

Report calls for 'comprehensive action' to tackle poverty in UK city

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Rising unemployment, inadequate benefits and low paid work are the main causes of poverty and destitution in Stoke-on-Trent according to the findings of a new study.

The research carried out by Staffordshire University and Citizens Advice Staffordshire North & Stoke-on-Trent, and funded through Research England's Strategic Priorities Fund, aims to understand the impact COVID-19 is having on residents in the city.

The report includes case studies of people who have turned to Citizens Advice and Alice Charity's Foodbank after finding themselves unable to work through the pandemic and facing increasing debt or struggling to claim benefits.

Post COVID-19 crisis and its impact on poverty and destitution in Stoke-on-Trent follows a report produced by Professor David Etherington for the Hardship Commission last year which examined the threat of the pandemic to Stoke-on-Trent's economy.

Ten months on, the new study includes updates the evidence and makes a number of recommendations on the "comprehensive action" needed to tackle the issues.

Professor David Etherington says that "even before the COVID-19 crisis, Stoke-on-Trent was the 14th most deprived district in England with one of the highest rates of people on low pay and with low level skills. This has been exacerbated during the pandemic with the lowest paid, women, part-time workers and [young people](#) hit the hardest."

"A disturbing fact, given that Britain is one of the richest countries in the world, is that thousands of people in Stoke-on-Trent have insufficient incomes to meet basic needs and a consequence of this is that more and more people are turning to foodbanks for welfare support. The Alice Charity's foodbank reported that some parents are going without food for up to three days before coming to the foodbank. Another often-overlooked area is that people often do not take up the benefits they are entitled to."

The report highlights that:

- across Stoke-on-Trent there are 50,228 persons of working age in receipt of one or more benefits—12,495 more than November 2019. This equates to an increase from 23.6% to 31.4% of the Working Age population.
- even with the £20 'uplift', Universal Credit only amounts to the equivalent of 40% of average wages - £409.89 month for single person and £1112 per month for a couple with two children
- young people claiming benefits in Stoke on Trent rose from 5.9% 2020 in March to 10.2 in December 2020.
- over 90,000 people in Stoke-on-Trent and Newcastle-under-Lyme are in debt, struggling to pay their bills, keep up with their loan payments. Stoke-on-Trent has the 2nd highest rate of Debt Relief Orders (DROs) in England and Wales
- the estimated total value of unclaimed benefits across the City is between £71.85m to £84.55m
- hunger is now a key issue. Stoke-on-Trent Foodbank has provided food aid to 14,000 people in the last year (2020) and 1,500 received food aid who had never used a foodbank before. The Alice Charity's Foodbank provided more aid in the first two months of 2021 than in the whole of 2018.

The report also predicts a surge in demand for advice services as reported by Citizens Advice North Staffordshire and Stoke-on-Trent.

Simon Harris, Chief Executive Officer for Citizens Advice Staffordshire North and Stoke-on-Trent, points out that "before lockdown about 40 per cent of our Universal Credit clients were seen face to face and helped to make a claim. Many of these will not have successfully transferred to online channels due to poor digital skills and other factors and will have fallen through the net."

"Given that many more people have fallen behind with rent and bills and other payments over the pandemic, there is undoubtedly significant pent-up demand for debt advice and we anticipate a significant surge at some point in the next 12 months."

The report authors Professor David Etherington and Professor Martin Jones are now calling for action to address high levels of poverty and destitution experienced across the City.

Their recommendations include benefit take-up campaigns—similar to those adopted by the Scottish Government—which involve community groups, advice organizations and foodbanks working together to tackle the issue.

It also advocates using a Scandinavian style employment and training model (Jobrotation) to address unemployment and low skills.

Professor Jones explains that "with fears of high unemployment in the UK following the COVID-19 pandemic and the phasing out of the Job Retention scheme, this is a critical time to be thinking about Jobrotation. Jobrotation is highly effective at providing opportunities for unemployed people to gain permanent jobs at the same time as upskilling existing employees. It could involve packaging funds from a range of programs such as the Kickstart scheme, Universal Credit, Apprenticeships Levy and the UK Community Renewal Fund and we urge civic and business leaders to urgently explore these possibilities."

More information: A disappearing safety net: post Covid-19 crisis and its impact on poverty and disadvantage in Stoke on Trent - Report to Stoke Hardship Commission: eprints.staffs.ac.uk/6403/3/David%20Etherington%20Hardship%20Commission%20Report%20_June%202020.pdf

Provided by Staffordshire University

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