

## **Blueprint for Change**

Supporting



Our campaigning movement to end poverty in the UK

# 2024 will be the election of change

At least 100 MPs, mostly Conservative, have said they will not stand again. In addition, all polls point to a massive new influx of Labour MPs.

At this unique hinge moment in British political history, all of us within the Big Issue community can **make our voices heard** as we call on the next government to put **ending poverty** at the heart of their policy agenda.

Big Issue is founded on an ideal of speaking for those without a voice, and of providing a platform for those frequently marginalised and ignored. In addition, we have grown to become a body that works to **create innovative solutions through enterprise**, to unlock social and economic opportunity for the millions of people in the UK living in poverty.

Here at the Big Issue Group, we know that poverty is a complex and multi-faceted problem that requires a multi-pronged approach. That is why **the next government must adopt an investment mindset to end poverty**. Investing in people hammered by poverty will give them the tools and money needed to change their lives long-term.

It has been clear for some time that living costs in the UK are soaring and living standards are dramatically collapsing. There are **3.8 million people in the nation experiencing destitution**, which means people who are unable to feed, clothe and keep themselves warm. This number has increased by 148% from 2017<sup>1</sup>. Measures are needed to fix the emergency, and also to create wholesale changes that will **address the root causes of poverty** and prevent more people falling in poverty.

Failure to act and failure to invest in those facing poverty now will only exacerbate the problem, leading to a spiralling lack of opportunity and prosperity for future generations.

We have created **FIVE POVERTY PREVENTION PILLARS** based on our decades of knowledge and experience working with people affected by poverty.

The time has gone for a light touch approach from any incoming government. **Clear and real change is essential.** 



<sup>1</sup><u>https://www.jrf.org.uk/deep-poverty-and-destitution</u>

# Big Issue's Five Poverty Prevention Pillars

We believe that ending poverty relies on addressing five interlinked pillars of concern – there is no one-size fits all solution.

These pillars are the cornerstone of our work at Big Issue Group, and we believe that the government must adopt the same model to truly **break the cycle of poverty** for people now and for future generations.



# Big Issue's policies to end poverty

Through our investigative journalism, direct work with individuals affected by poverty, community engagement and policy development work, <u>we have created a list of key policy asks</u> under each of our five pillars that we believe the next government should adopt to improve lives and lessen the burden of poverty.



# 1. Housing

Secure housing is an important step in creating a stable environment to move forward and rebuild people's lives.

Around 4.6 million households use the private rented sector in England with 11 million renters, 10 million of them on low incomes. There are an additional 340,000 households in rented accommodation in Scotland. Renters are facing record prices with rents growing at the fastest annual rate for more than a decade.

Renters are almost five times more likely to experience financial hardship than people who own their own home outright, according to the Office for National Statistics.

There are additional soaring costs on those people with mortgages who are seeing spiralling monthly bills.

The UK is currently facing an unprecedented housing crisis, with availability of secure and affordable housing unacceptably low.

In the first 12 months of the next Westminster government's premiership, we ask for the following policies to be prioritised:

### Priority Policy

- **Build more social and affordable housing** and commit to providing high-quality public services such as GPs, schools, mental health support as part of the community and build.
- End Section 21 'no-fault' evictions.
- Increase Universal Credit to £120 a week for a single adult and £200 for a couple to create an Essentials Guarantee.
- **Reform the Energy Price Cap** to make it fit for purpose for low-income households and pensioners.

### Over the course of the next government's first full term, we are asking them to:

- Keep Local Housing Allowance permanently unfrozen, to rise in line with inflatedlocal housing markets year on year.
- Implement an ambitious target to end street homelessness by 2030. Greater London Authority has pledged to do this by 2030. So why not extend this across the country?
- **Redefine 'Affordable Housing'.** At present, it is 80% of market rate, a metric that is clearly no longer fit for purpose.



# 2. Health & Wellbeing

Poverty causes ill health, drives inequality in health outcomes and increases the use of health services. It is expensive keeping people poor, in direct costs to the state and in lost opportunity and productivity.

People in the bottom 40% of the income distribution are almost twice as likely to report poor health than those in the top 20%.  $^{\rm 2}$ 

In January 2023, 54% (equivalent to 28.4 million people) of UK adults reported feeling increased levels of anxiety or stress due to the cost of living. This soared to 86% for those who are not coping financially or were finding it very or quite difficult to cope.<sup>3</sup>

Right now the UK is facing a crisis of accessible and quality health and care and wellbeing services through the NHS, which has been crippled after 14 years of under-investment and the blow of Brexit preventing essential overseas staff recruitment at an essential level.

There is also a growing issue of mental health care and availability of that care. The Centre for Mental Health reported this year that mental ill-health had a combined cost of  $\pounds$ 300bn to the economy. Levels of mental ill-health have soared post-Covid lockdowns.

# In the first 12 months of the next government, we are asking for the following policies to be prioritised:

### Priority Policy

- **Provide universal free school meals** to ALL school-age children, including outside of term time.
- Accelerate spending and availability of mental health care. Properly invest in mental health care funding, especially for those under 30, decreasing wait times and ensuring equitable access to free services.

### Over the course of the next government's full term, we are asking them to:

- Increase provision of free sight, hearing and prescriptions for all. There are provisions for elements of these in the devolved nations. England is lagging in help for its citizens.
- Invest in the NHS and social care workforce, with focus on recruitment and retention.



<sup>2</sup> https://www.health.org.uk/publications/long-reads/living-in-poverty-was-bad-for-your-health-long-before-COVID-19 <sup>3</sup> https://www.fca.org.uk//node/116096

# 3. Community & Environment

Poverty and inequality can be directly tackled at a local level through community initiatives, and this is intrinsically linked with improving our environment. Research has shown that individuals on the lowest incomes experience 62% more personal crime – and 73% more violent crime – than those on higher incomes.<sup>4</sup> The most deprived areas in England experience the highest levels of air pollution emissions.

# In the first 12 months of the next government, we are asking for the following policies to be prioritised:

### 🛱 Priority Policy

- Commit to Just Transition investment, reskilling workers to
  be green energy creation ready and to avoid mass industry job losses.
- **Commit to keeping libraries open** as a national programme and acknowledge the benefits of libraries as key hubs for communities and those frequently most isolated and vulnerable in communities.
- **Reinstate Sure Start** as previously envisioned. The one-stop shop for families of infants in deprived areas hugely helped health and life opportunities for millions.

### Over the course of the next government's full term, we are asking them to:

- **Devolve greater powers to local authorities** to empower locally focused community based decision making.
- **Invest into local Social Services** and increased promotion and support of foster care and support for care leavers who are frequently left adrift at 16.



<sup>4</sup> https://www.civitas.org.uk/content/files/povertyandcrime.pdf

# 4. Learning & Employment

Investing in education and skills results in higher quality, and more stable and secure employment, higher earnings and less exposure to low income and poverty. Around two-thirds (68%) of working-age adults in poverty live in a household where at least one adult is in work. This figure was lower than 50% in 1996/97.

Overall, there were 531,200 skill-shortage vacancies (SSVs) in 2022, more than twice the corresponding number in 2017 (226,500).<sup>5</sup> Access to high quality, sustainable employment for those that are capable of working is crucial to escaping poverty. We recognise the importance of lifelong learning and skill-building to that aim.

We believe the right way to get people out of poverty is to support people and build confidence so people can move into sustainable long-term employment.

# In the first 12 months of the next government, we are asking for the following policies to be prioritised:

### Priority Policy

- **Reform the increasingly punitive benefits system** and replace it with system that helps those most in need while also offering mentorship, confidence building model and realistic routes to move people back into sustainable employment.
- Increase job security reform zero-hour contracts, and provide employment rights from day one in a job.
- **Reform the Back to Work Scheme** to focus on mentorship and confidence building, rather than unnecessary and harsh punishments.

### Over the course of the next government's full term, we are asking them to:

- Raise the minimum wage for workers of all ages, including apprentices.
- Deliver free wraparound childcare.
- Reform Statutory Sick Pay in line with the National Living Wage.
- Deliver young entrepreneurialism support programmes for disadvantaged groups.
- Introduce free bus travel in England for those 23 and under. Cost of travel is a frequent barrier to work for many young people. This will address that AND it's better for the environment. As an increased number of bus services leave the private sector this becomes easier to implement. This scheme already functions and delivers in Scotland.



# **5. Financial & Digital Inclusion**

Tackling digital and financial exclusion, to ensure everyone is equipped with basic financial and digital skills, alongside access to the internet, bank accounts and all the other elements that are critical to contemporary life, driving inclusion and to enable earning and employment.

People living in poverty are more likely to be unbanked. In 2022, 7% of those unemployed were unbanked, 6% of those in financial difficulty were unbanked and 5% of those with a household income of less than  $\pounds$ 15,000 were unbanked. These figures are higher than the average unbanked rate for all UK adults of 2.1%.

Based on data from 2020, 19% of individuals deemed to be most financially vulnerable do not use or have access to the internet, compared to 10% of the total adult population.

# In the first 12 months of the next government, we are asking for the following policies to be prioritised:

### Priority Policy

- **Outlaw high interest credit** and make loans and credit sources affordable, equitable and fair.
- Focus on gambling related harm as a public health problem, particularly online gambling.

### Over the course of the next government's full term, we are asking them to:

- **Implement a National Financial Literacy strategy** covering financial literacy education and skills from early years to the elderly to improve financial inclusion.
- Deliver high quality, affordable broadband access for everyone across the UK.
- Implement a Digital Inclusion Strategy led by the Department for Digital, Culture, Media & Sport and the industry for older generation.

In addition to these policies, in 2024, via Big Issue Invest, and supported by 35 other organisations, we have also called for the establishment of a 'Financial Inclusion Task Force' to improve financial inclusion and access to fair banking.



# **Ministry of Poverty Prevention**

### Our work in parliament

John Bird, Founder of the Big Issue and now a Crossbench Peer, has dedicated his time in the House of Lords to his **laser-focused ambition to see poverty eradicated**.

Lord Bird believes that the current structure of government and public expenditure serves only to keep the poorest amongst us comfortable but does not do enough to lift people out of poverty or prevent many more from falling below the breadline. **He believes that government need a radical change in thinking** and approach, which can only be achieved through a massive change in policymaking and delivery at the heart of government. Long term vision and financial planning further than the electoral cycle is essential to that goal.

John believes that the mechanism to deliver that change is a new government department, a **Ministry of Poverty Prevention**. With a focus on prevention and cure, the ministry would allow policymaking to evolve from firefighting by centralising poverty-led policy, delivery and funding. There are countless anti-poverty policies and projects we already know work but have struggled to retain the funding or patience of politicians long enough to see through to their full potential. The Ministry of Poverty Prevention will **act as a repository for these solutions**.

In March 2024, John introduced his draft Bill in the House of Lords to attempt to make this proposal a reality. This work is based in ongoing research, parliamentary and governmental engagement, and **we believe the implementation of a ministry is the most effective way to depoliticise anti-poverty spending** and make a real difference for the millions of households in this country currently living in destitution.

