

THE GREATER MANCHESTER POVERTY COMMISSION

The Greater Manchester Poverty Commission was established in 2012 to identify the nature of poverty within the Greater Manchester region and identify practical solutions to improve the lives of those residents living in poverty.

Chaired by the previous Bishop of Manchester and initiated by a number of Greater Manchester's MPs, the Commission included representatives from the public, private and commercial sectors. This included key stakeholders with expertise in: community and faith; advice and welfare; trade unions; social housing; business; the public sector; and the media.

The Commission undertook an ambitious programme of evidence gathering in order to fully understand the extent and nature of poverty in Greater Manchester. Using the evidence which was collected, the Poverty Commission sought to answer the following questions:

- What does poverty mean to Greater Manchester residents?
- What changes result in a person moving into poverty?
- What is it like to be in poverty?
- What are the barriers and obstacles that keep individuals in poverty?
- What needs to change for poverty to be alleviated?

CLES was invited to support the activities of the Commission through conducting research and data analysis. Our work involved collating statistical information on the elements of poverty most prevalent in Greater Manchester and analysing the evidence gathered from testimonies and interviews with residents experiencing poverty.

The findings

The research focused on the nature of poverty and who experiences it, the causes and consequences of poverty, and the capacity of public services to tackle poverty.

Poverty in Greater Manchester

Poverty is complex and difficult to define as it affects people's lives in a wide variety of ways and the Commission's research reflected this highly subjective and multi-dimensional nature of poverty. Residents living in poverty described it as a lack of choice and control which results in feelings of fear, anxiety and low self-esteem. The personal testimonies revealed how feelings of boredom, misery, insecurity and a lack of dignity can culminate in a downward spiral which is difficult to reverse.

Using the Index of Multiple Deprivation, CLES found that significant pockets of persistent and multiple deprivations have been present within Greater Manchester even before the onset of the economic downturn in 2009. Almost 600,000 residents live in areas of Greater Manchester that are within the 10% most deprived nationally. This accounts for over one in five of all Greater Manchester residents. Deprivation is highly concentrated within the Manchester City Council boundary, which is ranked as the fourth most deprived local authority in England and the second most deprived area in terms of income deprivation. Disadvantage in Greater Manchester is most acute in terms of employment deprivation, highlighting the high levels of worklessness within the city-region.

Who experiences poverty?

Our research found that low incomes and therefore poverty are experienced by both in work and out of work households, with pensioners, part time workers, single parents or workless families being particularly vulnerable to poverty. An estimated 137,000 Greater Manchester residents earn less than the Living Wage which means that low wage employment is a particular driver of poverty within the city-region.

Some of the highest rates of child poverty nationally are found within Greater Manchester, with 41% of small areas (lower super output areas) having at least one in three children living in poverty. This leads to problems in terms of poor health and education outcomes and low aspirations, while contributing to another generation of adults living in poverty.

The causes and consequences of poverty

Changes in earned income are the most common reason for an individual moving in or out of poverty. Individuals receiving welfare payments are also particularly vulnerable to poverty as changes to the benefit system may mean that their income is reduced. Other common life events that result in a loss of income were found to be relationship breakdowns, ill health or taking on additional caring responsibilities.

The key causes and consequences of poverty which the Commission identified relate to issues of low pay, debt, fuel and food poverty, digital exclusion and access to public transport. Poor health and well-being was also a significant factor and this cuts across all the other causes and consequences of poverty. Poor mental and physical health can hinder a person from participating in society and accessing health services which can create a vicious cycle whereby a person experiencing poverty becomes increasingly isolated and trapped in poverty.

Levels of debt and the scale of short term lending in the UK have risen dramatically in recent years, with a rise in high street lending outlets and increases in mortgage and landlord possession claims. The

rate of landlord possessions in Manchester is more than double the North West average of 5.9 claims per 1,000. The causes of debt are wide ranging but rises in unemployment, stagnant wage levels and increased costs of living are all playing their part. Similar factors are also leading to an increase in fuel and food poverty. Across Greater Manchester, a total of 20% of households are classified as fuel poor, accounting for over 220,100 households and the demand on food banks has risen rapidly.

Poverty is also strongly linked to access and affordability of internet access. This is particularly important given the continued shift of services to online methods of delivery such as the introduction of Universal Credit as a 'digital by default' benefit payment. Such moves make internet access increasingly important for individuals living on low incomes and so a lack of internet access was found to worsen a person's experience of poverty.

Finally, transport and accessibility issues, such as the cost and frequency of public transport to shops, public service providers and employment emerged as important causes and consequences of poverty in Greater Manchester. Such factors were found to reinforce food poverty and unemployment, although there is also a need to broaden travel horizons in disadvantaged areas.

The capacity of public services to tackle poverty

In the face of dramatically rising numbers of people facing situations of poverty, it is inevitable that there will be an increased demand upon public services. Many of the personal testimonies provided as evidence to the Commission described feelings of frustration or unfairness in terms of how they had been supported, or the contradictions that sometimes exist in the processes adopted by different service providers. A number of testifiers mentioned:

- the lack of flexibility within national benefit rules;
- the harshness of sanctions imposed;
- the stress caused by having to appeal benefit decisions.

Community and voluntary sector advice services are facing severe cuts to funding at a time when their services are experiencing a very high level of demand. In Greater Manchester, there has been an increase in demand for mental health services, youth services have been particularly badly affected by the cuts, and there is a significant shortfall in advice services. All organisations involved in supporting disadvantaged people are facing difficult challenges.

Recommendations

Following the collation and analysis of the extensive body of evidence collected through the Commission, CLES developed the following recommendations for reducing poverty in Greater Manchester. The implementation of these recommendations requires support from partner agencies across Greater Manchester, including the Combined Authority, individual local authorities, the private sector, and the voluntary and community sector.

Fuel, finance and food

- 1) Promote initiatives designed to reduce energy bills across Greater Manchester.
- 2) Increase access to affordable finance and financial support services to improve financial literacy.
- 3) Create a coordinated and sustainable approach to tackling food poverty.
- 4) Increase access to affordable fresh fruit and vegetables.

Access to services

- 5) Explore ways of providing free public transport for residents living in poverty.
- 6) Reduce digital exclusion by providing subsidised broadband and increasing the provision of free ICT literacy training.
- 7) Review the supply and demand of free legal advice services in Greater Manchester.
- 8) Improve the availability of quality childcare provision across the sub-region.

- 9) All public services in Greater Manchester should be 'poverty proofed'.
- 10) Improve the planning and coordination of voluntary sector services to tackle poverty.

Jobs and growth

- 11) Develop a Greater Manchester Living Wage campaign.
- 12) Build upon and maximise the Greater Manchester City Deal to increase the benefits disadvantaged communities experience from economic growth.
- 13) Ensure all strategies within the sub-region which are designed to promote growth also have realistic plans for addressing poverty.

Maintaining momentum for action on poverty

- 14) The Greater Manchester Combined Authority should take forward the work of the Greater Manchester Poverty Commission by establishing a Poverty Action Group.
- 15) Join forces with the Fairness Commissions in Liverpool, York, Newcastle and London to campaign and lobby on common issues.
- 16) Develop a neighbourhood level Greater Manchester Poverty Index.

What happened next?

The evidence report and recommendations report were launched in January 2013 and achieved considerable media attention. Following the launch of the report, CLES, the Manchester Black and Minority Ethnic Network, Save the Children and the Bishop of Manchester's office initiated the now formed Greater Manchester Poverty Action Group (GMPAG) with a range of other organisations. The work has begun and they are advocating the implementation of the Commission's recommendations.

The final reports along with more information on the Commission can be accessed via the *CLES website* or the *Commission's website*