will clearly depend on changes in the number and reach of food banks from year to year, as well as awareness of food banks both among those using them and among those referring users

² Department for Education, [Liverpool City Region Area Review: Final Report](#), January 2017

³ Merseyside figure obtained by House of Commons Library from Trussell Trust via private communication.

to food banks. Therefore, the figures should not be interpreted as showing the change in need for food banks over this period:

Food bank use in the North West		
Number of three day emergency food supplies provided by Trussell Trust food banks		
	North West	UK
2011/12	7	129
2012/13	41	347
2013/14	139	913
2014/15	157	1,085
2015/16	160	1,109
2016/17	174	1,183
2017/18	197	1,333
<i>% change 2016/17 to 2017/18</i>	<i>13%</i>	<i>13%</i>

Source: Trussell Trust

Reasons for referral to food banks

The most common reasons why people across the UK were referred to Trussell Trust food banks in 2017/18 were low income (accounting for 28% of referrals), benefit delays (24%) and benefit changes (18%).⁴

In the North West region, the most common reasons were similarly low income (26% of referrals), benefit delays (25%) and benefit changes (21%).⁵

The Trussell Trust has [reported](#) a sharp increase in demand for food banks following the roll out of Universal Credit 'Full Service' in an area. (In Full Service areas, Universal Credit is available for all types of claim while in 'Live Service' areas, it is only available for relatively simple types of claim.). The Trust analysed data on food bank referrals from April 2016 to March 2018 and found that in areas that have moved to Full Service, food bank use increased by 52% on average in the twelve months following Full Service roll out. This compared to a 13% increase in areas that had not moved over to Full Service, or where Full Service had been live for three months or less:

When Universal Credit goes live in an area, there is a demonstrable increase in demand in local Trussell Trust foodbanks. On average, 12 months after rollout, foodbanks see a 52% increase in demand, compared to 13% in areas with Universal Credit for 3 months or less. This increase cannot be attributed to randomness and exists even after accounting for seasonal and other variations.

More detailed foodbank referral data show that benefit transitions, most likely due to people moving onto Universal Credit, are increasingly accounting for more referrals and are likely driving up need in areas of full Universal Credit rollout. Waiting

⁴ Trussell Trust, [End of Year Stats for 2017/18](#), 24 April 2018

⁵ Trussell Trust via private communication

for the first payment is a key cause, while for many, simply the act of moving over to a new system is causing hardship.⁶

Responding to a PQ on the implications of this research, the Minister for Employment, Alok Sharma, stated that the Government had announced various improvements to Universal Credit at the 2017 Autumn Budget which would not yet be captured in the analysis:

Helen Hayes: To ask the Secretary of State for Work and Pensions, what assessment she has made of the implications for her policies of research by the Trussell Trust which found a 52 per cent increase in food bank usage in areas where universal credit has been implemented for 12 months or more.

Alok Sharma: We work closely with The Trussell Trust and welcome their feedback. It is worth noting that much of their analysis was carried out before the improvements we announced at Autumn Budget 2017, and which were introduced earlier this year. The comprehensive and wide-ranging package worth £1.5 billion to help people in their first assessment period included, the abolition of waiting days, the introduction of advances up to 100% of a claimant's indicative award (repayable over a period of up to 12 months), and a two week transitional payment for those previously claiming Housing Benefit.

The Trussell Trust welcomed our changes in the Budget saying they would "ease the pressure on thousands of households on very low incomes" and "shows that Government is listening".

Earlier this month, we announced a new partnership with Citizens Advice and Citizens Advice Scotland to deliver Universal Support. We want to make sure that the most vulnerable people get the best possible support when claiming Universal Credit. Citizens Advice will help deliver a high-quality and consistent service to people claiming Universal Credit, to assist them manage their claim, get paid on time and budget effectively. This was welcomed by the Trussell Trust.⁷

Food bank use is discussed in more detail in the Library's debate pack on [Food poverty in Merseyside](#), prepared for the [Westminster Hall debate](#) on 16 January 2018.

⁶ Trussell Trust, [The next stage of Universal Credit: Moving onto the new benefit system and foodbank use](#), October 2018

⁷ [PQ 177769](#) [Universal Credit], 16 October 2018

2. Press Articles

[Rollout of universal credit haunts Merseyside: Liverpool braced for 'flood' of problems with demand for food banks expected to soar](#)

Robert Wright

Financial Times, 18 October 2018

[What is the new UK poverty measure – and why is it needed? New indicator goes beyond relative income by taking into account core living costs and people's wider resources](#)

Patrick Butler

The Guardian, 18 September 2018

[Income 'not the only factor' in poverty](#)

BBC, 17 September 2018

[The other barely managing Britain: A depressing number of Britons are struggling to keep their heads above water](#)

The Economist, 18 August 2018

[Biggest rise in UK poverty since Margaret Thatcher was in power, experts claim: The Resolution Foundation calculates that the official poverty rate rose from 22.1 per cent to 23.2 per cent, the biggest single year jump since 1988, with benefit cuts and inflation hitting hard](#)

Ben Chu

The Independent, 23 July 2018

[How poverty in Liverpool now compares to the 1930s: New, detailed look took over two years to put together and saw people speak out about suicide pacts due to crippling debts](#)

Connor Dunn

Liverpool Echo, 25 June 2018

[Nearly 4 million UK adults forced to use food banks, figures reveal: Exclusive: One in 14 Britons has used a food bank amid 'shocking' levels of deprivation](#)

Mary Bulman

The Independent, 6 June 2018

[In Britain, Austerity Is Changing Everything: After eight years of budget cutting, Britain is looking less like the rest of Europe and more like the United States, with a shrinking welfare state and spreading poverty](#)

Peter S. Goodman

New York Times, 28 May 2018

[Children in north 'face double whammy' of poverty and bad schools: Children's commissioner for England says young people feel regeneration will not help them](#)

Helen Pidd

The Guardian, 26 March 2018

[Poverty in the UK: a guide to the facts and figures](#)

Full Fact, 22 March 2018

[Children in these areas of Liverpool are among the most likely to be poor in the UK: Why are so many city children poor - and are things getting worse?](#)

Tom Belger

25 January 2018

[Unemployment, homelessness and poverty still major issues for Liverpool: New data shows the city is still lagging behind the rest of the country in key areas](#)

Liam Thorp

Liverpool Echo, 11 December 2017

[The future of Liverpool: does the great port city still face out to sea?](#)

Iain Cobain

The Guardian, 27 April 2017

[In Liverpool, Tory cuts have brought a city and its people to breaking point: Adding up the impact of slashed benefits and a 58% reduction in central funding, the council says it's England's poorest wards that are being hit again and again](#)

Frances Ryan

The Guardian, 23 March 2017

[Living in Poverty – Liverpool lagging behind UK](#)

Annie Gouk:

The Mirror, 11 December 2017

[Liverpool residents hardest hit by council austerity cuts](#)

Public Sector Executive, 3 May 2017

3. Parliamentary material

3.1 Written questions

[Department for Work and Pensions: Poverty: 180733](#)

Asked by Dan Jarvis (Barnsley Central)

Asked on 19 October 2018

To ask the Secretary of State for Work and Pensions, with reference to the Social Metrics Commission's new measure of poverty, if will she undertake an assessment of the effect of all government policies on poverty in the UK.

Answered by Justin Tomlinson

Answered on 22 October 2018

We welcome the work that the Social Metrics Commission has done. Measuring poverty is complex, and this report offers further insight into that complexity and the additional measures that can be taken into consideration. From discussions with SMC they acknowledge that further work needs to be done (particularly around data availability and quality). We will carefully consider their recommendations and the detail behind the methodology they have employed when this has been made available.

[Department for Environment, Food and Rural Affairs: Food Poverty: 176319](#)

Asked by Mrs Emma Lewell-Buck

Asked on 08 October 2018

To ask the Secretary of State for Environment, Food and Rural Affairs, pursuant to the Answer of 6 July 2018 to Question 160764 on Food Poverty: Surveys, if he will establish annual national measurements of food insecurity.

Answered by David Rutley

Answered on 16 October 2018

The underlying causes of food insecurity are complex and multi-faceted and it is not possible or practical to try and measure it with a single indicator. There are however, several established data sources which measure the level of food security in the UK.

The biennial FSA "Food and You" survey asks questions on household food insecurity. The ONS Living Cost of Food Survey (LCFS) includes questions on household spend on food, including that of the lowest 20% income households. The United Nations Food and Agriculture Organization (FAO), "Voices of the Hungry" project developed the Food Insecurity Experience Scale (FIES), which also collects data on household food security in up to 150 countries worldwide, including the UK via the Gallup World Poll

Defra officials will continue to engage with colleagues from ONS and other Government Departments on the range of work being undertaken to measure household food insecurity and address the underlying factors.

Department for Work and Pensions: Children: Poverty: 173523

Asked by Ms Angela Eagle

Asked on 11 September 2018

To ask the Secretary of State for Work and Pensions, how many and what proportion of children were living in poverty in (a) Wirral and (b) Merseyside in each year since 2010.

Answered by Justin Tomlinson

Answered on 09 October 2018

National statistics on the number of people in relative low income are set out in the annual "Households Below Average Income" publication. The number and proportion of children in relative low income is not available at local authority or constituency level in this publication because the survey sample sizes are too small to support the production of robust estimates at this geography.

3-year estimates for the North West of the proportion and number of children in relative low income are available in Table 4.16ts and Table 4.17ts using the following link.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/692047/children-hbai-timeseries-1994-95-2016-17-tables.ods

Department for Work and Pensions: Poverty: Written question - 167891

Asked by Nigel Dodds

Asked on 24 July 2018

To ask the Secretary of State for Work and Pensions, which initiatives and programmes have been implemented to assist people experiencing personal debt and household poverty since the introduction of the provisions of the Welfare Reform Act 2012.

Answered by Justin Tomlinson

Answered on 04 September 2018

Work is the most effective route out of poverty and Universal Credit is designed to strengthen incentives for claimants to move into and progress in work. And it is working, Universal Credit claimants move into work faster and spend more time looking for work than legacy benefit claimants.

Universal Support also provides Universal Credit claimants with additional help to manage their monthly Universal Credit payment and possible advice on their finances through Personal Budgeting Support. In addition, we refer claimants to Citizens Advice and the Money Advice Service for more specialist debt advice and have also worked with the Money Advice Service to develop a Money Manager Tool.

[Department for Work and Pensions: Children: Poverty: HL9830](#)

Asked by Lord Bird

Asked on 24 July 2018

To ask Her Majesty's Government what assessment they have made, or intend to make, of the report of the Resolution Foundation, Living Standards Audit 2018, published on 24 July, and its conclusion that the proportion of children in poverty has risen by 21 per cent in the five years to 2016, rather than their estimate of 11 per cent.

Answered by Baroness Buscombe

Answered on 31 July 2018

Benefit under-reporting in household surveys is a well-known, long standing issue. To date it has not been possible to accurately resolve this. The Resolution Foundation's report published on 24 July attempts to correct this issue. However, they do not have accurate information on which households are under-reporting. Consequently, they use a series of assumptions to select a number of households in the survey, allocating them additional income from benefits. This means the conclusions in the report will be sensitive to the households selected; different assumptions will give different results.

DWP is currently working towards a more accurate solution to correct this issue, whereby survey records are combined with administrative data to improve the quality of the survey data. Making this correction is likely to reduce the number of individuals classed as being in low income.

[Treasury: Poverty: Written question - HL9683](#)

Asked by Lord Bird

Asked on 19 July 2018

To ask Her Majesty's Government what steps they are taking to end the poverty premium.

Answered by Lord Bates

Answered on 31 July 2018

Since 2010 there are 1,000,000 fewer people, including 300,000 fewer children, in absolute low income (before housing costs), both record lows.

The government has a range of policies to support households with their energy bills such as the Warm Home Discount, Energy Company Obligation and Winter Fuel Payment schemes. The government is also committed to ensuring that individuals, regardless of their background or income, have access to useful and affordable financial products and services, and has established a Financial Inclusion Policy Forum, which provides leadership and ensures collaboration across government and with the sector in tackling financial exclusion.

[Department for Work and Pensions: Poverty: Written question - 166246](#)

Asked by Danielle Rowley

Asked on 19 July 2018

To ask the Secretary of State for Work and Pensions, whether her Department has commissioned research on the causes of work poverty in the last 12 months.

Answered by Justin Tomlinson

Answered on 23 July 2018

The Department for Work and Pensions has not commissioned any such research. The Department's published Household Below Average Income National Statistics shows that work continues to offer people the best opportunity to get out of poverty and become self-reliant; adults of working age living in working families are 4 times less likely to be in relative poverty than those living in workless households.

The National Statistics also provide a good understanding of those in in-work poverty and show that the majority (around three-quarters) are those with part-time work only, single earner couples, or those in full-time self-employment. Universal Credit is designed to help by promoting full-time work, employment for partners where possible, and smoother incentives to increase hours. Claimants who are self-employed will have access to mentors to improve their businesses so that they can increase their earnings.

[Department for Work and Pensions: Poverty: Written question - HL8508](#)

Asked by Lord Ouseley

Asked on 11 June 2018

To ask Her Majesty's Government how they intend to respond to the report from the Joseph Rowntree Foundation Destitution in the UK 2018 published in June revealing that there are 1.5 million people living in destitution in the UK.

Answered by Baroness Buscombe

Answered on 25 June 2018

The Joseph Rowntree Trust's report refers to people who were destitute "at some point" during 2017 not to the number of people living in destitution.

This Government will continue with its ambitious reforms to the welfare system so that it encourages people to move into and progress in work, and move towards financial independence. Compared with 2010, there are now around 880,000 fewer adults in workless households and 1 million fewer people in absolute poverty (on a before housing costing costs basis). Of those in the poorest fifth of the population in 2010/11, just over half had moved further up the income distribution 5 years later.

The Government is also continuing to help those who face the greatest employment barriers and who are most at-risk of being in severe and long-term low income, for example, through individualised, tailored support from Jobcentre Work Coaches. For people with health conditions or a disability, this support can include early access to the new Work and Health Programme and Specialist Employability Support. As a safeguard for people in urgent need, a well-established system of hardship payments, benefit advances and budgeting loans is in place.

We are also considering how we can develop and make greater use of the existing suite of official measures of poverty so that they better identify and track progress on helping those who are most in need of additional support.

[Department for Work and Pensions: Poverty Written question - HL7943](#)

Asked by Baroness Lister of Burtersett

Asked on 16 May 2018

To ask Her Majesty's Government what assessment they have made of the concept of relative poverty.

Answered by Baroness Buscombe

Answered on 23 May 2018

Relative low income sets a threshold as a proportion of the UK average (median) income and moves each year as average income changes. It is used to measure the number and proportion of individuals who have income below this threshold (typically 50, 60 or 70 per cent of the median).

The percentage of individuals in relative low income will decrease if average (median) income stays the same or rises, and individuals with lower incomes see their incomes rise more than the average. The percentage of individuals in relative low income will also decrease if average (median) incomes fall, and individuals with lower incomes fall by less than average incomes.

This second scenario, where individuals can move out of low income despite a fall in their own income, is an example where relative low

income measures taken on their own might be misleading. A further hypothetical scenario where relative measures have their limitations is if all incomes doubled overnight there would be no change in relative low income estimates.

This is why the Department also publishes a range of absolute low income measures. Absolute low income takes the 60 per cent of median income threshold in 2010/11 and adjusts this to take account of inflation. This is designed to assess how incomes are faring with reference to inflation over time.

The percentage of individuals in absolute low income will decrease if individuals with lower incomes see their incomes increase by more than inflation.

The Department also publishes a measure of persistent low income as the amount of time an individual has low income has been shown to have an impact on their actual standard of living. Persistent low income is defined as having had low income in at least 3 out of the last 4 years. Also a measure of material deprivation is published which measures whether individuals have access to a range of goods and services so provides a broader measure of living standards which goes beyond assessing income only.

No one measure of poverty is able to fully capture the concept of a low standard of living in all economic circumstances. Taken together all these measures are required to provide a comprehensive assessment of living standards.

[Department for Work and Pensions: Children: Poverty: Written question - HL7709](#)

Asked by Lord Ouseley

Asked on 09 May 2018

To ask Her Majesty's Government what assessment they have made of the research published by the TUC that estimated that the number of children growing up in poverty in working households will be one million higher in 2018 than in 2010; and how this compares to their own research.

Answered by Baroness Buscombe

Answered on 17 May 2018

The TUC figures estimate that an extra one million children in working families will be in relative low income in 2018/19 compared to 2009/10 on an after housing cost basis. During this period, there has been an increase in both the child population and the numbers of people in employment. The overall proportion of children in relative low income on an After Housing Cost basis was 30 per cent in both 2009/10 and 2016/17. This figure is not directly affected by both changes in the population and the increase in children in working families so provides a better assessment of what has happened since 2010.

In addition, absolute low income measures, which assess living standards for low income households against inflation, show the proportion of children in absolute low income on an After Housing Costs basis fell from 28 per cent to 26 per cent between 2009/10 and 2016/17. Furthermore, the latest national statistics show the proportion of children in material deprivation and low income has never been lower. Both of these suggest the living standards of children in low income households have been improving in real terms over this period.

Children in workless families are five times more likely to be in low income than those in working families demonstrating that work is the best route out of poverty. The number of people in employment has risen by three million since 2010. Increases in the National Living Wage and Tax Allowances have increased the incomes of working families. Around half of working people who are in low income are self-employed or work part time. Universal Credit has been designed to encourage people into work and to increase their earnings in order to improve their living standards.

[Department for Work and Pensions: Poverty: Written question - 143835](#)

Asked by Hugh Gaffney

Asked on 14 May 2018

Poverty

To ask the Secretary of State for Work and Pensions, what assessment she has made of recent trends in the number of in-work households living in poverty.

Answered by Kit Malthouse

Answered on 22 May 2018

It is clear that work is the best route out of poverty, as the rate of poverty in working households is one third of that among workless households. The latest data for 2016/17 shows there were 2.4 million working households in absolute low income before housing costs. Since 2010 the number of people in absolute poverty has fallen by 1 million, including 500,000 working age adults.

3.2 Debates

Universal Credit (Liverpool)

[HC Deb 11 Sept 2018, c 251WH – 259WH](#)

Food Poverty: Merseyside

[HC Deb 16 Jan 2018, c 280WH – 302WH](#)

Liverpool City Region (Poverty)

[HC Deb 1 Mar 2017, c 104WH – 127WH](#)

Education (Merseyside)

[HC Deb 19 Oct 2016, c 342WH – 366WH](#)

4. Further Reading

4.1 Library material

[Poverty in the UK: statistics](#)

House of Commons Library, August 2018

[Food poverty in Merseyside](#)

House of Commons Library, January 2018

[Poverty in the Liverpool City Region](#)

House of Commons Library, February 2017

4.2 Other reading

[The next stage of Universal Credit: Moving onto the new benefit system and foodbank use](#)

Trussell Trust, October 2018

[Living standards, poverty and inequality in the UK: 2018](#)

IFS, June 2018

[Destitution in the UK 2018](#)

Joseph Rowntree Foundation, June 2018

[It is possible to end child poverty](#)

IPPR, March 2018

[One and half million more children in poverty by 2022](#)

Equality and Human Rights Commission, March 2018

[Growing Up North: Consultation with children and young people](#)

Children's Commissioner, March 2018

[Poverty and low pay in the UK: the state of play and the challenges ahead](#)

IFS, March 2018

[How poor is poor? The many dimensions of poverty in the UK](#)

LSE, March 2018

[Cities Outlook 2018](#)

Centre for Cities, January 2018

[Child Poverty Map of the UK](#)

End Child Poverty, January 2018

[UK Poverty 2017](#)

Joseph Rowntree Foundation, December 2017

[Living standards, poverty and inequality in the UK: 2017-18 to 2021-22](#)

IFS, November 2017

[State of the North 2017](#)

IPPR North, November 2017

[In-work poverty in the UK: Problem, policy analysis and platform for action](#)

Nuffield Foundation, Cardiff University, May 2017

[The Social Mobility Index Social Mobility and Child Poverty Commission,](#)

June 2016

[Child Poverty and Life Chances Strategy 2015-2018](#)

Liverpool City Region Child Poverty and Life Chances Commission,
January 2016

[Making the Most of Devolution: The State of Liverpool City Region Report](#)

University of Liverpool and Liverpool John Moores University, January
2016

[Getting by? A year in the life of 30 working families in Liverpool](#)

Liverpool City Council Action Group on Poverty, February 2015

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