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***Written submission to APPG on Health in All Policies***

Introduction: The Right to Social Security

1. As a Party to the International Covenant on Economic, Social and Cultural Rights (ICESCR), the UK must take steps to the maximum of its available resources to achieve progressively the realisation of economic, social and cultural rights, including the right to social security, the right to health and the right to an adequate standard of living (Art. 2(1), 9, 11 and 12). To comply with human rights standards, policy adjustments in times of economic crisis must be temporary, necessary and proportionate, must not be discriminatory, must mitigate inequalities and ensure that the rights of the most disadvantaged people are not disproportionately affected.<sup>1</sup>

Poverty and inequality in Newcastle and the North East

2. Income and wealth are unevenly distributed across regions. All the top 10 local areas in terms of gross disposable household income per head in 2016 were in London or the South East; the bottom 10 were more widespread but were confined to the North West, Yorkshire and the Humber, East Midlands, West Midlands and Northern Ireland.<sup>2</sup> The median household net property wealth in the South East is 233% larger than that in the North East, and while the median wealth increased in the South East by 14% between 2012 and 2016, it fell by 7% in the North East.<sup>3</sup>
3. “The situation in the UK is unusual for Europe. (...) Only in Russia, where Moscow is so dominant can we find another country where the capital is home to such a large proportion of the population, where no second city is of great significance and where the take of people in that single supreme national city is, on average so high even though most local residents, on average, are not doing so well in the Capital.”<sup>4</sup>
4. Inequality is closely connected to poverty, and child poverty in particular: One in four poor children in the UK live in the 10% most deprived local authorities.<sup>5</sup>
5. Welfare reforms have hit hardest where reliance on benefits has been greatest and the most affected places are older industrial areas, many of which are located in the North East of England.<sup>6</sup>

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<sup>1</sup> CESCR, [Letter by the Chairperson of the CESCR to States parties to the ICESCR](#), 12 May 2012. See also CESCR, [Public debt, austerity measures and the ICESCR: Statement by the CESCR](#), 24 June 2016, UN doc: E/C.12/2016/1, para. 4.

<sup>2</sup> ONS, [Regional gross disposable household income, UK: 1997 to 2016](#), May 2018.

<sup>3</sup> ONS, [Wealth in Great Britain Wave 5: 2014 to 2016](#), February 2018.

<sup>4</sup> Danny Dorling and Benjamin D. Hennig, [London and the English desert – the geography of cultural capital in the UK](#), *Cultural Trends* 25(1), 2016, pp. 42-43.

<sup>5</sup> Jonathan Cribb et al, [Living standards, poverty and inequality in the UK](#), IFS, July 2017.

<sup>6</sup> Christina Beatty and Steve Fothergill, [Hitting the Poorest Hardest: The local and regional impact of welfare reform](#), Sheffield Hallam University, 2013; Ted Schrecker, [Was Mackenbach right? Towards a practical](#)

These places have also been among the most affected in terms of cuts to local government, reducing statutory funding to voluntary and community sector bodies.<sup>7</sup> The high unemployment rate in the North East is set against a severe skills shortage and a population that is on average older and getting older faster than the rest of the UK.<sup>8</sup>

6. The North East is one of the UK regions with the highest number of deprived areas: The 2015 Index of Multiple deprivation shows that Newcastle is in the most deprived 20% of English local authority areas (Newcastle is ranked 53 out of 326). Over a fifth of Newcastle's population (65,100) live in areas that are among the 10% most deprived in the country.<sup>9</sup> The percentage of workless households in Newcastle is 19.9%, compared to the UK average of 14.5%.<sup>10</sup>
7. There is a widening gap between the city's highest and lowest earners. Newcastle has seen wage growth at the top end of the scale (top 20<sup>th</sup> percentile), but the bottom 10<sup>th</sup> and 20<sup>th</sup> percentiles have experienced a decline in wages, before the adjustment for inflation. Increasing levels of employment do not necessarily lead to reductions in poverty. Declining living standards are not merely attributable to a lack of employment, but also low pay.<sup>11</sup> In-work poverty is becoming more prevalent: 43% of children of one-earner couples live in relative poverty in the UK.<sup>12</sup>
8. Levels of child poverty in Newcastle are above the national average: 54,580 dependent children until the age of 20 (29.1%) live in low-income families, compared to 19.9% in England.<sup>13</sup>
9. The percentage of 16 and 17-year olds not in education, training or employment (NEET) in Newcastle is 6.6%, higher than the England average of 6%.<sup>14</sup>
10. The proportion of fuel poor homes in England is 11.1% (approximately 2.55 million households). Levels of fuel poverty in the North East are higher than average at 13.8%, and higher again in Newcastle at 14.4% (approximately 17,268 households).<sup>15</sup>
11. In 2013 the government implemented the "removal of the spare room subsidy" (commonly known as "bedroom tax") as part of its welfare reform package with the intention of reducing spending

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[political science of redistribution and health inequalities](#), *Health & Place* 46, 2017.

<sup>7</sup> Annette Hastings et al, [Serving deprived communities in a recession](#), Joseph Rowntree Foundation, January 2012; Andrew McCulloch et al, [Patterns of Social Capital, Voluntary Activity, and Area Deprivation in England](#), *Environment and Planning* 44(5), 2012; Civil Society Futures, [Interim Research Report: End of Year 1](#), April 2018.

<sup>8</sup> IPPR, [State of the North 2017: The Millennial Powerhouse](#), November 2017.

<sup>9</sup> Ministry of Housing, Community and Local Government, [English indices of deprivation](#), September 2015.

<sup>10</sup> [Nomis](#) labour market statistics, 2017.

<sup>11</sup> Newcastle City Council, [Newcastle 2020: Investing in a Fairer Future – One year on, Newcastle City Council's budget proposals for 2018-19](#), February 2018.

<sup>12</sup> Jonathan Cribb et al, [In-work poverty among families with children](#), IFS, July 2017.

<sup>13</sup> HMRC, [Children in Low Income Families Local Measure 2014](#), September 2016.

<sup>14</sup> Department of Education, [NEET data by local authority](#), last updated in October 2017.

<sup>15</sup> Department of Business, Energy and Industrial Strategy, [Annual Fuel Poverty Statistics Report \(2016 data\) England](#), 2018.

on social housing for tenants that live in accommodations deemed too large for their needs. Research in a North East locality where 68.5% of residents lived in social housing showed that “income reduction affected purchasing power for essentials, particularly food and utilities. Participants recounted negative impacts on mental health, family relationships and community networks. The hardship and debt that people experienced adversely affected their social relationships and ability to carry out normal social roles. Residents and service providers highlighted negative impacts on the neighbourhood, as well as added pressure on already strained local services”.<sup>16</sup>

12. Recent research with people on low incomes in Newcastle demonstrates that punitive conditionality and continued threat of sanctions negatively affect wellbeing. The inadequacy of benefit levels, with or without the “bedroom tax”, left people feeling excluded from normal social participation, but significantly, this included cutting back on food, surviving primarily on cheap, filling foods such as bread, pasta and noodles, and unable to afford fruit and vegetables, even when required for medical conditions. People reported continued stress, shame and embarrassment.<sup>17</sup>
13. Research conducted primarily in Teesside found that, despite their influence in British politics, ideas about “generations of families that never worked” and intergenerational “cultures of worklessness” do not adequately explain the causes of worklessness in the UK, particularly not when insecure employment does not protect against poverty.<sup>18</sup>
14. In a three-year ethnographic observation between 2014 and 2017 in Stockton on Tees and Hartburn “inequalities in healthcare, including access, the importance of judgemental attitudes, and perceived place stigma, (were) offered as explanations for the stark gap in spatial inequalities in the area. Notions of fatalism, linked to (a lack of) choice, control, and fear of the future, were common reasons given for inequalities across all participants”; according to official data by Public Health England, Stockton on Tees has the highest geographical health inequalities within a single local authority in England both for men (at a 17.3 year difference in life expectancy at birth) and for women (11.4 years).<sup>19</sup>

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<sup>16</sup> Suzanne Moffatt et al, [A qualitative study of the impact of the UK ‘bedroom tax’](#), *Journal of Public Health* 38(2), 2016.

<sup>17</sup> Unpublished PhD project by Joel Halligan at the Institute of Health and Society.

<sup>18</sup> Tracy Shildrick et al, [The low pay, no pay cycle: Understanding recurrent poverty](#), JRF, 2010; Tracy Shildrick et al, [Are cultures of worklessness passed down the generations?](#), JRF, 2012.

<sup>19</sup> Kayleigh Garthwaite and Clare Bamba, [“How the other half live”: Lay perspectives on health inequalities in an age of austerity](#), *Social Science & Medicine* 187, 2017. As part of this research project, see also: C Bamba (ed) (2019) *Health in Hard Times*, Policy Press; K. A. Garthwaite et al, [Food for thought: An ethnographic study of negotiating ill health and food insecurity in a UK foodbank](#), *Social Science & Medicine* 132, 2015; K. Mattheys et al, [Inequalities in mental health and well-being in a time of austerity: Baseline findings from the Stockton-on-Tees cohort study](#), *SSM – Population Health* 2, 2016; N. Akhter et al, [Inequalities in mental health and well-being in a time of austerity: Follow-up findings from the Stockton-on-Tees cohort study](#), *SSM – Population Health* (open access manuscript), 2018.

### Universal Credit roll-out in Newcastle

15. Newcastle upon Tyne is the first core city to have Universal Credit full service in all jobcentres. As of July 2018, the Universal Credit official statistics show that there were 17,045 residents in receipt of Universal Credit in Newcastle.<sup>20</sup>
16. As the welfare reforms have been rolled out across Newcastle there has been an increase in requests for short-term financial support, such as Discretionary Housing Payment (DHP), the Crisis Support Scheme and food packages from food banks. Since 2013 many residents have relied on DHP to reduce the risk of homelessness and destitution. In 2011/12, £94,326 of DHP was paid to 219 residents, in 2016/17 £917,121 was paid to 2,149 residents, and in 2017/18 the Council has budgeted £1,169,857 for DHP. During 2017/18, the total number of awards made by the Crisis Support Scheme for food was 813. During the same period 1,014 awards were made for fuel vouchers for households who did not have gas or electricity. The Newcastle West End Foodbank provided 21,000 food parcels and provided 5,800 hot meals in 2017/18. Half of all food parcels provided went to households with dependent children.
17. The Council's Energy Services note a rise in residents seeking advice who are in receipt of Universal Credit and have run out of money: In 2015/16, 3 residents were supported by Energy Services for this reason; in 2016/17, 21 residents; in 2017/18, 136; between 1 April 2018 and 15 August 2018, 41 residents have been supported by Energy Services for this reason. Of all of them, 122 had energy debts that they were unable to pay, 27 had either disconnected their energy supply themselves, or were being threatened with disconnection by their energy supplier, and 48 households had children present.
18. In line with a recent report by the National Audit Office,<sup>21</sup> ongoing research in Newcastle and neighbouring Gateshead has demonstrated that Universal Credit is causing significant hardship. Serious problems with the claims process and long delays in awarding correct payments were regularly experienced. As a direct result of the low level of Universal Credit payments and high debt repayments incurred through obtaining an advance loan, claimants reported impacts on physical health and wellbeing, which included sleep, pain and exacerbation of long-term conditions (e.g. diabetes, musculoskeletal problems). Mental health problems were rife: Stress, anxiety, depression, self-harm and suicidal thoughts. Increased poverty, stress and stigma were directly linked to reduced social engagement and increased loneliness and social isolation. For claimants with learning difficulties, mental health problems and complex health issues, Universal Credit was viewed as "unfit for purpose".<sup>22</sup>

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<sup>20</sup> Department of Work & Pensions, [Universal Credit Official Statistics](#), up to July 2018.

<sup>21</sup> NAO, [Rolling Out Universal Credit](#), June 2018.

<sup>22</sup> Mandy Cheetham, Suzanne Moffatt et al, [The Impact of Universal Credit in Gateshead and Newcastle](#), 2018. Research supported by Gateshead and Newcastle City Councils.

The 2016 Welfare Reform Act: The benefit freeze and the benefit cap

19. Research by Joseph Rowntree Foundation has demonstrated that between 2016 and 2020, the benefit freeze will have affected more than 27 million people and swept 400,000 into poverty. Lifting the freeze in April 2019 would help almost all UK families with children, and working families locked in poverty who have children would gain the most.<sup>23</sup>
20. In its recent report on the benefit cap, the HC Work and Pensions Committee concludes: "We can understand the principle of imposing the benefit cap on claimants who are able to work but choosing not to do so. But the vast majority (82%) of households affected by the cap have been assessed, by the Department itself, as not being required to look for work—often because they have an illness or disability or are caring for very young children. Few of these claimants will be comforted by the Minister's flippant suggestions that they simply move house, renegotiate their rent or even take a lodger. In reality, they are left with no way to escape the cap."<sup>24</sup>

Increasing health inequalities

21. Recent research has found that health inequalities have increased since 2010.<sup>25</sup> The gap in infant mortality rates between the most deprived local authorities and the rest of England narrowed between 1999-2010, but that trend has been reversed since 2011 – perhaps as a result of austerity. From 1999–2010, the gap narrowed by 12 infant deaths per 100,000 births per year but since 2011, the gap has been increasing again at a rate of 4 deaths per 100,000 births per year. The most deprived local authorities have more residents impacted by the Welfare Reform Act 2016.

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<sup>23</sup> JRF, [End the benefit freeze to stop people being swept into poverty](#), March 2019. See also the submissions to the Work and Pensions Committee inquiry on the benefit freeze ([available here](#)).

<sup>24</sup> Work and Pensions Committee, [The benefit cap](#), March 2019, p. 23.

<sup>25</sup> Robinson et al, [The impact of New Labour's English health inequalities strategy on geographical inequalities in infant mortality: a time-trend analysis](#), *Journal of Epidemiology & Community Health*, 2019 (in press).