

Financial Inclusion and Poverty

Why is it important to Bradford District?

The Joseph Rowntree Foundation defines poverty as **when a person's resources are well below their minimum needs, including the need to take part in society**. It means not being able to heat your home, pay your rent or buy the essentials for your children. It means waking up every day facing insecurity, uncertainty and impossible decisions about money. It means facing marginalisation and even discrimination because of your financial circumstances. The constant stress it causes can overwhelm people, affecting them emotionally, and depriving them of the chance to play a full part in society.

Poverty wastes people's potential, depriving our society and economy of the skills and talents of those who have valuable contributions to make. The cost of poverty is now recognised as not only affecting individuals and families, but also the whole economy. The Joseph Rowntree Foundation estimates that poverty costs the UK economy £78bn each year, and that one fifth of spend on public services contributes to addressing the effects of poverty on people's lives.

Research has demonstrated that people living in poverty are more likely to be affected by:

- under-achievement at school
- unemployment
- health problems (physical and mental), including a reduced life expectancy and reduced number of years lived in good health
- abuse of alcohol, drugs and other stimulants
- debt
- poor quality accommodation
- insecure housing and homelessness

[The Marmot Review](#) published in 2010 describes evidence that childhood poverty leads to early death and poor health outcomes for adults. Reducing the number of children who experience poverty should improve outcomes and increase healthy life expectancy. **Early childhood** is an important period for social, cognitive and physical development. The conditions of early life influence child development with direct influences on health. They also have a powerful influence on adult socio-economic position with an indirect effect on adult health. Ensuring good quality and equitable nursery places, schooling and improving educational achievement among disadvantaged children should therefore be considered a prerequisite to improving their journey to adulthood.

Strategic Context

National Context: The [Child Poverty Act 2010](#) sets targets for ending child poverty by 2020. It established four separate child poverty targets to be met by 2020/21; requires the UK Government to publish a regular UK child poverty strategy; requires the Scottish and Northern Irish Ministers to publish child poverty strategies; paved the way for a Child Poverty Commission to provide advice; requires the UK Government to publish annual progress reports; and places new duties on local authorities and other 'delivery partners' in England to work together to tackle child poverty.

[A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives](#) sets out the Government's approach to tackling poverty for this Parliament and up to 2020. This strategy meets the requirements set out in the Child Poverty Act 2010, focusing on improving the life chances of the most disadvantaged children, and sits alongside the Government's broader strategy to improve social mobility.

Local Context: A comprehensive Scrutiny review of poverty across the district in 2016 highlighted that much work and activity is being undertaken to support people in poverty in Bradford District. However, it also uncovered that no one group or body held the over-arching strategic view, or was setting a strategic direction for work around poverty in the district. One of the recommendations from the Scrutiny Poverty Review was that a multi-agency anti-poverty partnership should be set-up to undertake this role.

As a result the multi-agency Bradford District Anti-poverty Co-ordination Group was formed in early 2017. Throughout 2018 the group has been developing an anti-poverty strategy: Bradford District Anti-poverty Co-ordination Group's Approach for Tackling Poverty. This strategy sets out a vision: **by working together we aim to tackle the cycle of poverty and deprivation in the Bradford District. We aim to ensure everyone living or working in the District has the resources, opportunities and choices to live a decent and secure life.**

The Strategy sets out five key areas for action, consistent with the Joseph Rowntree Foundation's, [We Can Solve Poverty in the UK](#):

1. Boost incomes and reduce costs
2. Deliver an effective benefits system
3. Improve education standards and raise skills
4. Strengthen families and communities
5. Promote long term economic growth benefitting everyone



Source: Joseph Rowntree Foundation

As a result of the Scrutiny review, the District now has two anti-poverty champions.

It is important to note the complexity of poverty and what leads to poverty. Decisions taken outside of the District, such as the result of the EU Referendum, welfare reforms, and trade tariffs imposed by other governments all have an impact here. Despite some of the external influences on poverty, there is work that can be done both across the District and across the County and Region that will help reduce the number of people living in poverty.

In addition to the overarching strategy there are a number of local plans, strategies and programmes that support aspects of anti-poverty work, these include:

- [District Plan 2016-2020](#)
- [Happy, Healthy and at Home - A plan for the future of health and care in Bradford District and Craven 2017](#)
- [Bradford District Joint Health and Wellbeing Strategy](#)
- [Economic Strategy for Bradford District 2018-30](#)
- [Fuel Poverty: A Framework for Action for the Bradford District, 2015 and work programme 2016-2018](#)
- [Bradford Children, Young People and Families Plan 2017 – 2020.](#)
- Bradford Education Covenant
- Education Opportunity Area Programme
- Better Start Bradford Programme
- Ward Plans
- Controlling Migration Fund Programme
- Bradford Integrated Communities Programme

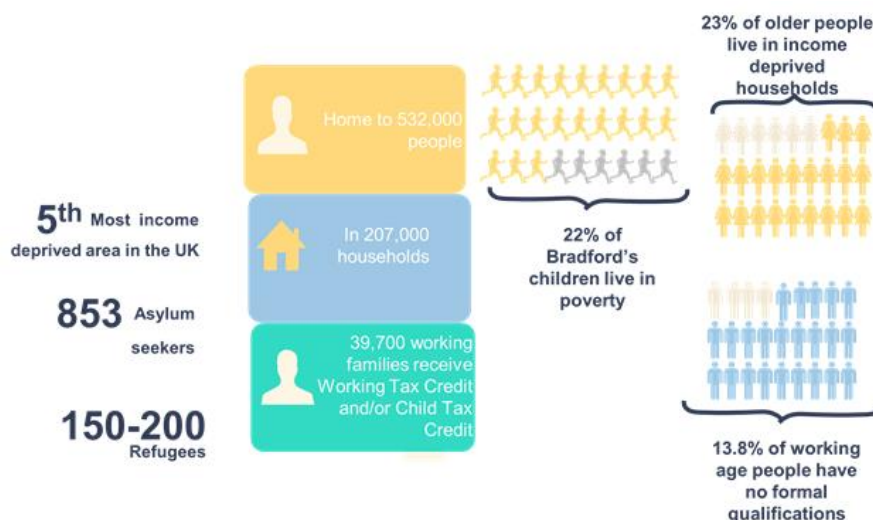
What do we know?

Bradford District is the **fifth most income deprived area** in the country. Latest available data from Mosaic in 2014 shows that 28% of households in the District were finding it difficult or very difficult to cope on their income compared with 27% in England. Tong ward had the highest proportion of households who found it difficult or very difficult to cope (64%), followed by Royds (51%). Wharfedale

had the lowest proportion (4%) followed by Ilkley (8%). 26% of households in the district are likely to be coping comfortably on their household incomes. A number of urban wards (Bradford Moor, City, Little Horton and Manningham) have no households who are likely to be coping comfortably.

Nationally, 55% of people in poverty are living in **working households**, and almost half of these people are children. In Bradford District 39,300 working families receive either Working Tax Credit or Child Tax Credit, or a combination of both. 11.4% of the District's population claim an out of work benefit - this is higher than both the regional rate (10%) and the national rate (8.7%).

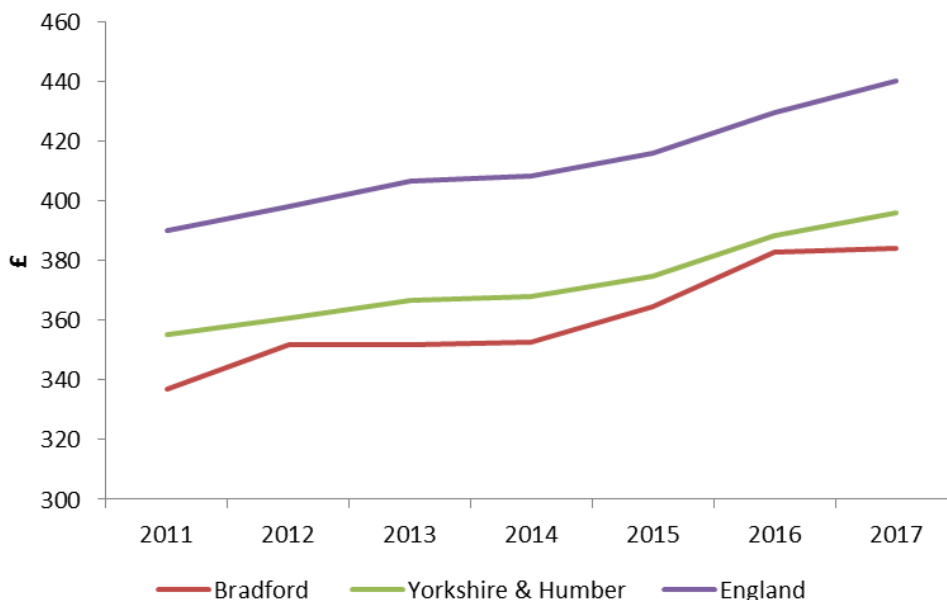
Whilst work is considered a way to escape poverty, increasing the number of people in work does not necessarily decrease the number of people living in poverty. Work should offer a route out of



poverty, but a combination of low wages, not enough hours, job insecurity, the high cost of housing, fuel, heating costs and childcare, poor health, discrimination and low-level skills all present considerable barriers.

Bradford District has a low-wage, low-skills economy. Median weekly earnings in Bradford District remain relatively low with median weekly gross pay of £476. This figure compares unfavourably with the equivalents for Yorkshire and the Humber (£396) and England (£440).

Figure 1: Average weekly earnings



For further information on employment and skills, please see the Employment and Skills section of the JSNA.

Child poverty

There are two main measures of child poverty:

Percentage of children in low income families (children living in families in receipt of out of work benefits or tax credits where their reported income is less than 60% median income) for under 16s only.

The percentage of dependent children aged under 20 in relative poverty (living in households where income is less than 60 per cent of median household income before housing costs).

Latest available data for 2015 shows that 21.8% of dependent children aged under 20 live in **relative poverty**, equivalent to **31,580 children and young people**. 27,105 under 16s (21.8%) live in relative poverty.

The number of children living in relative poverty has been slowly decreasing since 2006, however, in 2014 there was a noticeable rise. It is difficult to draw robust conclusions about this. Furthermore, it is important to recognise that even though this is the most recent data, it is three years old.

The total number of children living in low income families in the District in 2015 is lower than the previous year; this is probably due to a decrease in the threshold of the figure used to define 60%

of median income from £253 in 2014, to £233 in 2015. The threshold produced in 2014 was unusually high due to an increase in the number of high earners near the low income threshold.

Figure 2: Percentage of children (under 20) in low income families

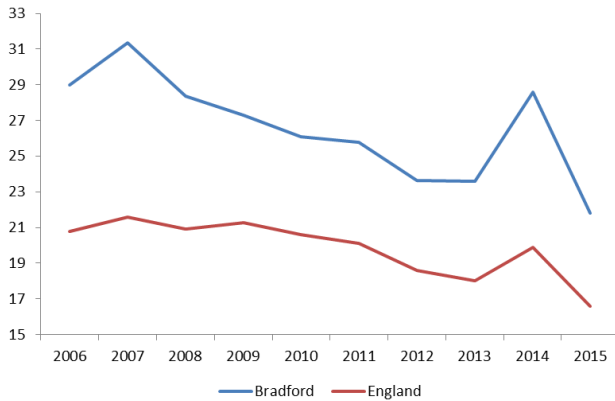
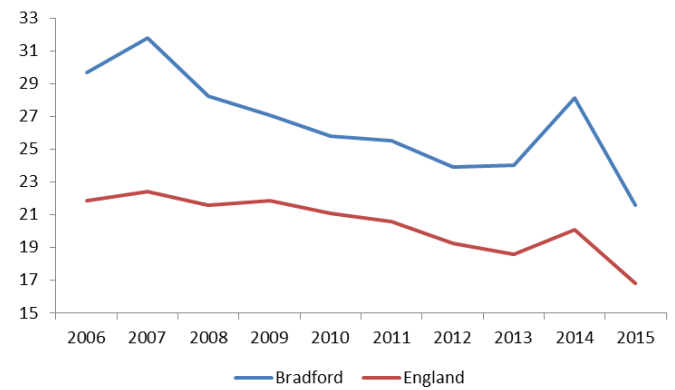
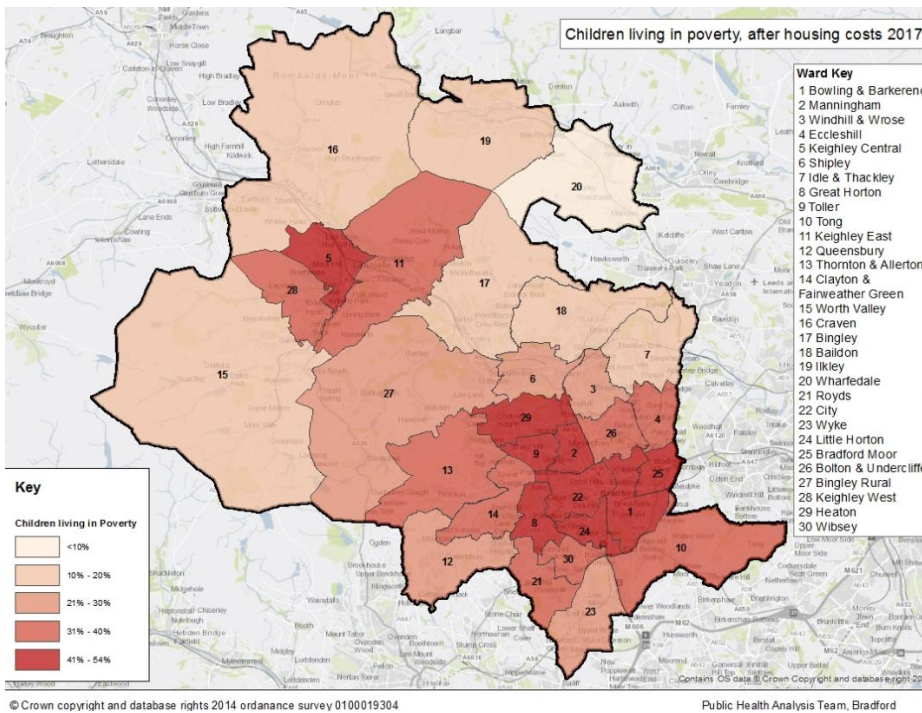


Figure 3: Percentage of children (under 16) in low income families



Source: Public Health England

Figure 4: Children living in poverty, 2017



Child poverty is not uniform across the district. Child poverty is **concentrated in the inner city and urban areas** of the District. In 2015, approximately half of all children living in poverty in the District were living in eight of the District's 30 wards: Little Horton, Bradford Moor, Bowling and Barkerend, Bowing and Barkerend, Manningham, Toller, Tong, Great Horton, and City wards.

Bradford District also has a higher percentage of

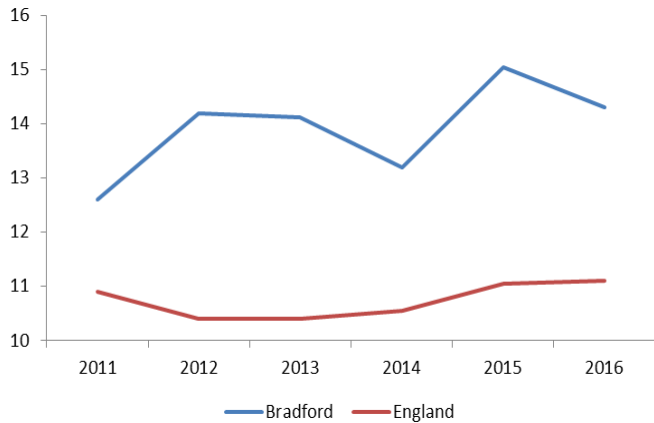
children living in poverty in families with four or more children than nationally (28% compared with 21% nationally), and a lower percentage are in single child families (19% compared with 23% nationally). Whilst having more children does not necessarily cause poverty, there is an association between the two factors. Over time the impact of the two child limit on welfare benefits will become more evident.

Older people: 22.7% of people aged 60 and above are living in **income deprived households** according to the Index of Multiple Deprivation; this compares to 16.2% in England.

Food poverty: Food poverty means that an individual or household isn't able to obtain healthy, nutritious food, or can't access the food they would like. To try and get a better picture of food

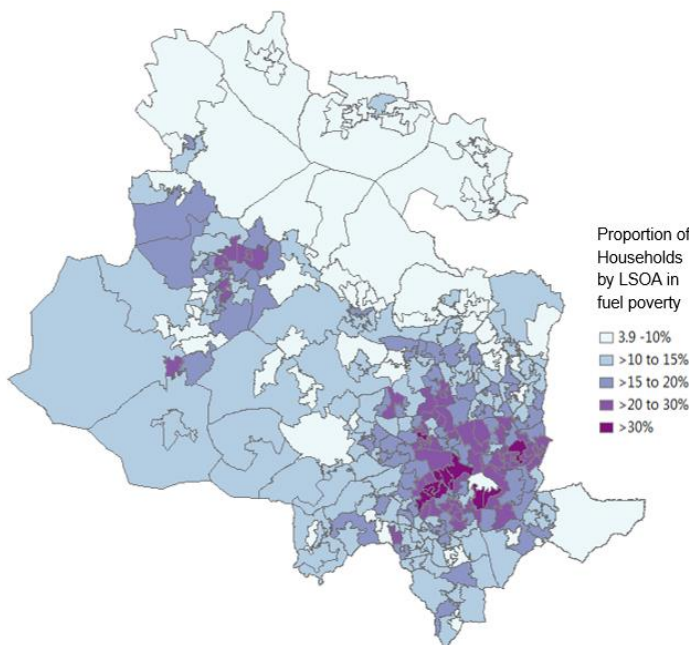
provision across Bradford District, Feeding Bradford undertook a data collection exercise for a week in March 2018. It found that over two thirds of projects had seen an overall increase in demand for their services, with 2,164 individuals accessing services. The main reasons given for accessing services were financial reasons, particularly that people couldn't afford food or that people receiving benefits had earning issues.

Figure 5: Percentage of households in fuel poverty



Fuel Poverty: Fuel poverty is if a household are on a low income and face high costs of keeping adequately warm and other basic energy services. Latest available data for 2016 shows that there are **29,095 households in fuel poverty**, equivalent to 14.3% of households. This is higher than the rates for the Yorkshire and the Humber region (12.1%) and England (11.1%). The number of fuel poor households increased year on year between 2011 and 2015, however, has reduced slightly in the last year.

Figure 6: Percentage of households in fuel poverty across Bradford District, 2015



Fuel poverty varies across the District. Households living in central Bradford and Keighley, and the surrounding urban areas are the most likely to be experiencing fuel poverty.

Bradford District has a high level of fuel poverty, ranked 21st most fuel poor of local authorities in England. This is probably due to a combination of energy inefficient Victorian housing stock in conjunction with low household incomes. It also reflects the national trend over the last 10 years, in that the number of households renting from a private landlord has increased significantly. There are now an additional 14,624 households in the District renting from a private landlord compared to 2001. In total 18% of households now rent from a private landlord in the district.

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Please see the Housing section of the JSNA for further detail.

Mortality during the winter increases more in England compared to other parts of Europe, including those with colder winters, suggesting that some deaths may be preventable. Accordingly, **excess winter deaths** are routinely measured.

The Excess Winter Deaths Index (EWD Index) is the excess winter deaths measured as the ratio of extra deaths from all causes that occur in the winter months compared with the expected

number of deaths, based on the average of the number of non-winter deaths (Public Health England).

The number of excess winter deaths depends on the temperature and the level of disease in the population as well as other factors, such as how well equipped people are to cope with the drop in temperature, hence the link to fuel poverty. Most excess winter deaths are due to circulatory and respiratory diseases, and the majority occur in older people.

Latest available data (August 16 – July 2017) shows that there were **209 excess winter deaths** in Bradford District. 131 of these deaths were in people aged 85 and over.

Housing and Poverty: The links between housing and poverty go beyond fuel poverty. There is a large body of evidence highlighting the association between housing and poverty including:

- The number of people in the private rented sector has doubled in the last ten years. In 2001 there were 21,600 households renting from private landlords, or living rent free (12% of the total tenure in the District), by 2011 this had increased to 36,100 households (18% of the total tenure in the District).
- A large number of people in poverty own their own home – 25% of owner-occupied households in Bradford District are classed as low income.
- Private renters are most likely to be in fuel poverty, have least money left over once they have paid their housing costs and live in the worst housing conditions – 45% of households renting privately are classed as low income.
- Poor housing conditions affect some aspects of child development and elements of adult health.

For further information on housing please see the Housing section of the JSNA.

Welfare Reform Programme: The Government's Welfare Reform programme saw the biggest change to the welfare system in 60 years. Key areas of the reform included:

- Reduction in the level of housing benefit for private tenants;
- Size restrictions on social housing;
- The benefit cap;
- Localisation of Council Tax support and Discretionary Social Fund;
- Changes to disability and other welfare benefits;
- The introduction of Universal Credit.

The impact of these reforms on affected households has been:

- In August 2016 (the most recent data available) 694 of the District's households were affected by the benefit cap, each seeing an average loss of £46 to their benefits (Department of Work and Pensions).
- 2,537 households were facing a reduction in their Housing Benefit because they were deemed to have too many bedrooms for their size of household, an average weekly loss per household of £16.
- An independent evaluation published by the Government in December 2015 noted that many tenants were 'in severe poverty and unable to pay the shortfall'.
- Universal Credit was introduced for new claimants who are single in Bradford District in November 2015. The most recent data available for December 2016 shows that there are 3,570 claimants, 2,056 of whom are not in work (Department of Work and Pensions).

What assets do we have?

Bradford District is a place with a **strong community** spirit to address poverty, whether this is through supporting food banks or supporting our communities through the activities of faith groups. There is a long standing history and tradition across our communities to tackle poverty where it exists in our District. This stems from our history of being the birthplace of free school meals, and the social pioneering activities of Titus Salt and Oastler.



Our recent history includes a wealth of good practice examples such as Bradford Metropolitan Food Bank, to the Salvation Army and the Storehouse project, where unwanted food from the hospitality and supermarket sector is used to feed those experiencing poverty in the District.

All organisations and groups representing at the **Anti-Poverty Co-ordination Group** are committed to reducing the poverty experienced by people in our communities across the District. The Partnership has representation from our largest local social housing landlord, Incommunities, as well as from the Department of Work and Pensions.



The Partnership is developing a set of data that will indicate if interventions are reducing poverty in the District and that can also be drilled down to find out what impact interventions are having at lower levels too, such as at constituency, ward and neighbourhood level – this will enable policy makers and commissioners to tailor interventions to local circumstances.

Outside of the Partnership many programmes that specifically support anti-poverty interventions are active and well established – such as around food and fuel poverty, and more recently around hygiene poverty.

The **Universal Support Delivered Locally** (USDL) multi-agency group considers support and resource required across the District to ensure that people can apply for welfare benefits through the digitised provision.

The Council's **Social Value and Inclusive Growth Policy** aims to encourage the District's public sector to spend more of their budgets on supporting and growing the local economy, to the benefit of all our citizens.

There is a strong tradition of **volunteering** in Bradford District. The [People Can](#) initiative not only aims to increase the amount of volunteering taking place in the District but also increase the range of activities that are supported by volunteers.

Gaps/challenges/Opportunities

Opportunities: Implementation and take-up of the Social Value and Inclusive Growth Policy by the Council and other public sector bodies across the District would see more money available to support local jobs and develop local businesses.

Government programmes and initiatives active across Bradford District, such as the Bradford Education **Opportunity Area** Programme, the **Integrated Communities Pilot** etc. provide

opportunities to support people from deprived backgrounds to improve their opportunities to be socially mobile.

We are the youngest city in the country, coupled with a strong **entrepreneurial culture**, which is attractive to employers and business. We also have an ambitious Economic Strategy.

Continuing welfare reforms, the imposition of the two-child welfare benefit limit and the roll out of Universal Credit are all impacting on the poorest members of our community. Changes to planned implementation of Government welfare reforms, whilst welcomed, also make it difficult for public and voluntary and community sector organisations to plan, prepare and put mechanisms in place to support – such as the full roll out of Universal Credit being put back, changes to the local housing allowance for the under 35s being put on hold etc.

Whilst much work is taking place in Bradford District aimed at reducing poverty, helping people to get out of poverty and trying to stop people from falling into poverty in the first place, it has been recognised that work needs to be joined up if we are to have any impact on poverty here.

What are we doing about it and what does it and what does the information presented mean for commissioners?

The links between poverty and health and wellbeing are evident. Accordingly, if we are to improve the health and wellbeing of people in Bradford District we must take action to reduce poverty. The Anti-Poverty Strategy will be key in doing this.

Supporting resources

Bradford Poverty Review. Available at: <https://www.bradford.gov.uk/media/3785/poverty-scrutiny-review-june-2016.pdf>