No poverty

End poverty in all its forms everywhere

Prepared by

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In 1999, the UK Government proclaimed its intention to eradicate child poverty within a generation, formalising this aspiration with the passing of the Child Poverty Act 2010. A framework to gauge progress was proposed, at the heart of which was the benchmark of determining poverty in the UK as living in a household whose equivalised income was below 60% of UK median household income. Equivalent nationally focused poverty benchmarks are widely used across Europe. Progress in reducing poverty in the UK was made in the first decade of the 21st century, notably for children, more markedly for pensioners, but not for adults of working age.

A more challenging economic climate, a change of government and a reorientation of political and spending priorities, led to the repeal of the 2010 Act in 2016. While the UK Government continues to offer social protection, and aspires to tackle some of the drivers of poverty, there is now less explicit primary concern to tackle it directly. Independent projections suggest that poverty will increase significantly over the next few years and then more slowly toward 2030. Against this context, the Scottish Government has introduced the Child Poverty (Scotland) Act 2017 to eradicate child poverty in this part of the UK by 2030.

### Performance rating

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<th>Sustainable Development Goal Target</th>
<th>Rating</th>
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<tr>
<td>1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day</td>
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<td>1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions</td>
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<td>1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable</td>
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<td>1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance</td>
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<td>1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters</td>
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<td>1.a Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions</td>
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<td>1.b Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions</td>
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Key findings

1. The UK is among the most economically developed nations, with its citizens experiencing a relatively high material standard of living and established systems of national and local social protection.

2. The national indicator of relative income poverty that is widely accepted and used across Europe suggests that progress was made in reducing child and pensioner poverty in the first decade of the 21st century.

3. Social protections for people experiencing poverty in the UK have been reduced in recent years.

4. Independent analysis of poverty projections suggests that – according to the national indicator of relative income poverty – poverty in the UK will increase sharply in the next few years and will continue to increase more slowly toward 2030.

5. Scotland has legislated to eradicate child poverty by 2030.

Performance and Progress

The way in which we conceive ‘ending poverty’ in the UK very much determines the conclusion we reach on performance and progress with SDG1.

If our global frame of reference is the World Bank’s measure of extreme poverty (living on less than US$1.90/day) then the SDG1 challenge for the UK is supporting the minority who are not availing themselves of existing social protection mechanisms as, in theory, all citizens in the UK should have access to resources that are in excess of this threshold (Target 1.1). The UK’s status as a ‘poverty-free’ nation is shared by other economically advanced nations; it does not cast the UK in a uniquely positive light.

There is a degree of public support for the view that poverty is something that only exists in other places (or at times past in the UK), but few serious commentators would argue against the position that poverty is an experience that should be judged against prevailing circumstances in particular places. There is almost universal support among experts for the view that poverty in the UK reflects the situation when a household is, as a result of inadequate income, unable to access what might reasonably be expected of the typical household in the UK. Although a framework of indicators is required to adequately appraise the national position, the poverty threshold that is typically used is when a household’s equivalent income is below 60% of UK median household income in a particular year. These data are published annually, with time series analysis being available to track trends through time. Others have argued that this approaches underestimates the incidence of poverty and that a minimum income standard is a more robust approach; however, there is majority support for the use of this indicator of relative income poverty.

Considerable progress was made in reducing poverty in the UK in the first decade of the 21st century, notably for children, more markedly for pensioners, but not for adults of working age. Progress has stalled in recent years with rates of poverty fluctuating and no overall discernible trend. Significantly, there has been a rise in in-work poverty; work

SDG 5

Until gender equalities are addressed, it is unlikely that there will be progress tackling the high incidence of women pensioner poverty.
is no longer a sure-fast route out of poverty in the UK, although protections such as the National Minimum Wage and National Living Wage have increased financial returns from work completed for the low paid. More worryingly, independent analysis of poverty projections suggests that – according to the national indicator of relative income poverty – poverty in the UK will increase sharply in the next few years and will continue increase thereafter, but more slowly toward 2030 (Target 1.2). For example, without corrective action, independent analysis for the Scottish Government suggests that one in three children in Scotland will be living in poverty by 2030.¹

It would be misleading to suggest that the UK Government is not concerned to tackle poverty in the UK. After all, the UK continues to provide a fairly wide-ranging system of social security and has articulated aspirations to improve children’s life chances and promote social mobility (Target 1.3). Furthermore, the wide-ranging ways in which civil society provides resources and support to bolster the quality of life of those experiencing poverty must also be acknowledged, e.g. food banks, free/reduced cost leisure participation and advice/support services. These actions serve to ameliorate the worst excesses of the social exclusion that poverty causes. On the other hand, there has been significant weakening of explicit commitment to tackle poverty in recent years. For example, the Child Poverty Act 2010 was repealed in 2016 with the introduction of a Welfare Reform and Work Act in 2016, which meant there was no longer a legal obligation on the UK Government to eradicate child poverty by 2030. The 2016 Act has also reduced the levels of social security entitlement, with the direct consequence of increasing the intensity and overall levels of poverty for particular groups (notably families with more than two children). Furthermore, the provision to establish a Child Poverty Commission within the 2010 Act was first amended to become the Social Mobility and Child Poverty Commission in 2012, before being further reconfigured as a Social Mobility Commission in 2016. Thus, while the UK Government continues to offer social protection and aspires to tackle some of the drivers of poverty, there is now less explicit primary concern to tackle it. The direction of travel for the UK Government seems to be against that which might be pursued to achieve the SDG1 goal of ‘ending poverty’.

In summary, there should be no doubt that the UK Government is concerned with the welfare of its most vulnerable citizens. The UK continues to deliver social security to protect its most vulnerable from the worst excesses of poverty at present and is concerned to promote social mobility to ensure that poverty does not persist across generations. However, concerns must be raised about the UK Government’s ‘direction of travel’ and its understanding of what constitutes poverty. Social security has been weakened in recent years, with significant reductions in the level of resource that is at the disposal of some of the UK’s most financially challenged citizens. The manner in which new provisions have been introduced (e.g. back-payment cycles for Universal Credit creating short-term vulnerabilities) has shown a disregard for the realities of life for those with least resource. Food banks are becoming a necessary part of the landscape of social support. Demand on crisis funds and welfare advice are increasing.

Unless the UK takes a different tack, everyday life for its most financially challenged will continue to become more stressed and the prospect of achieving SDG1 – if conceived as a national indicator of income poverty – is a remote possibility.
Synergies and coherence

For the UK, SDG1 is inextricably linked to many other SDGs. The links are most evident for the SDGs that are primarily social or economic in orientation (SDGs 2, 3, 4, 5, 8, 9, 10, 11, 12, 16 and 17). For example, until gender equalities (SDG5) are addressed, it is unlikely that there will be progress tackling the higher incidence of women pensioner poverty. Similarly, analysis of the ‘cost of the school day’ highlights the difficulties for children in financially challenged families to avail themselves of all the opportunities that our apparently ‘free education’ system provides. Nevertheless, the more environmentally-oriented SDGs (6, 7, 13, 14 and 15) are pertinent too, as Target 1.5 evidences.

Local to international dimensions

It is important to note that the UK is a part-devolved administration and that there is variable capacity across sub-national units in the UK to formulate a localised approach toward ‘ending poverty’. It is of note that the Scottish Government – with cross-party support – legislated through the Child Poverty (Scotland) Act 2017 to eradicate child poverty in Scotland by 2030. National and local programmes of action are envisaged with the first delivery plan from 2018-2022. The targets set are slightly more ambitious variants of those that comprised the 2010 Act for the UK as a whole. The work programme targets three drivers of poverty (work and earnings; social security; reducing household expenditure) in addition to supporting interventions that bolster the quality of life as lived. It can be seen as part of a strategy to eradicate poverty in the longer term.

Recommended actions

1. Articulate what the UK Government understands to be implied by the SDG Goal of ‘ending poverty in the UK’

2. Specify how existing work on ‘improving life chances and promoting social mobility’ contributes to SDG1 and ‘ending poverty in the UK’

3. Commit to a programme of government action to ‘end poverty in the UK’

4. Commit to annual monitoring of progress toward ‘ending poverty in the UK’

5. Present a differentiated anti-poverty strategy, which acknowledges that what is required to reduce poverty among adults of working age, differs from what is required to tackle child poverty and, in turn, pensioner poverty
Case study

The Cost of the School Day, Child Poverty Action Group, Scotland

**SDG TARGETS: 1.2, 4.1**

The Scottish Government’s commitment to eradicating child poverty by 2030 has led to them support, along with other donors, the Cost of the School Day project. The project recognises that school costs such as clothing, travel, school trips and extracurricular activities put an additional burden on low-income families.

They can result in children being excluded from opportunities and can single them out as being different. The Cost of the School Day brings together children and young people, parents/carers and school staff, so they can work together to identify financial barriers and put in place actions to remove them.

**This includes:**

- Ensuring equal access to opportunities at school, and removing barriers to learning and participation for children and young people from low income households
- Reducing risk of stigma associated with financial circumstances and exclusion amongst children and young people
- Reducing the pressures school costs place on low family incomes and supporting families to access

[www.cpag.org.uk/cost-school-day](http://www.cpag.org.uk/cost-school-day)
Endnotes