

Poverty in London, before and during the Covid-19 pandemic

May 2022

EXECUTIVE SUMMARY

This report presents an assessment of the nature and extent of poverty in London, prior to and during the coronavirus (COVID-19) pandemic. It is based on the Social Metrics Commission's (SMC) framework for measuring poverty.

Poverty before the pandemic

London has long faced the highest poverty rate of any region or nation of the UK. Londoners who live in poverty are more likely to live in deep poverty, and are more likely to have experienced poverty over a longer period of time. They are more likely to be in work, with high housing costs acting as a key driver of poverty. In the year before the coronavirus pandemic:

- 29% of Londoners were living in poverty, compared to 21% of the population of the UK;
- 17% of Londoners were living in persistent poverty;
- 42% of Londoners who were in poverty were in deep poverty, compared to 29% of those in poverty elsewhere in the UK.

Under the SMC framework, poverty depth and poverty persistence are analysed together to create a more complete picture of families' experience of poverty. This analysis makes clear that Londoners are more likely than those in the rest of the UK to experience the most severe forms of poverty:

- 29% of those in poverty in London are in deep and persistent poverty, compared to 16% of those in poverty in the rest of the UK;
- 66% of those in deep and persistent poverty are in a family in which at least one person is working (full-time or part-time), compared to 59% of those in deep and persistent poverty in the rest of the UK;
- 65% of those in deep and persistent poverty are in families with at least one child, compared to 52% of those in deep and persistent poverty in the rest of the UK.

Lived Experience Indicators, considered alongside poverty depth and persistence, show a mixed picture. Compared to those in poverty in the rest of the UK, Londoners in poverty are more likely to struggle with their family finances and are less satisfied with their health outcomes, but have better qualifications and are less likely to be workless.

London faces demonstrably acute challenges around poverty. These challenges are longstanding. Addressing them will require an understanding of how the lived experience of poverty in London differs from that in the rest of the UK.

Poverty during the pandemic

The whole country has experienced the profound economic, social and health impacts of the coronavirus pandemic. Existing evidence shows that London was particularly hard hit. For example, the capital saw a greater and more sustained fall in employment, and furlough rates stayed higher for longer. To understand the impacts that this pattern might have had on poverty in the capital, this report creates nowcasts and projections of poverty through the course of the pandemic to Q2 2022. This is necessary because the most recent survey data only allows Government to calculate poverty rates up to the 2019-20 financial year.

Our results suggest that London's poverty rate was broadly flat over the course of the pandemic:

- The poverty rate increased between the 2019-20 financial year and Q2 2020, from 28.8% to 29.3%; and
- The poverty rate is then projected to fall between Q2 2020 and Q2 2022, reaching 28.1%.

This broadly flat picture obscures the differential impact of labour market changes and the response of the Government. In particular, we show that the poverty impact of coronavirus-related changes to the labour market is partially alleviated, and then in Q2 2022 entirely offset, by the government's changes to the benefit system:

- The labour-market impact of the pandemic increased the number of people living in poverty in London by 230,000 in Q2 2020;
- The £20 per week uplift to Universal Credit standard allowances alleviated much of the poverty impact of the pandemic at this stage, shielding 130,000 Londoners (1.5% of London's population) from poverty in Q2 2020;
- The labour-market impact of the pandemic is projected to increase the number of people living in poverty in London by 70,000 in Q2 2022;
- Changes to Universal Credit announced at Autumn Budget 2021, including a reduction in the taper rate, are projected to protect 130,000 Londoners from poverty in Q2 2022.

There is considerable uncertainty as to the likely path of poverty from Q2 2022 onwards, with families facing the most significant rising costs seen in recent times, against the backdrop of reforms to Universal Credit and increases in the National Living Wage. What is clear is that long-term challenges facing those in poverty in London are still in place as we start to exit the coronavirus pandemic. Tackling this should be a key focus of policymakers in London and nationally.

OVERVIEW OF THE SOCIAL METRICS COMMISSION'S POVERTY MEASURE

The SMC was founded in 2016 to develop a new approach to poverty measurement. In response to the fact that the UK no longer had an official measure of poverty for children, adults or pensioners, its ambition was to develop metrics that both better reflected the nature and experiences of poverty that different families in the UK have, and which could be used to build a consensus around poverty measurement and action in the UK. The Commission's measure included improvements in three key areas:¹

1. Identifying those least able to make ends meet. The Commission's measure:

Accounted for all material resources, not just incomes. For instance, this meant including an assessment of the available liquid assets that families have;

Accounted for the inescapable costs that some families face, which make them more likely than others to experience poverty. These include the extra costs of disability, costs of childcare and rental and mortgage costs; and

Broadened the approach of poverty measurement to include an assessment of overcrowding in housing and those sleeping rough.

2. Providing a better understanding of the nature of poverty, by presenting detailed analysis of poverty depth and persistence for those in poverty; and
3. Providing an assessment of Lived Experience Indicators that shine a light on the differences in experiences of those living in poverty and those above the poverty line.

WHAT DID POVERTY IN LONDON LOOK LIKE BEFORE THE PANDEMIC?

The most recent release of the survey data used in poverty measurement covers the 2019-20 financial year. This dataset gives us a complete view of poverty in London before the impact of the coronavirus pandemic. Assessing the position of London prior to the pandemic is important, giving us a picture of the vulnerabilities faced by many in the capital.

London was poorly positioned going into the coronavirus pandemic, with a higher poverty rate than any other region or nation of the UK. This is a persistent pattern: according to the SMC definition of poverty, London has been the worst-performing region or nation of the UK for at least two decades. The lived experience of poverty in London is more severe than elsewhere in the UK: those in poverty in London are more likely to be in persistent poverty and more likely to be in deep poverty. Furthermore, London exhibits higher poverty rates across all family types, all age groups, and for both working and workless households.

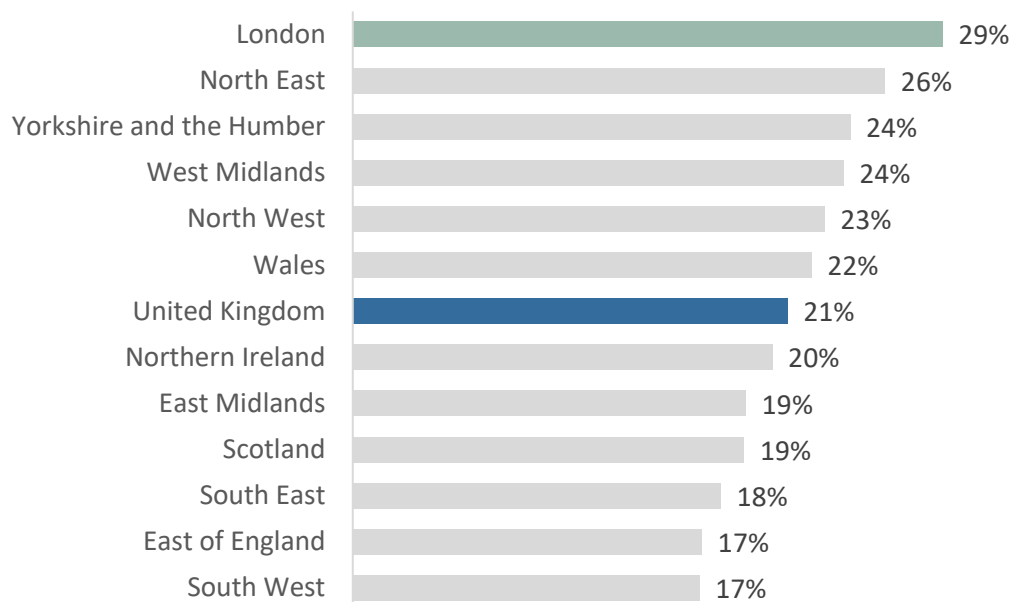
Poverty in London is primarily driven by high costs. On average, a family in poverty in London has gross earnings of £190 per week. Families in poverty outside London earn £129 per week on average.ⁱⁱ However families in poverty in London spend 51% of their net income on housing costs on average, significantly greater than the national average of 39%. This rises to 64% of the family's net income for those in private rentals in London. Families in poverty in London are less likely to be workless than those elsewhere in the UK: 74% of those in poverty in London are in a family in which someone works (full-time or part-time), compared to 62% of those in poverty in the rest of the UK. Those in poverty in London are more likely to be working, and more likely to be in rented accommodation than those in poverty elsewhere in the UK, with housing costs acting as a key driver of poverty (see section on detailed breakdown of poverty in London). Lived experience indicators also show the differences in poverty experiences of Londoners compared to others in the UK.

Overview and trend

Under the SMC definition, 29% of Londoners live in poverty. This compares to a poverty rate of 21% for the United Kingdom as a whole. After London, the regions with the highest poverty rates are the North East, Yorkshire and the Humber, the West Midlands, the North West and Wales. All other nations and regions face a poverty rate below the national average.

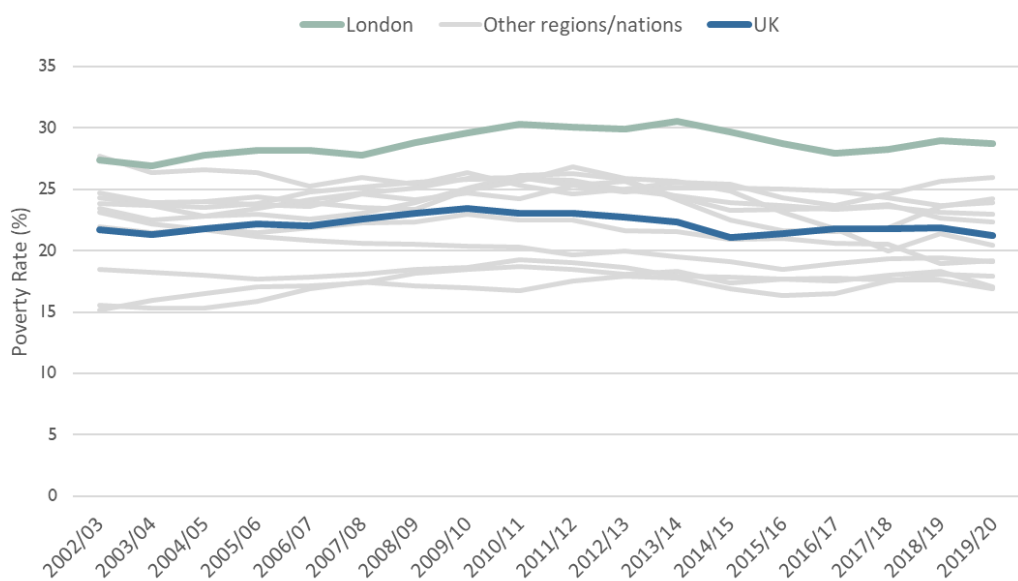
The pattern of high poverty in London is longstanding. As demonstrated by figure 2, London has faced the highest poverty rate of any region or nation of the United Kingdom since at least 2003-04.

Figure 1: Comparison of poverty rates for UK regions and nations (2019-20)



Source: Family Resources Survey (FRS) and Households Below Average Income (HBAI), 2017-18 to 2019-20.ⁱⁱⁱ

Figure 2: Trend in poverty rates for regions and nations of the UK



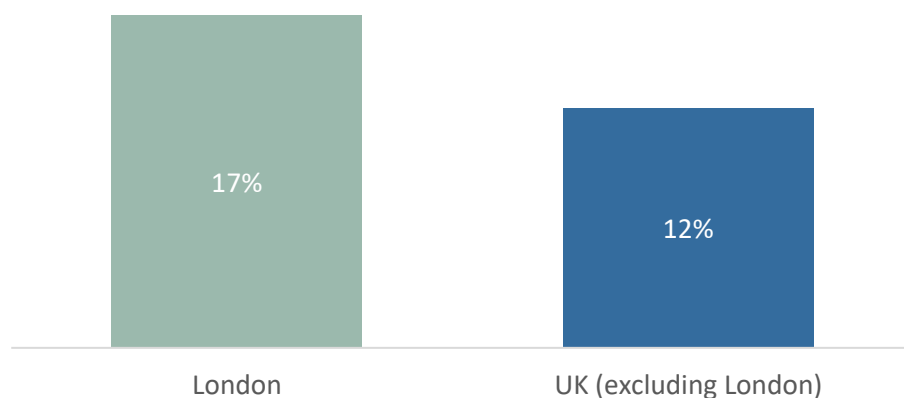
Source: FRS and HBAI, 2002-03 to 2019-20.

Poverty Persistence

A family's experience of poverty will depend on the length of time for which they experience it. A family is defined as being in persistent poverty if they are in poverty in the most recent year and for at least two of the previous three years. Based on this measure, 62% of those in poverty in London are in persistent poverty. This compares to 54% of those in poverty elsewhere in the UK.

As London has both a higher poverty rate and a higher incidence of poverty persistence among those in poverty, it is unsurprising that London has a higher persistent poverty rate. Some 17% of London's population are in persistent poverty. In comparison, 12% of those in the rest of the UK are in persistent poverty.

Figure 3: Proportion of population in persistent poverty



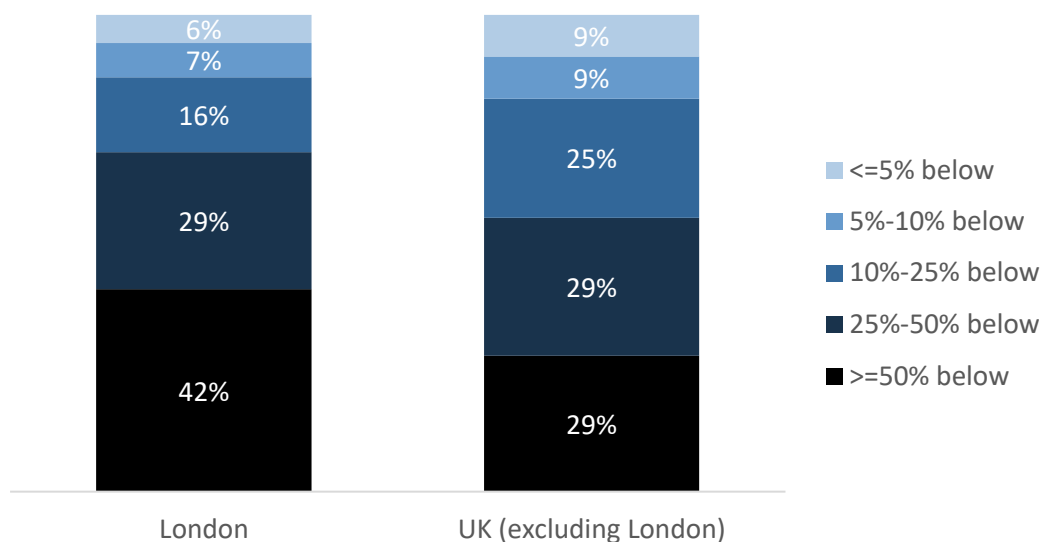
Source: Understanding Society, 2016-17 to 2018-19.

Poverty Depth

A family's lived experience of poverty will also depend on the depth of that poverty. For these reasons, it is important to assess the depth of poverty experienced in London, and how this compares to the rest of the UK. A family is considered to be in deep poverty if they are more than 50% below the poverty line.

Of those in poverty in London, 42% are more than 50% below the poverty line. This compares to 29% of those in poverty in the rest of the UK. Additionally, a smaller proportion of those in poverty are within 5% of the poverty line. Six percent of those in poverty in London are within 5% of the poverty line, compared to 9% of those in poverty in the rest of the UK.

Figure 4: Composition of poverty, by poverty depth, for London and the rest of the UK



Source: FRS and HBAI, 2017-18 to 2019-20.

Considering Depth and Persistence Together

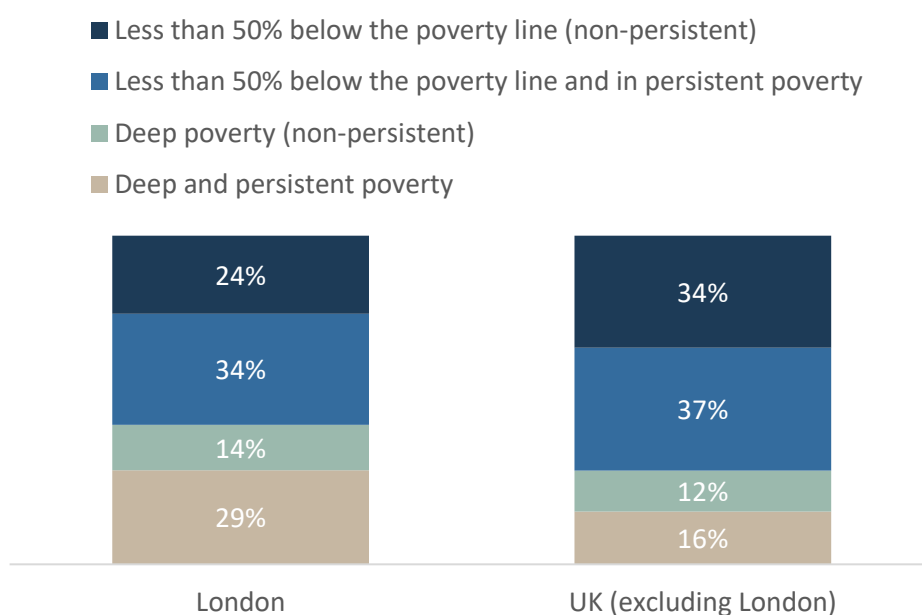
A family's experience of poverty will of course depend on both the depth of that poverty, and the length of time for which that poverty is experienced. By considering poverty depth and persistence together, poverty can be decomposed into four poverty types. These are:

- **Deep and persistent poverty:** families 50% or more below the poverty line, who have also been in poverty for at least two of the last three years.
- **Less than 50% below the poverty line and in persistent poverty:** families less than 50% below the poverty line, and who have been in poverty for at least two of the last three years.
- **Deep poverty (non-persistent):** families 50% or more below the poverty line, but who have not been in poverty for at least two of the last three years.
- **Less than 50% below the poverty line (non-persistent poverty):** families less than 50% below the poverty line, and who have not been in poverty for at least two of the last three years.

Figure 6 shows that 29% of those in poverty in London are in deep and persistent poverty. This compares to 16% of those in poverty outside London. The most common poverty type in London, and in the rest of the UK, is those who are in persistent poverty but who are less than 50% below the poverty line. In London, 34% of those in poverty fall into this group, compared to 37% of those outside of London.

Figure 6 suggests that most of those in non-persistent poverty are less than 50% below the poverty line. Only 14% of those in poverty in London are in non-persistent but deep poverty.

Figure 6: Composition of poverty into SMC poverty types, considering poverty depth and persistence together



Source: Understanding Society, 2016-17 to 2018-19.

Understanding poverty types in London

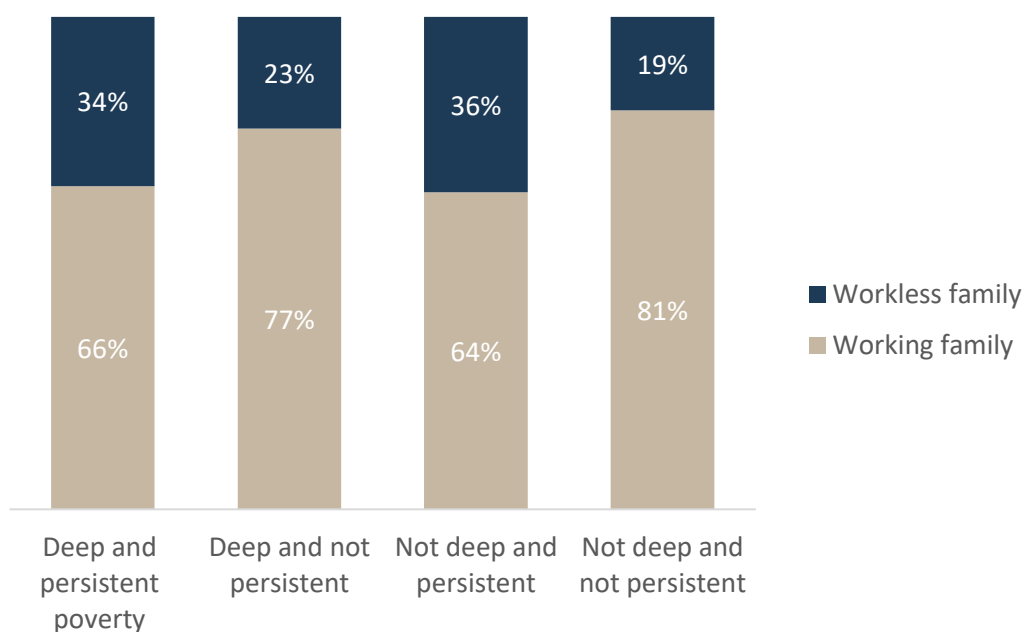
Each of the defined poverty types can be better understood by looking at which families make up the poverty type, and at the attributes of those families. Figure 7 shows the work-status of the families that make up each poverty type in London. Working families – defined as those where at least one adult works full-time or part-time – make up the majority of all poverty types:

- 66% of those in deep and persistent poverty are in families in which someone works, compared to 59% of those in deep and persistent poverty in the rest of the UK;
- 77% of those in deep and non-persistent poverty are in working families;
- 81% of those in non-deep and non-persistent poverty are in working families.

Figure 8 shows breakdowns by family composition for each poverty type in London. Families with at least one child make up the majority of both persistent poverty types:

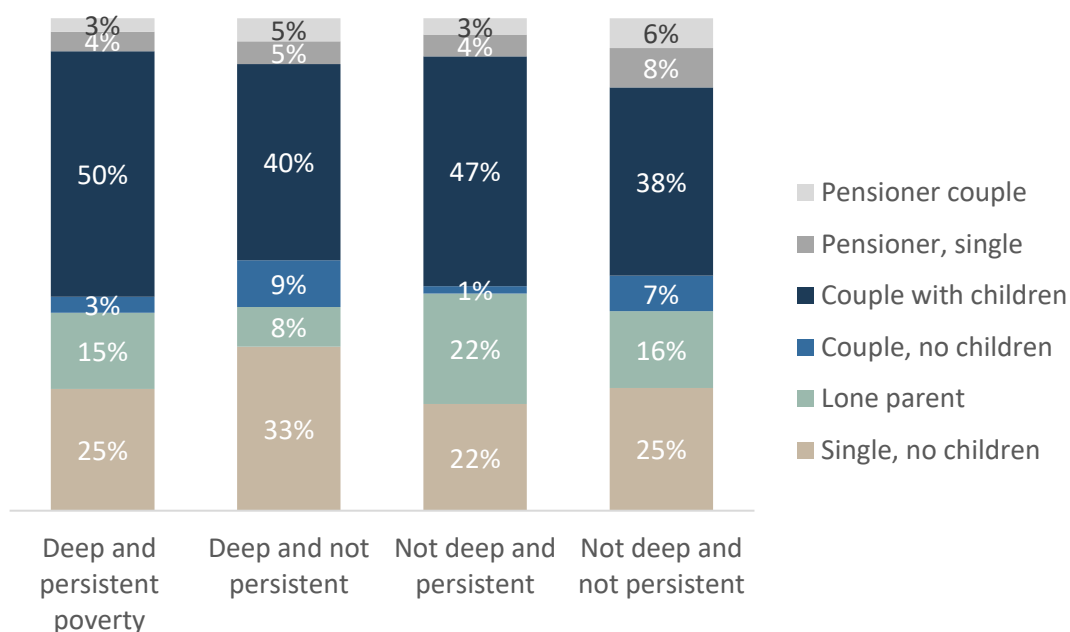
- 65% of those in deep and persistent poverty are in families with at least one child, compared to 52% of those in deep and persistent poverty in the rest of the UK;
- 69% of those in non-deep persistent poverty are in families with at least one child.

Figure 7: Composition of each SMC poverty types, by family work-status



Source: Understanding Society, 2016-17 to 2018-19.

Figure 8: Composition of each SMC poverty types, by family composition



Source: Understanding Society, 2016-17 to 2018-19.

Lived Experience Indicators

Alongside headline poverty and measures of poverty depth and persistence, the SMC framework includes measures of the lived experience of those in poverty. These lived experience indicators are grouped into five domains:

- Family, relationships and community;
- Education;
- Health;
- Family finances; and
- Labour market opportunity.

Across each domain, there are a range of differences in the nature of poverty experienced by Londoners compared to those in the rest of the UK. For example, Londoners in poverty are more likely to live in a family in which at least one adult worries about being affected by crime: 57% are in such a family, compared to 49% of those in poverty in the rest of the UK.

In London, 28% of those in poverty are in a family in which one adult reports low health satisfaction, compared to 22% of those in poverty outside of London. Some 22% of Londoners in poverty live in a family in which one or more adults report low life satisfaction. This compares to just 17% of those in poverty in the rest of the UK. On this indicator, the difference between those in poverty and those not in poverty is also wider for London: 11 percentage-points, compared to seven percentage-points for the rest of the UK.

Those in poverty in London face more acute difficulties with their family finances. Those in poverty in London are more likely to be in a family where someone reports low levels of income satisfaction, or reports feeling embarrassed by low income, than those in poverty outside of London. Similarly, 33% of those in poverty in London are in a family that is behind on their bills, compared to 24% of those in poverty in the rest of the UK. Savings levels are also low, with 84% of Londoners in poverty living in families that have less than £200 in savings.^{iv}

More optimistically, those in poverty in London are considerably more satisfied with local services than those in poverty elsewhere in the UK. Only 25% of Londoners in poverty live in families in which an adult perceives local services to be poor, compared to 45% of those in poverty outside of London. Risk-taking behaviour is also less prevalent in London than in the rest of the UK. Only 37% of those in poverty in London live in a household in which an adult has drunk to excess in the last year, compared to 61% of those in poverty in the rest of the UK. Similarly, those in poverty in London are less likely to be in a family in which someone smokes cigarettes or has taken illegal drugs in the last year than those in poverty elsewhere in the UK.

Londoners in poverty are more likely to hold qualifications than those elsewhere in the UK. Only 14% of Londoners in poverty are in families in which nobody holds any formal qualifications, compared to 20% of those in poverty outside of London. Equally, 20% of Londoners in poverty are in families in which the highest qualification is below 5 A*-C GCSE (or equivalent), compared to 30% of those in poverty in the rest of the UK. Londoners in poverty are also more likely to work: 46% of working-age adults in poverty in London are workless, compared to 53% in the rest of the UK.

Table 1: Lived experience indicators, by poverty status

| | London | | United Kingdom (excluding London) | |
|---|--|--|--|--|
| | Proportion of people in poverty who have characteristic listed (%) | Proportion of people not in poverty who have characteristic listed (%) | Proportion of people in poverty who have characteristic listed (%) | Proportion of people not in poverty who have characteristic listed (%) |
| Family, relationships and community | | | | |
| At least one adult in family feels unsafe walking alone at night | 31 | 29 | 29 | 21 |
| At least one adult in family worries about being affected by crime | 57 | 64 | 49 | 49 |
| At least one adult in family perceives local services as poor | 25 | 25 | 45 | 43 |
| Education | | | | |
| No one in family has any formal qualifications | 14 | 5 | 20 | 9 |
| All adults in family have highest qualification below A*-C GCSE (or equivalent) | 20 | 8 | 30 | 14 |
| Health | | | | |
| One or more adults in family with low health satisfaction | 28 | 14 | 22 | 17 |
| One or more adults in family with low life satisfaction | 22 | 11 | 17 | 10 |
| One or more adults in family has drunk to excess in the last year | 37 | 61 | 61 | 68 |
| One or more adults in family smokes cigarettes (not including e-cigarettes) | 26 | 16 | 37 | 20 |
| One or more youths in family has used or taken illegal drugs at least once in the last year | 9 | 23 | 17 | 22 |
| Family finances | | | | |
| Household is behind in paying bills | 33 | 6 | 24 | 7 |
| One or more adults in family with low income satisfaction | 32 | 16 | 27 | 14 |
| One or more adults in family has felt embarrassed by low income | 47 | 26 | 43 | 22 |
| Family does <i>not</i> have liquid savings in excess of £200 | 84 | 40 | 78 | 27 |
| Labour market opportunity | | | | |
| Proportion of working-age adults who are workless | 46 | 15 | 53 | 16 |

Source: Understanding Society (2014-15 to 2018-19); FRS and HBAI (2017-18 to 2019-20)

HOW DID THE PANDEMIC AFFECT LONDON?

The previous section demonstrated the longstanding challenge of poverty in London and how it differs from that experienced in the rest of the UK. The last two years living through a global pandemic have had a profound impact on individuals, families and the whole of society. The rest of this report assesses the likely impact of this on poverty in London and the rest of the UK.

Evaluating the likely course of poverty in London over the pandemic involves making an assessment of how the pandemic affected London. London was particularly hard-hit by the pandemic, suffering a cumulative 263.8 age-standardised deaths per 100,000 by January 2021 – the highest of any nation or region of the UK. This increases to 345 for the 20% most deprived neighbourhoods in the capital.^v Additionally, London suffered more job losses, had a higher number of furloughed employments, and had more claimants of Self-Employment Income Support Scheme than other regions and nations of the UK. This picture is borne out by mobility data, suggesting that retail and workplace mobility fell further, and rebounded more slowly in London than in the rest of the UK.

Mobility

Workplace mobility for London, compared to a pre-pandemic baseline, has consistently fallen below levels experienced by the rest of the UK. Figure 9 shows that, in November 2021, workplace mobility in London was still approximately 30% below the pre-pandemic baseline. Workplace mobility in Inner London^{vi} is consistently lower than for Outer London.

The picture for retail mobility is similar. Figure 10 shows that London has seen a more pronounced and sustained decline in retail mobility than the UK. There is a significant gap between Inner and Outer London, with Outer London resembling the UK in experiencing retail mobility 10% below the pre-pandemic baseline in November 2021. Inner London, by comparison, was more than 20% below the pre-pandemic baseline in November 2021, with London as a whole falling in-between.

Figure 9: Average change in workplace mobility by region, compared to a pre-pandemic baseline



Source: Google, COVID-19 Community Mobility Reports,^{vii} adapted from CLF.^{viii}

Figure 10: Average change in retail mobility by region, compared to a pre-pandemic baseline



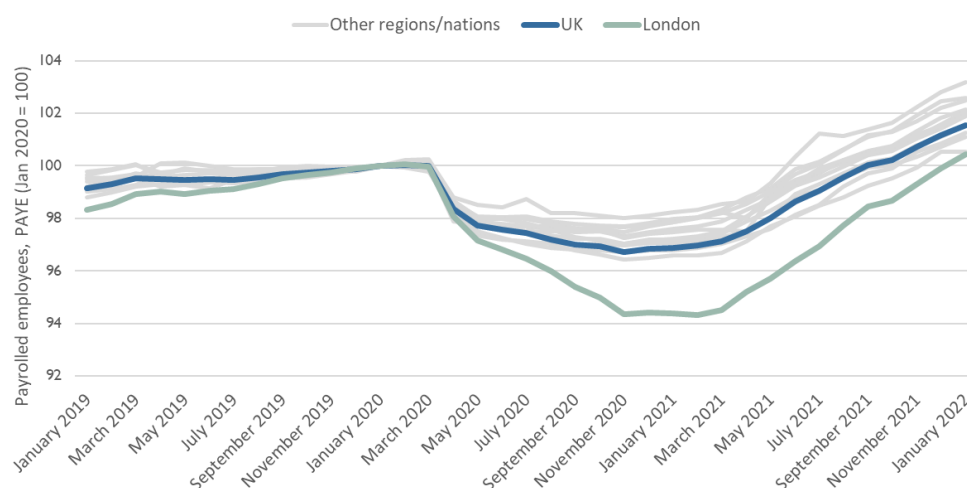
Source: Google, COVID-19 Community Mobility Reports,^{vii} adapted from CLF.^{viii}

The Labour Market

Given the impacts on retail and workplace mobility, it is unsurprising that the labour market impact of the coronavirus pandemic has been experienced differently across the UK. Real time Pay As You Earn (PAYE) payroll data suggests that London suffered a greater fall in employment than the other regions and nations of the UK during the pandemic. London recovered to pre-pandemic payroll levels only in December 2021, significantly after other nations and regions had done so.

The fall in employment was particularly acute in Inner London. According to Central London Forward's report *Inequality and poverty in central London*^{viii} employment levels fell by more than 6 percentage-points between March 2021 and February 2021, suggesting a fall in pay-rolled employment twice as large as that seen across the UK.

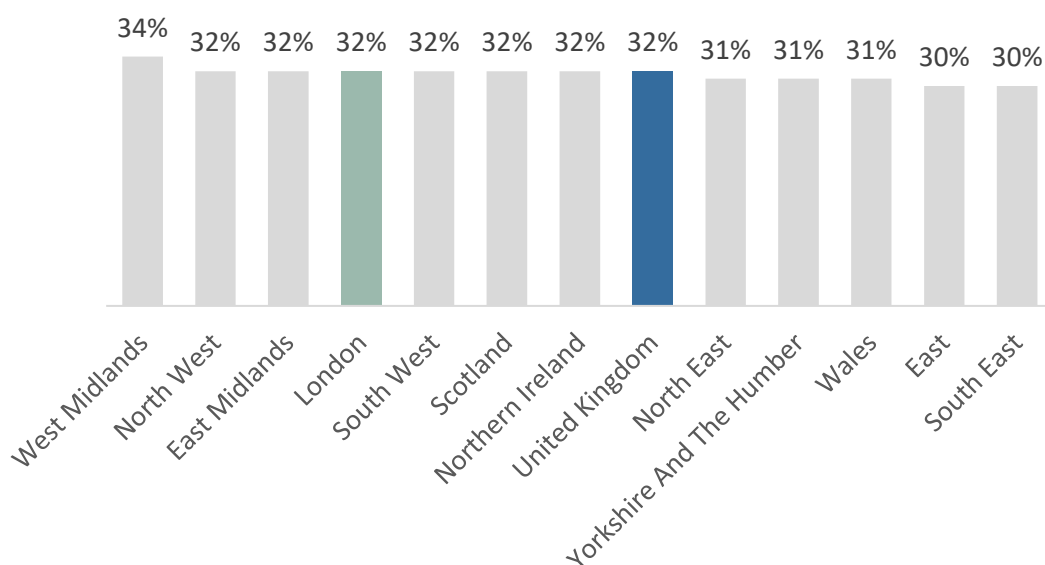
Figure 11: Number of payrolled employees by region



Source: Pay as You Earn (PAYE) Real Time Information.^{ix}

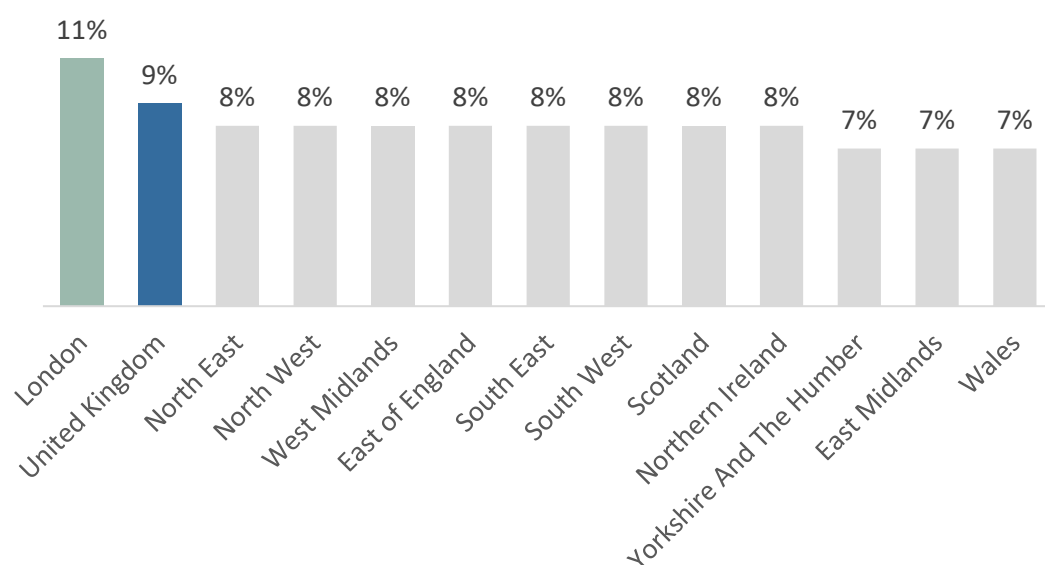
London saw a greater number of furloughed employments than the other nations and regions of the UK. Over the lifetime of the furlough scheme, 1,639,200 employments were furloughed in London, some 14% of the national total of 11,666,400.^x Figure 12 demonstrates that, at the 31st of July 2020, the furlough take-up rate in London was 32%. This rate was high but not unusual: the West Midlands, North West and East Midlands all had higher furlough rates at this point. By the 31st of May 2021, however, London had the highest take-up rate, with 11% of eligible employments furloughed. No other nation or region had a furlough take-up rate above 8%. This reflects the pattern seen in PAYE data, of London's labour-market rebound materialising more slowly than in the rest of the UK.

Figure 12: Proportion of eligible employments furloughed, by region, at the 31st of July 2020



Source: Coronavirus Job Retention Scheme statistics, August 2020.^{xi}

Figure 13: Proportion of eligible employments furloughed, by region, at the 31st of May 2021



Source: Coronavirus Job Retention Scheme statistics, 29 July 2021.^{xii}

POVERTY PROJECTIONS: SCENARIOS AND ASSUMPTIONS

With an understanding of how the pandemic and responses to it have impacted on the labour market in London and the rest of the UK, we can then create poverty projections based on this understanding. This section outlines our modelling assumptions for poverty projections for each of Q2 2020, Q2 2021 and Q2 2022.

Our scenarios reflect a set of unemployment assumptions between those in the May-July Labour Force Surveys and those derived from HMRC PAYE real-time data for May 2020 and May 2021. Unemployment assumptions for Q2 2022 are based on consensus forecasts for the UK economy, published by HM Treasury.^{xiii} Assumptions for Coronavirus Job Retention Scheme (CJRS) and Self-Employment Income Support Scheme (SEISS) claimants are based on administrative data for these schemes. Further details, including of how our assumptions for London compare to those for the other regions and nations of the UK, are available in Annex 1.

Table 2: Assumptions for poverty projections, for London

| London | | Pre-pandemic Baseline | Q2 2020 | Q2 2021 | Q2 2022 |
|--------|---|-----------------------|-----------|---------|---------|
| | Unemployment Rate | 4.8% | 6.2% | 6.9% | 5.5% |
| | Number of Coronavirus Job Retention Scheme claimants | - | 1,270,000 | 460,000 | - |
| | Number of Self-Employment Income Support Scheme claimants | - | 360,000 | 420,000 | - |

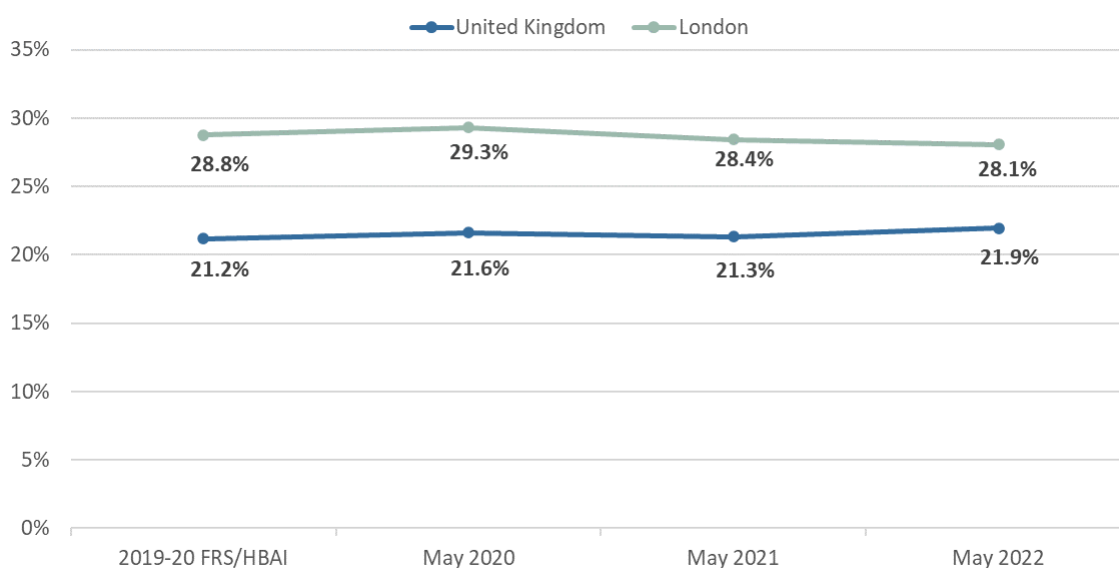
Source: Legatum Institute; Quarterly Labour Force Survey, January-March 2020, May-July 2020, May-July 2021; PAYE real-time information;^{ix} HM Treasury consensus forecast; CJRS Statistics August 2020;^{xi} CJRS Statistics 29 July 2021;^{xii} SEISS Statistics June 2020;^{xiv} SEISS Statistics July 2021.^{xv}

POVERTY PROJECTIONS: RESULTS

Poverty projections make clear that London has remained the region of the UK with the highest poverty rate throughout the pandemic, continuing the pattern apparent before the pandemic. Figure 14 shows the projected poverty rate, under the modelling assumptions defined in the previous section, for both London and the UK.

Over the projected period, London's poverty trend is broadly flat. London's poverty rate increased as the pandemic first hit, rising from 28.8% pre-pandemic to 29.3% in Q2 2020. Poverty rates then decline, from 29.3% in Q2 2020 to 28.1% in Q2 2022. However, this rate is still significantly higher than our projection for a UK-wide poverty rate of 21.9% in Q2 2022.

Figure 14: Poverty projection results for London and the UK, for Q2 2020, Q2 2021 and Q2 2022



Source: Legatum Institute, FRS and HBAI (2017-18 to 2019-20), IPPR tax and benefit model.

Poverty impact of coronavirus and changes to benefits

Over the projection period, as the negative labour-market impact of the pandemic diminishes, London's position – relative to the pre-pandemic baseline – improves from an increase in poverty of 60,000 in Q2 2020 to a decrease of 50,000 in Q2 2022. This overall mostly flat picture for poverty in the capital masks very significant underlying changes, which pulled poverty rates in opposing directions over the course of the pandemic. This section unpicks these opposing impacts.

Labour-market effects related to the pandemic have left individuals out of work, on furlough, or in receipt of Self-Employment Income Support Scheme. These individuals and their families will have suffered a loss of income, and for many families this loss of income will have made the difference between being in poverty or not.

Offsetting the labour-market impacts of the pandemic, the government has sought to protect low-income families through a package of reforms to the benefits system. Between April 2020 and October 2021, a package for emergency support was in place.^{xvi} Following the end of this package of support in October 2021, a number of changes to Universal Credit were announced at Autumn Budget 2021.^{xvii} In what follows we refer to these packages as “benefit changes (non-uprating)”.

Figure 15 shows a breakdown of the overall change in poverty for each quarter, relative to the pre-pandemic baseline, for London. In Q2 2020, the overall net change – relative to the pre-pandemic baseline – was an increase of 60,000 in the number of people in poverty. This consists of:

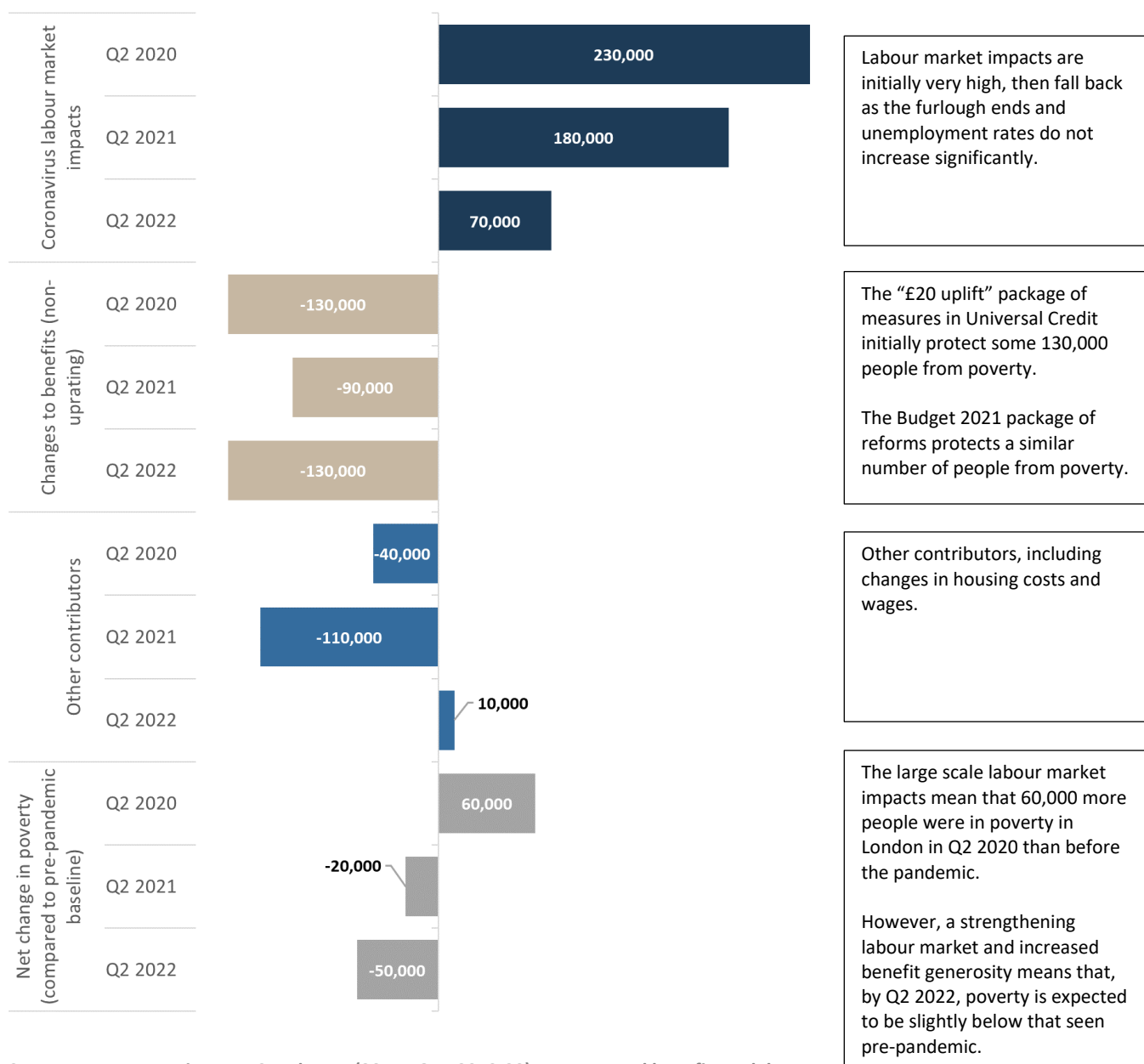
- An increase in poverty of 230,000 people due to the labour-market effects of coronavirus;
- A reduction in poverty of 130,000 due to changes to benefits (in Q2 2020, this was the £20 per-week Universal Credit uplift); and
- A reduction in poverty of 40,000 due to other contributors – housing costs, inflation, earnings growth, etc.

The poverty impact of coronavirus-related changes to the labour market is highest in Q2 2020, and is reduced in Q2 2021. Under our employment assumptions for Q2 2022, London suffers an employment hangover, resulting in an increase in poverty of 70,000 relative to the pre-pandemic baseline.

The £20 per-week Universal Credit uplift reduces poverty by 130,000 in Q2 2020 and 90,000 in Q2 2021. Changes to Universal Credit introduced in the 2021 Autumn Budget, including a reduction in the taper rate and increases in work allowances, reduce poverty by 130,000 in Q2 2022. Although a similar number of people are protected by the two policies, it is worth noting that they are targeted differently, with the £20 per-week Universal Credit uplift helping all claimants and the 2021 Autumn Budget package only helping those claimants who are in work. Universal Credit claimants who are workless, including those who are not expected to work due to disability or caring responsibilities, will have lost income in the transition between the two policies: some of these claimants may have fallen into poverty as a result.

It is worth noting that, even in Q2 2022, London's poverty rate is 28%. This is still the highest of any nation or region of the UK, and very much within the range of poverty rates experienced in London over the previous two decades. The upheaval of coronavirus, and the changes to the benefit system made in response to the pandemic, appear not to have made much difference to London's long-term poverty trend.

Figure 15: Composition of poverty projection results, by contributor, for Q2 2020, Q2 2021 and Q2 2022



Source: Legatum Institute, FRS and HBAI (2017-18 to 2019-20), IPPR tax and benefit model.

CONCLUSION

London faces the highest poverty rate of any region or nation of the UK, a trend that has lasted at least two decades and that the coronavirus pandemic has not changed. Prior to the pandemic, London faced a 29% poverty rate. Londoners in poverty are more likely to be in deep poverty, and to be in persistent poverty, than those in poverty in the rest of the UK. They are more likely to be in a working household, and more likely to live in rented accommodation, with housing costs acting as a key driver of high poverty rates. Lived experience indicators suggest that Londoners in poverty face particularly acute financial difficulties, are more wary of crime, and experience worse health outcomes than those in poverty elsewhere in the UK. They are, however, less likely to indulge in risk-taking behaviour, more likely to work and more likely to hold qualifications.

The pandemic impacted London severely, as it did the rest of the UK. However, London rebounded more slowly than the rest of the UK, and by Q2 2021 had the highest modelled unemployment rate and the highest furlough rate of any region or nation of the UK. Mobility data tells a similar story, with workplace and retail mobility recovering far more slowly in London than in the rest of the UK.

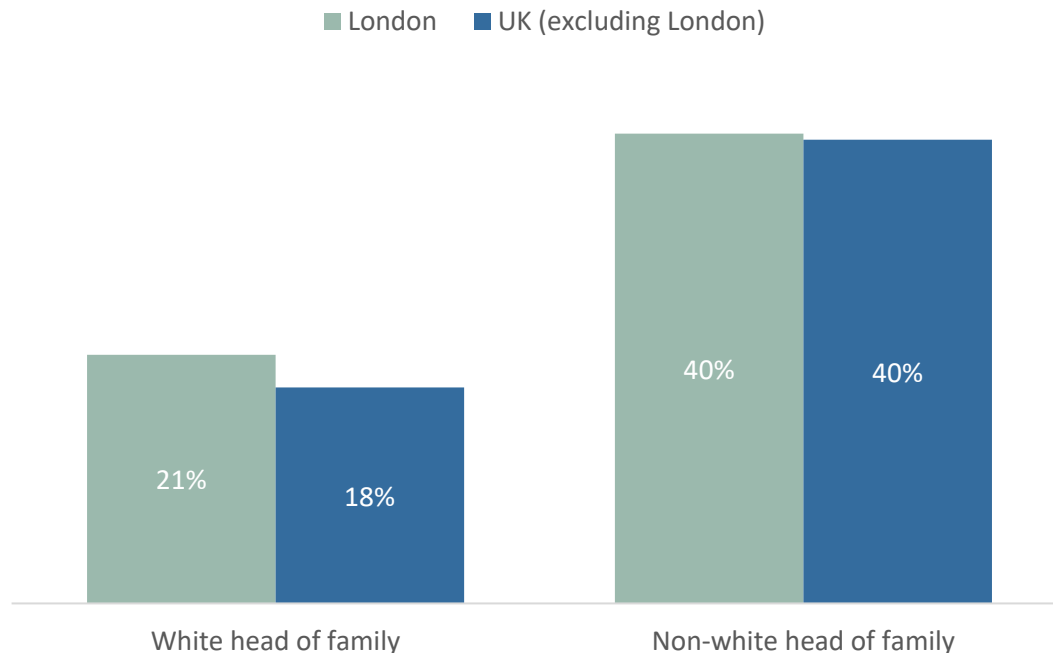
Poverty projections suggest that the impact of coronavirus increased poverty in London between the pre-pandemic baseline and Q2 2020. In Q2 2021 and Q2 2022, the impact of changes to the benefit system offset the coronavirus-related changes in the labour market, leading to a slight decline in London's poverty rate between Q2 2020 and Q2 2022. However, the predicted poverty rate of 28% in Q2 2022 is still very much within the range of poverty rates experienced by London over the last two decades, and leaves London as the region with the highest poverty rate in the UK. The capital has now faced the most severe poverty problem of any region or nation of the UK for two decades. With significant cost of living challenges facing families across the capital, with rising fuel and energy prices, it is clear that, as London recovers from the coronavirus pandemic, this pattern will continue unless action is taken to address poverty in the capital.

DETAILED BREAKDOWN OF POVERTY IN LONDON BEFORE THE PANDEMIC

Ethnicity

Across the UK, poverty rates vary significantly according to ethnicity. Figure 16 shows that those in families with a non-white¹ head of household face a 40% poverty rate in London, which is similar to the rate for such families nationally. This is significantly higher than the poverty rates for those in families with a white head of household: 21% in London, 18% in the rest of the UK. London is significantly more diverse than the rest of England: 40% of Londoners are Black and Minority Ethnic, compared to 11% of those in the rest of England.^{xviii} Due to this diversity, and the higher poverty rate demonstrated in figure 16, a majority of those in poverty in London are in families headed by a non-white person (56%). Figure 17 shows that this picture is very different in the rest of the UK, with 81% of those in poverty in families headed by a white person.

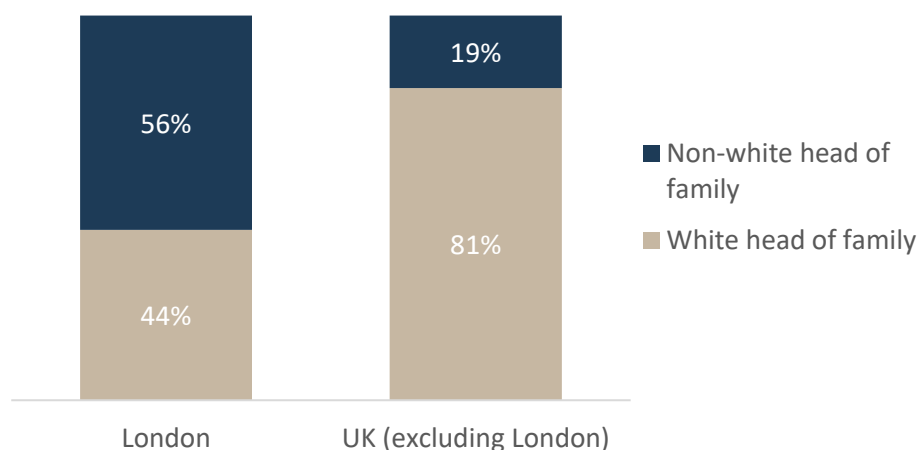
Figure 16: Poverty rates by ethnicity of head of family



Source: FRS and HBAI, 2017-18 to 2019-20.

¹ FRS sample sizes do not permit analysis of specific ethnic groups at a regional level. Poverty rates will vary significantly between different ethnic minority groups.

Figure 17: Composition of poverty by ethnicity of head of family

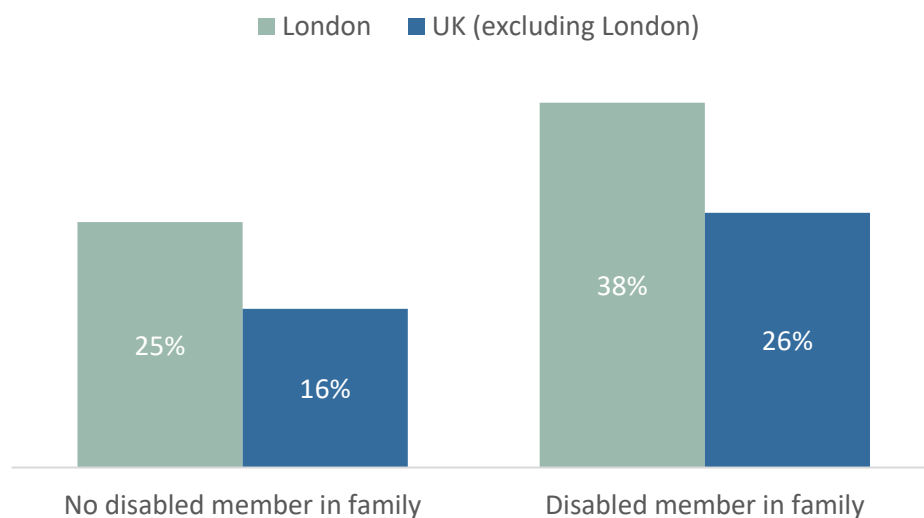


Source: FRS and HBAI, 2017-18 to 2019-20.

Disability

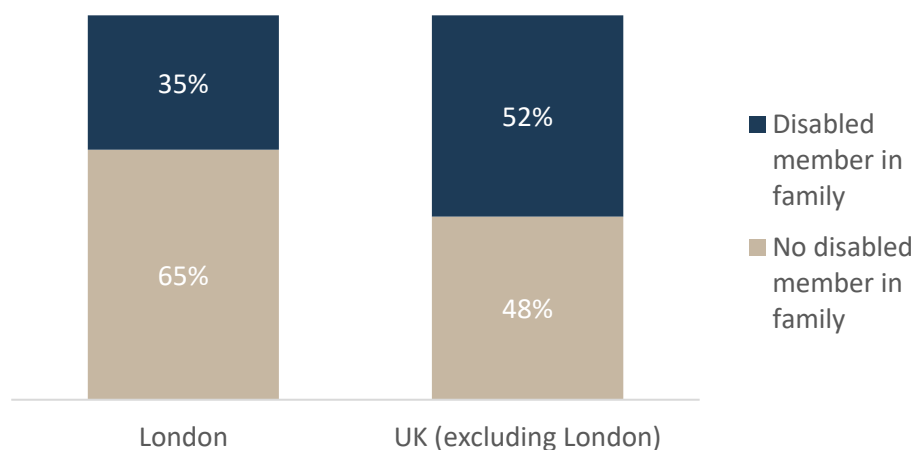
Families that include a disabled person are more likely to be in poverty. In London, 38% of those in families with a disabled person are in poverty. This is significantly higher than in the rest of the UK (26%). Figure 19 shows that 35% of those in poverty in London are in a family in which at least one member of the family is disabled. A majority (52%) of those in poverty in the rest of the UK are in a family with a disabled person.

Figure 18: Poverty rates by whether the family includes a disabled person



Source: FRS and HBAI, 2017-18 to 2019-20.

Figure 19: Composition of poverty by whether the family includes a disabled person

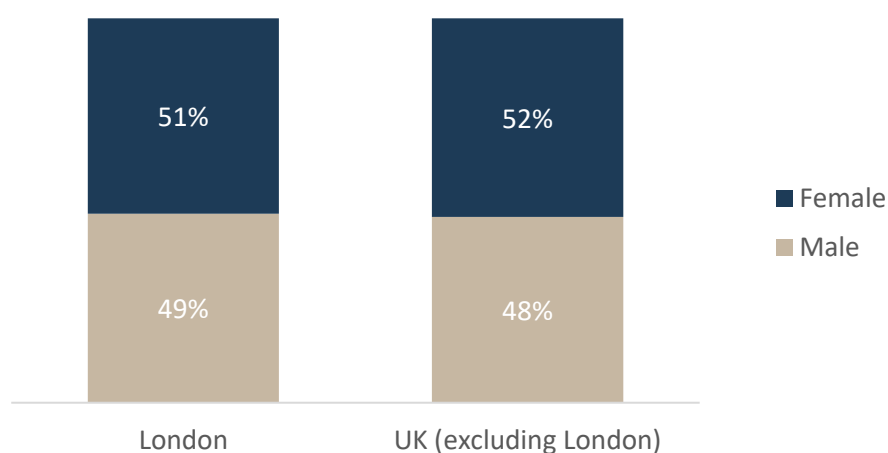


Source: FRS and HBAI, 2017-18 to 2019-20.

Poverty amongst men and women

Women are more likely than men to be in poverty. This is the case across the UK, but is also true in London: 51% of those in poverty in London are female.

Figure 20: Composition of poverty by gender



Source: FRS and HBAI, 2017-18 to 2019-20.

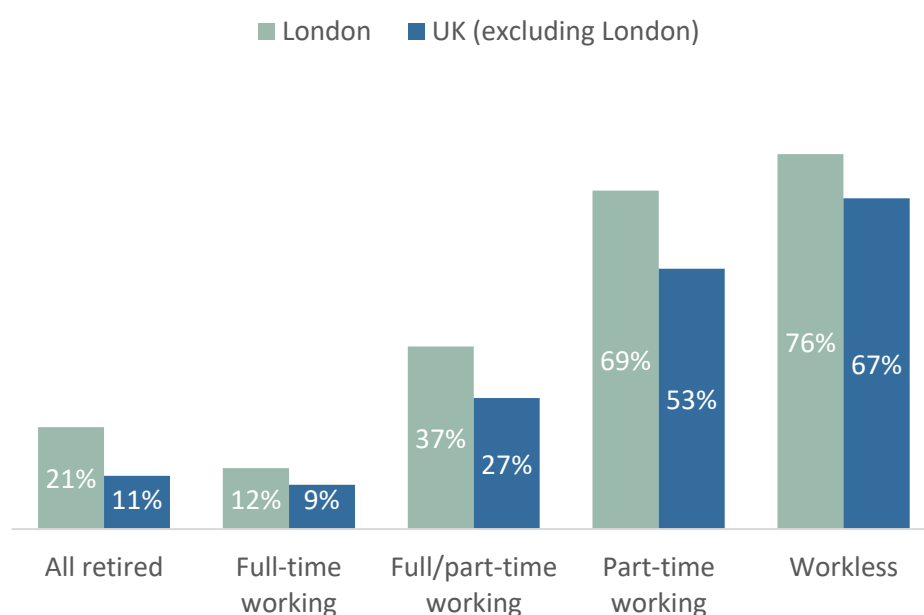
Family Work Status

The work status of a family has a large impact on their likelihood of being in poverty, with working families experiencing lower poverty rates. Families may be categorised into the following groups:^{xix}

- **All retired:** All adults in the family are retired;
- **Full-time working:** All adults in the family work full time;
- **Full/part-time working:** Some adults in the family work full time, others work part time;
- **Part-time working:** Some or all adults in the family work part time, others may not work;
- **Workless:** None of the adults undertakes any paid work.

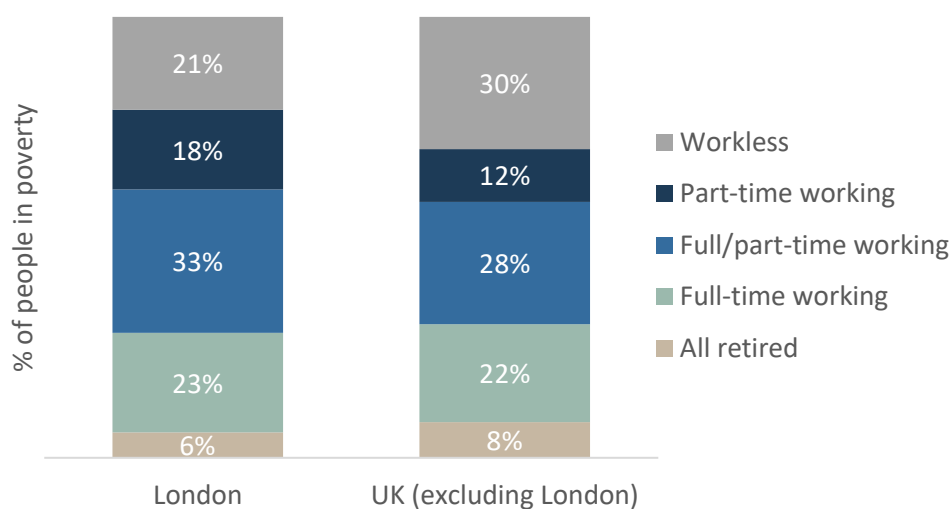
Figure 21 shows that, in London, 76% of those in workless families are in poverty while 12% of those in families where all adults work full-time are in poverty. While full-time work significantly reduces the likelihood of experiencing poverty, part-time work does less to protect against poverty: the poverty rate for part-time working families is 69%, only slightly lower than the poverty rate for workless families. Figure 22 shows that – to a greater extent than elsewhere in the UK – poverty in London is predominantly experienced by families in which at least one adult is working. In fact, 74% of those in poverty in London are in a family in which someone works. This compares to 62% in the rest of the UK. However, only 23% of those in poverty in London are in families in which all adults work full-time, with the largest group (33% of those in poverty) comprising of families in which some adults work full-time and others work part-time.

Figure 21: Poverty rates by family work status



Source: FRS and HBAI, 2017-18 to 2019-20.

Figure 22: Composition of poverty by family work status

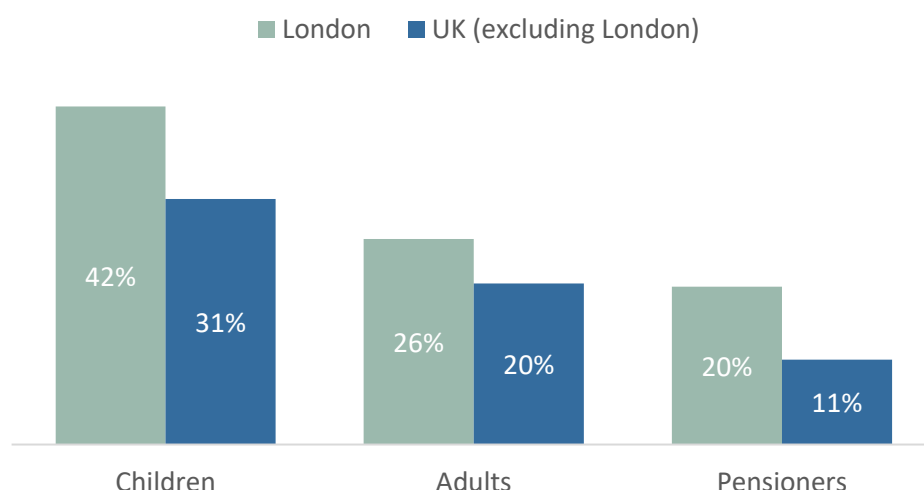


Source: FRS and HBAI, 2017-18 to 2019-20.

Age

Throughout the UK, children face a higher poverty rate than working-age adults and pensioners. The child poverty rate in London is 42%, significantly higher than a rate of 31% in the rest of the UK. Figure 23 further shows that working-age adults and pensioners are in poverty at a greater rate than is the case nationally. In London, 20% of pensioners are in poverty. This compares to a pensioner poverty rate of 11% in the rest of the UK.

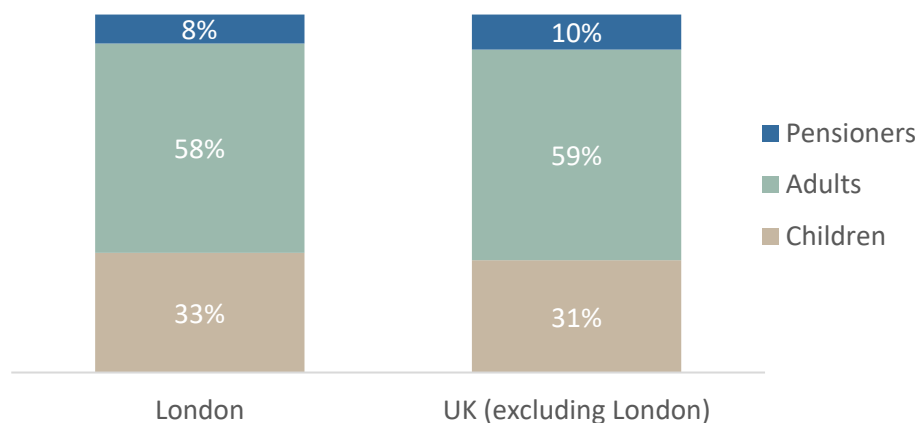
Figure 23: Poverty rates by age (including the child poverty rate)



Source: FRS and HBAI, 2017-18 to 2019-20.

Figure 24 shows the age composition of poverty in London. We see that children make up a greater proportion of the overall total. Some 33% of individuals in poverty in London are children, which compares to 31% for the rest of the UK. This partially reflects the demographics of the city, which is younger than the rest of the UK, and partially reflects the higher child poverty rate seen in figure 23. Pensioners make up a smaller proportion of total poverty in London: 8% of those in poverty in London are pensioners, compared to 10% of those in poverty in the rest of the UK. This is despite a higher pensioner poverty rate in London.

Figure 24: Composition of poverty by age



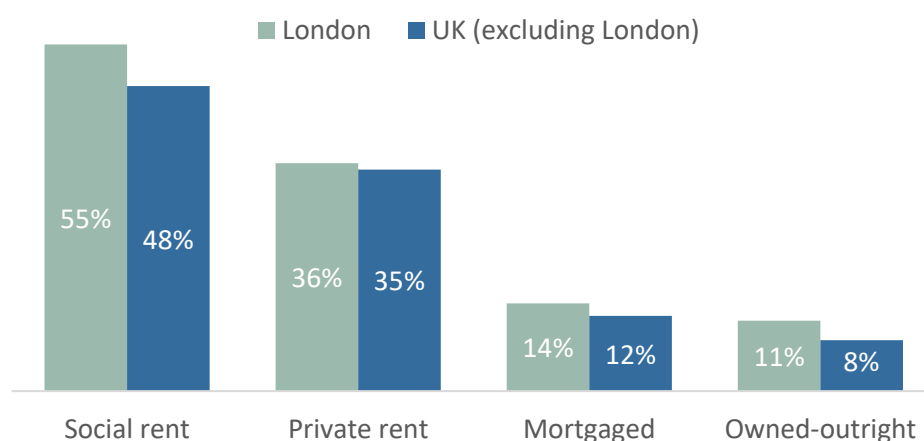
Source: FRS and HBAI, 2017-18 to 2019-20.

Housing

The housing tenure mix and high cost of housing are significant drivers of poverty in the capital, with over half of Londoners living in rented accommodation.^{xx} Of these, 44% are in poverty according to the SMC definition, with 55% of those in social rents – and 36% of those in private rents – in poverty.

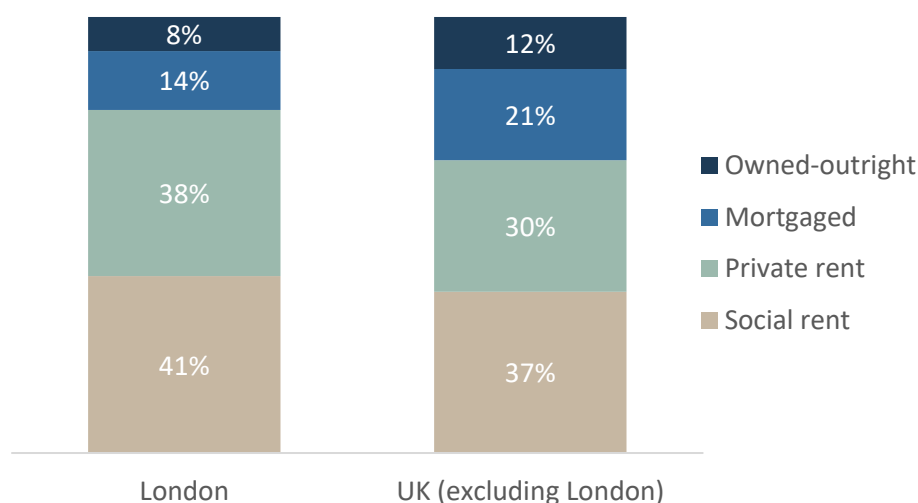
Figure 26 shows the housing tenures of families in poverty, in London and in the rest of the UK. Of those in poverty in London, 79% are in the social-rented or private-rented sectors. Renters make up a significantly greater proportion of total poverty in London than in the rest of the UK, where 67% of those in poverty are renters. Only 22% of those in poverty in London are owner-occupiers, either owning outright or with a mortgage.

Figure 25: Poverty rates by housing tenure



Source: FRS and HBAI, 2017-18 to 2019-20.

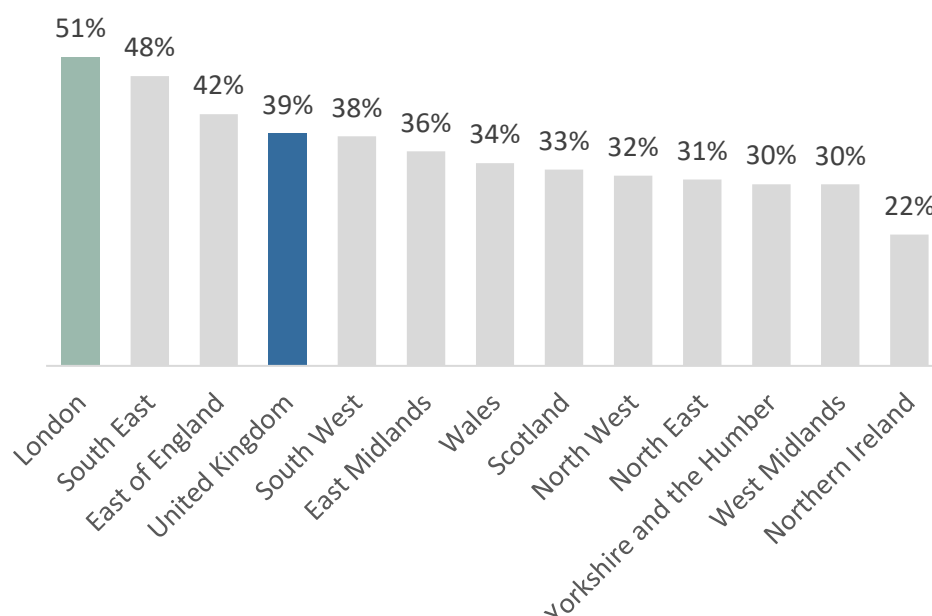
Figure 26: Composition of poverty by housing tenure



Source: FRS and HBAI, 2017-18 to 2019-20.

Housing costs are higher in London than in the rest of the UK. In England, the average rent for a one-bedroom home is 30% of the average salary. In London, it is 46%.^{viii} These high housing costs are also apparent for families in poverty. Figure 27 shows housing costs as a proportion of net income for families in poverty. In London, the average family in poverty spends most (51%) of their income on housing. Nationwide, the average family in poverty spends 39% of their income on housing.

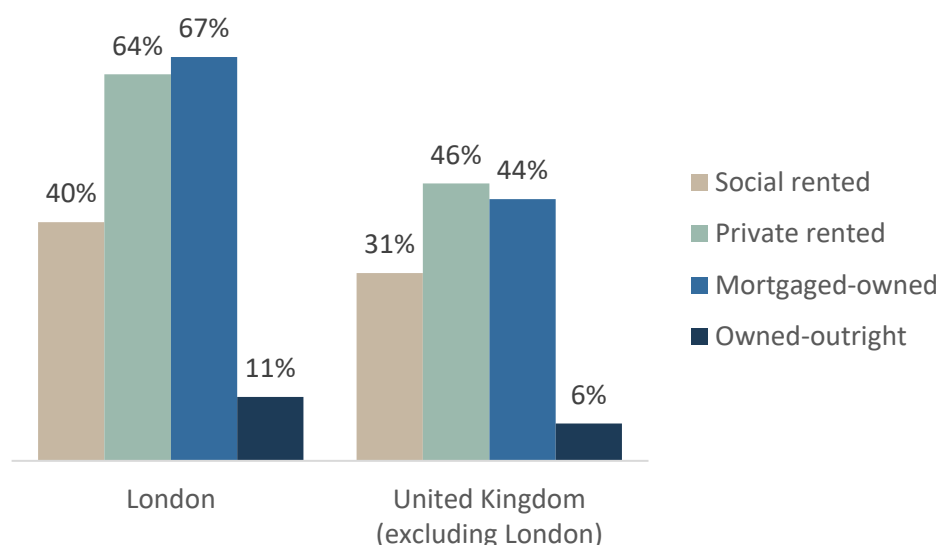
Figure 27: Housing costs as a proportion of net income for households in poverty, by region



Source: FRS and HBAI, 2017-18 to 2019-20; adapted from Trust for London's London Poverty Profile.^{xxi}

Of course, the housing costs faced by those in poverty will vary significantly depending on their housing tenure. Figure 28 shows that private renters spend 64% of their income on housing costs. Those in social rents spend less, with families in poverty spending 40% of their income on housing costs. In both cases, costs facing renters in poverty are higher in London than in the rest of the UK. Costs facing those in poverty with mortgage-owned accommodation are also higher in London than elsewhere in the UK: these families face the highest housing costs, spending 67% of their income on housing. As figure 26 shows, those in poverty in London with mortgages are a smaller group than those renting. Many may have suffered a fall in income with an existing mortgage, and now face mortgage costs that are high relative to their incomes.

Figure 28: Housing costs to income ratio for median family in poverty, by housing tenure and by region



Source: FRS and HBAI, 2017-18 to 2019-20.

Notes: Mortgage costs include both mortgage interest payments and mortgage capital payments.

Family Type

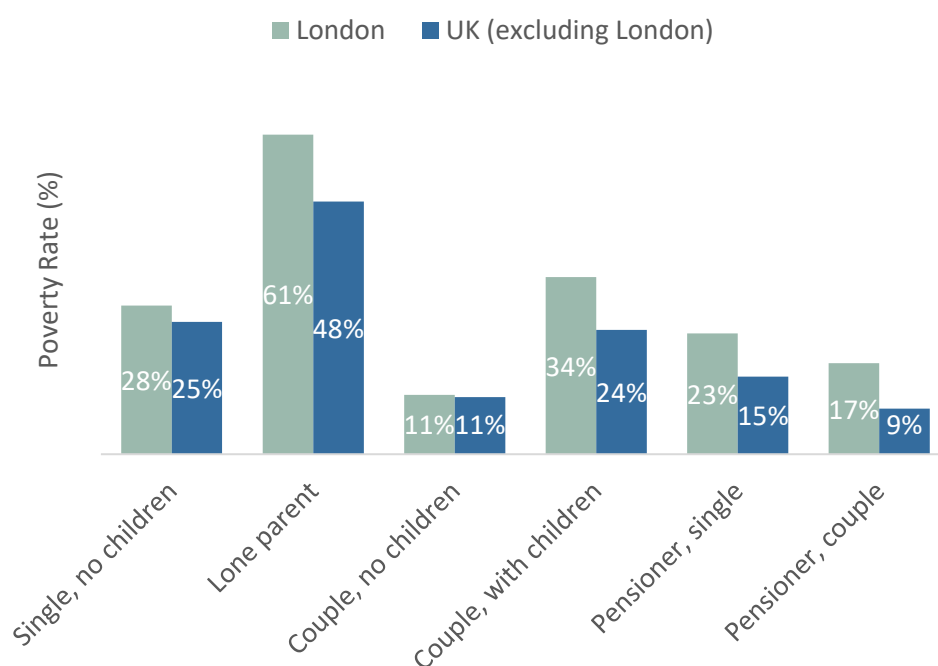
Poverty rates vary significantly by family type. Poverty rates are highest for lone parents, with 48% of lone parents in poverty nationally. Single people without children and couples with children also experience higher poverty rates: 25% and 24% nationally, compared to a headline poverty rate of 21%. Pensioners and childless couples face a lower poverty rate.

The same pattern holds in London. However, figure 29 shows that for every family type, the poverty rate in London is significantly greater than in the rest of the UK. A majority (61%) of lone parents in London are in poverty. One third (34%) of couples with children are in poverty in London. Even in those groups that experience a lower poverty rate, such as pensioner couples, the poverty rate in London is significantly higher than that in the rest of the UK. In London, 17% of pensioner couples are in poverty compared to 9% of pensioner couples in the rest of the UK.

Figure 30 shows a composition of poverty by family type, both for London and for the rest of the UK. Pensioners make up a smaller fraction of the overall total than is the case outside of London: only 8% of Londoners in poverty are in households headed by pensioners, compared to 11% in the rest of the UK. Single working-age people – both those without children and those who are lone parents – make up a greater proportion of total poverty in London than elsewhere in the UK: 24% of those in poverty in London are single without

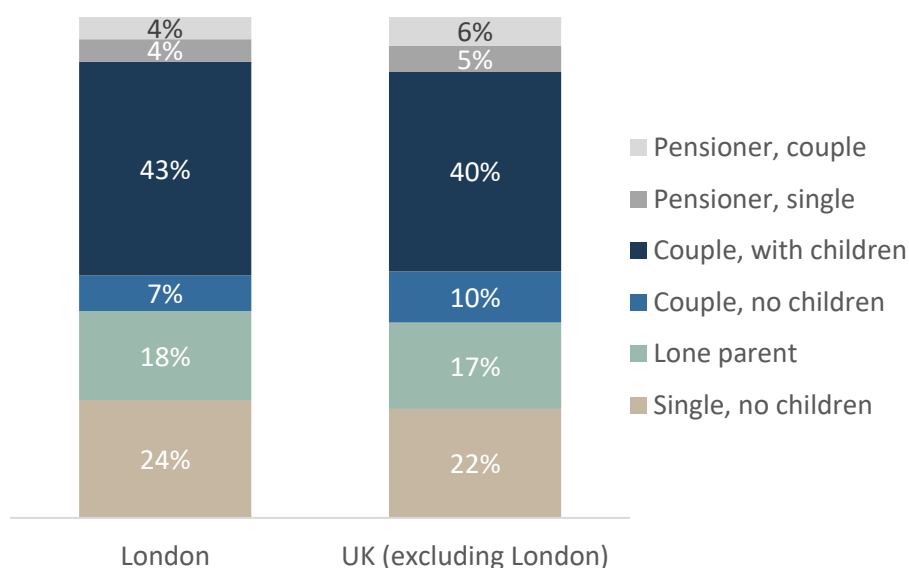
children, compared to 22% in the rest of the UK. The most significant group, both in London and elsewhere, is couple-families with children: 43% of people in poverty in London are in such a family, compared to 40% in the rest of the UK.

Figure 29: Poverty rates by family type



Source: FRS and HBAI, 2017-18 to 2019-20.

Figure 30: Composition of poverty by family type



Source: FRS and HBAI, 2017-18 to 2019-20.

Childcare costs are a significant driver of poverty for couples with children and lone parents, with 63% of single parents reporting that childcare costs “have had a significant impact on our family’s standard of living” or are “completely unaffordable”.^{xxii} The SMC definition of poverty factors in childcare costs by deducting them, along with other unavoidable family-specific expenses, from the central measure of the resources available to a family. Of course, the true childcare cost faced by families will be significantly higher than the financial outlay, with parents working fewer hours due to their childcare responsibilities. Additionally, some parents will be working below their level of qualification or experience in order to secure flexible hours. The cost of childcare can act as a serious impediment to parents re-entering the labour market or increasing the amount of hours that they work, and so can keep people from working their way out of poverty.

ANNEX 1: ASSUMPTIONS AND SCENARIOS FOR POVERTY PROJECTIONS

Unemployment

Statistical releases during the pandemic offer a mixed picture of the labour market. The Labour Force Survey (LFS) has diverged from unemployment rates suggested by PAYE data. PAYE administrative data has suggested a large fall in employment as a result of the pandemic, while LFS releases have implied a more muted impact on the labour market. Our scenarios reflect a set of unemployment assumptions between those in the May-July Labour Force Surveys and those derived the HMRC PAYE real-time data for May 2020 and May 2021. Figure 31 shows the changes in unemployment, relative to a pre-pandemic baseline, for each of Q2 2020 and Q2 2021, by region.

Unemployment assumptions for Q2 2022 are based on consensus forecasts for the UK economy, published by HM Treasury: we project a national unemployment rate of 4.2%. To account for uncertainty in the regional pattern of employment changes between Q2 2021 and Q2 2020, changes in employment are allocated between regions according to three possible scenarios:

1. **(Low)** The reduction in unemployment between Q2 2021 and Q2 2022 is proportional to the increase in unemployment between the pre-pandemic baseline and Q2 2021. The regions and nations that suffered the largest increases in unemployment will see the most pronounced rebounds. London will see the largest reduction in unemployment.
2. **(Central)** A central scenario, representing the average of low and high scenarios.
3. **(High)** The reduction in unemployment between Q2 2021 and Q2 2022 is evenly distributed across the UK. London rebounds no faster than any other region or nation of the UK, relative to the size of its labour market.

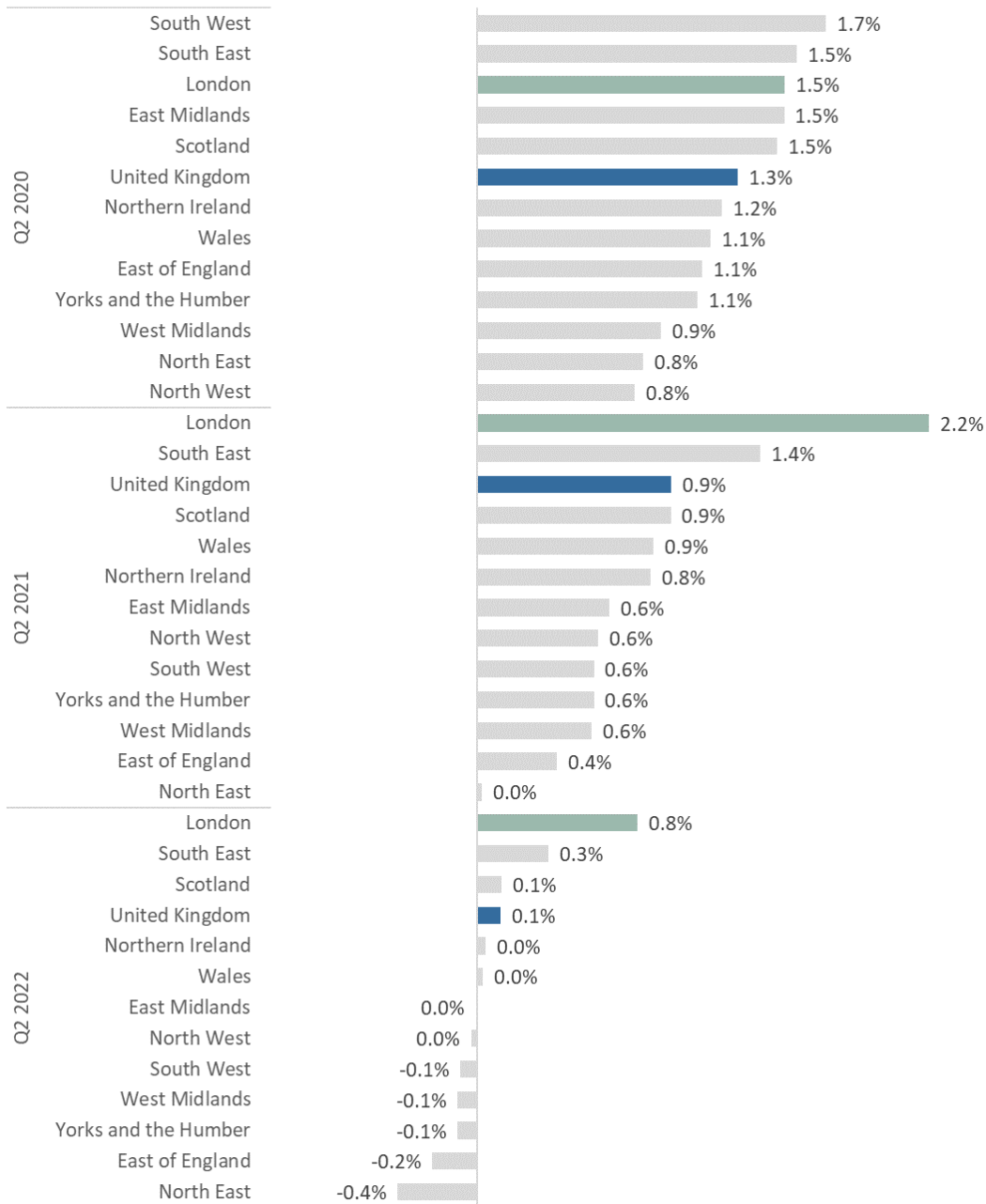
Figure 31 shows changes between the pre-pandemic baseline and Q2 2022, according to the central scenario outlined above. According to these assumptions, the unemployment rate in London in Q2 2022 will be 0.8 percentage-points greater than before the pandemic. London therefore faces the most serious lingering labour-market effects of any nation or region of the UK. The next worst-affected region, the South East, sees an unemployment rate 0.3 percentage-points greater. Table 3 shows our scenario unemployment rates for the different regions and nations of the UK in full.

Table 3: Regional unemployment assumptions for Q2 2020, Q2 2021 and Q2 2022. Central scenario used for Q2 2022

| | January-March 2020 (Labour Force Survey) | Q2 2020 | Q2 2021 | Q2 2022 |
|--------------------------|---|-------------|-------------|-------------|
| North East | 5.5% | 6.3% | 5.5% | 5.1% |
| North West | 4.2% | 5.0% | 4.8% | 4.2% |
| Yorkshire and the Humber | 4.5% | 5.5% | 5.0% | 4.4% |
| East Midlands | 3.9% | 5.4% | 4.6% | 3.9% |
| West Midlands | 5.1% | 6.0% | 5.6% | 5.0% |
| East of England | 4.0% | 5.1% | 4.4% | 3.8% |
| London | 4.8% | 6.2% | 6.9% | 5.5% |
| South East | 3.1% | 4.6% | 4.5% | 3.4% |
| South West | 3.3% | 5.0% | 3.9% | 3.2% |
| Wales | 3.3% | 4.4% | 4.2% | 3.3% |
| Scotland | 4.3% | 5.7% | 5.2% | 4.4% |
| Northern Ireland | 2.5% | 3.6% | 3.3% | 2.5% |
| United Kingdom | 4.1% | 5.3% | 5.0% | 4.2% |

Source: Legatum Institute; Quarterly Labour Force Survey, January-March 2020, May-July 2020, May-July 2021; PAYE real-time information;^{ix} HM Treasury consensus forecast.^{xiii}

Figure 31: Percentage-point change in unemployment rate between pre-pandemic baseline and Q2 2020, Q2 2021 and Q2 2022 scenarios, by region. Central scenario for Q2 2022



Source: Legatum Institute; Quarterly Labour Force Survey, January-March 2020, May-July 2020, May-July 2021; PAYE real-time information; HM Treasury consensus forecast.

Furlough

Increases in unemployment over the course of the pandemic were lower than originally forecast. The UK would have suffered a greater fall in unemployment were it not for the government's Coronavirus Job Retention Scheme (CJRS). Modelling the labour-market impact of furlough requires us to make a set of assumptions about the number of furlough claimants in each of Q2 2020 and Q2 2021. Additionally, millions of people made claims to the Self-Employment Income Support Scheme (SEISS). Table 4 outlines our assumptions.

Table 4: Furlough and SEISS claims, assumptions for Q2 2020, Q2 2021 and Q2 2022. Furlough and SEISS schemes fully unwound in Q2 2022.

| | Q2 2020 | Q2 2021 | Q2 2022 |
|---|-----------|-----------|---------|
| Number of Coronavirus Job Retention Scheme claimants | 8,700,000 | 2,500,000 | - |
| Number of Self-Employment Income Support Scheme claimants | 2,000,000 | 2,000,000 | - |

Source: CJRS Statistics August 2020;^{xi} CJRS Statistics 29 July 2021;^{xii} SEISS Statistics June 2020;^{xiv} SEISS Statistics July 2021.^{xv}

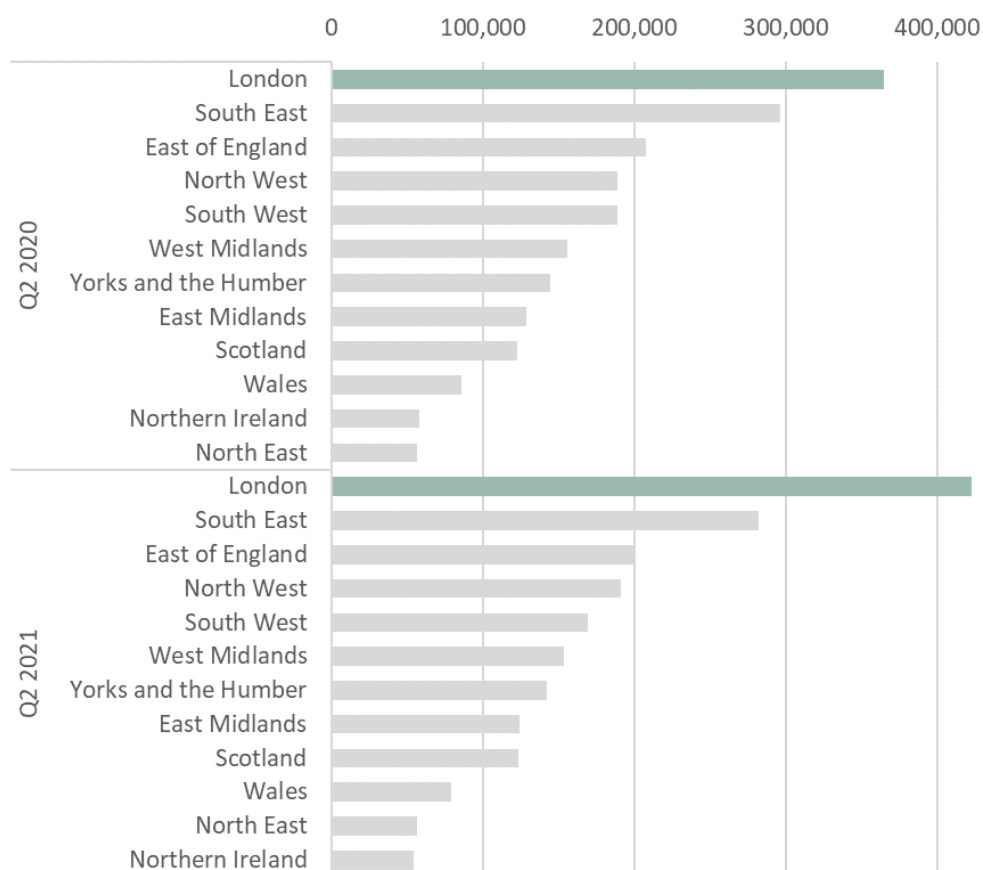
Furloughed employments and SEISS claims were not uniformly distributed across the UK. We allocate claims between regions according to furlough and SEISS administrative data for Q2 2020 and Q2 2021 respectively. Figure 32 shows that, in Q2 2020 and in Q2 2021, London saw the largest number of furloughed employments, while figure 33 shows that London also saw the greatest number of SEISS claims in both periods.

Figure 32: Assumed number of furloughed employments in Q2 2020 and Q2 2021.



Source: Legatum Institute; CJRS Statistics August 2020; CJRS Statistics 29 July 2021.

Figure 33: Assumed number of SEISS claims in Q2 2020 and Q2 2021.



Source: Legatum Institute; SEISS Statistics June 2020; SEISS Statistics July 2021.

ANNEX 2: THE SOCIAL METRICS COMMISSION'S MEASURE OF POVERTY

This briefing uses the Social Metrics Commission's measure of poverty as the basis of its analysis. The SMC was established in 2016, as a response to the fact that the UK no longer has official poverty measures agreed and used by Government. It is hosted by the Legatum Institute and is dedicated to helping policymakers understand and take action to tackle poverty and build prosperity. Its membership includes people from across the political spectrum as well as poverty and measurement experts. The Commission's primary goals have been to develop new poverty metrics for the UK which both:

- Have long-term political support; and
- Effectively identify both those who are in poverty and their experiences of poverty.

The SMC's landmark report in 2018 outlined a new approach to measuring poverty. As well as looking at incomes, this approach allows us to account for a range of inescapable costs that reduce people's spending power, and the positive impact of people's liquid assets on alleviating immediate poverty. These inescapable costs include rent or mortgage payments, childcare and the extra costs of disability. Liquid assets include savings, stocks and shares. The measure also takes account of overcrowding in accommodation. As well as a more accurate reflection of a family's ability to make ends meet, the SMC's poverty measure tracks:

- The degree to which a family is below the poverty line
- The length of time that a family is below the poverty line
- The experience of living in poverty.

Following the 2018 report, and an update in 2019, the Commission's approach received support from across the political spectrum and from a wide range of experts and people involved in taking action to tackle poverty.

In the summer of 2019, the Government committed to establishing Experimental Statistics for poverty based on the SMC's approach; this is the first step to developing new national statistics on poverty.

Data used in this briefing:

Understanding Society:

University of Essex, Institute for Social and Economic Research. (2021). *Understanding Society: Waves 1-11, 2009-2020 and Harmonised BHPS: Waves 1-18, 1991-2009: Special Licence Access*. [data collection]. 13th Edition. UK Data Service. SN: 6931, DOI: [10.5255/UKDA-SN-6931-12](https://doi.org/10.5255/UKDA-SN-6931-12)

Family Resources Survey:

Department for Work and Pensions, Office for National Statistics, NatCen Social Research. (2021). *Family Resources Survey, 2019-2020*. [data collection]. UK Data Service. SN: 8802, DOI: [10.5255/UKDA-SN-8802-1](https://doi.org/10.5255/UKDA-SN-8802-1)

Department for Work and Pensions, Office for National Statistics, NatCen Social Research. (2021). *Family Resources Survey, 2018-2019*. [data collection]. UK Data Service. SN: 8633, DOI: [10.5255/UKDA-SN-8633-1](https://doi.org/10.5255/UKDA-SN-8633-1)

Department for Work and Pensions, Office for National Statistics, NatCen Social Research. (2019). *Family Resources Survey, 2017-2018*. [data collection]. UK Data Service. SN: 8460, DOI: [10.5255/UKDA-SN-8460-1](https://doi.org/10.5255/UKDA-SN-8460-1)

Households Below Average Income:

Department for Work and Pensions. (2021). *Households Below Average Income, 1994/95-2019/20*. [data collection]. 15th Edition. UK Data Service. SN: 5828, DOI: [10.5255/UKDA-SN-5828-13](https://doi.org/10.5255/UKDA-SN-5828-13)

Quarterly Labour Force Survey:

Office for National Statistics, Social Survey Division, Northern Ireland Statistics and Research Agency, Central Survey Unit. (2022). *Quarterly Labour Force Survey, January - March, 2020*. [data collection]. 6th Edition. UK Data Service. SN: 8639, DOI: [10.5255/UKDA-SN-8639-6](https://doi.org/10.5255/UKDA-SN-8639-6)

Office for National Statistics, Northern Ireland Statistics and Research Agency. (2021). *Quarterly Labour Force Survey, May - July, 2020*. [data collection]. 2nd Edition. UK Data Service. SN: 8707, DOI: [10.5255/UKDA-SN-8707-2](https://doi.org/10.5255/UKDA-SN-8707-2)

Office for National Statistics, Northern Ireland Statistics and Research Agency. (2021). *Quarterly Labour Force Survey, May - July, 2021*. [data collection]. UK Data Service. SN: 8845, DOI: [10.5255/UKDA-SN-8845-1](https://doi.org/10.5255/UKDA-SN-8845-1)

SMC methodology

More details of the SMC's approach to poverty measurement can be found here:
<http://socialmetricscommission.org.uk>

- ⁱ Social Metrics Commission, (2020), Measuring Poverty 2020. See <https://socialmetricscommission.org.uk/measuring-poverty-2020/> Accessed 17/11/2020.
- ⁱⁱ Legatum analysis of SMC data.
- ⁱⁱⁱ To provide a sufficient sample size, estimates for each region are presented as three-year averages, in line with current HBAI approaches. As such the 2019-20 figure represents averages of figures from 2017-18 to 2019-20.
- ^{iv} Savings are defined as total liquid assets. This includes savings accounts, ISAs, stocks and bonds, but does not include pensions or property.
- ^v Trust for London, London Poverty Profile – COVID-19 Infections and Mortality. See <https://www.trustforlondon.org.uk/londons-poverty-profile-2021-covid-19-and-poverty-in-london/covid-19-infections-and-mortality/> Accessed 07/03/2022
- ^{vi} ONS, Eurostat overview of NUTS and LAU layers in the UK. See <https://www.ons.gov.uk/methodology/geography/ukgeographies/eurostat#london> Accessed 24/02/2022.
- ^{vii} Google COVID-19 Community Mobility Reports. See <https://www.google.com/covid19/mobility/> Accessed 01/12/2021.
- ^{viii} Central London Forward, (2021), Inequality and poverty in central London before and during the Covid-19 pandemic. See <https://centrallondonforward.gov.uk/wp-content/uploads/2021/10/WPI-Economics-CLF-Interim-report-FINAL-V3-002.pdf> Accessed 17/02/2022.
- ^{ix} Pay as You Earn (PAYE) Real Time Information, ONS. See <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkin ghours/datasets/realtimeinformationstatisticsreferencetableseasonallyadjusted/current> Accessed 01/12/2021.
- ^x Coronavirus Job Retention Scheme (CJRS) statistics, 16 December 2021. See <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-16-december-2021> Accessed 03/03/2022
- ^{xi} Coronavirus Job Retention Scheme (CJRS) statistics, August 2020. See <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-august-2020> Accessed 18/02/2022.
- ^{xii} Coronavirus Job Retention Scheme (CJRS) statistics, 29 July 2021. See <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-29-july-2021> Accessed 22/02/2022.
- ^{xiii} HM Treasury, Forecasts for the UK economy: January 2022. See <https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy-january-2022> Accessed 23/02/2022.
- ^{xiv} Self-Employment Income Support Scheme (SEISS) Statistics: June 2020. See <https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-june-2020> Accessed 22/02/2022.

^{xv} Self-Employment Income Support Scheme (SEISS) Statistics: July 2021. See <https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-july-2021#full-publication-update-history> Accessed 22/02/2022.

^{xvi} The package consisted of an increase in Universal Credit standard allowances of £20 a week, a £20 per-week uplift to Working Tax Credits and a suspension to the Minimum Income Floor (that applies to self-employed people claiming Universal Credit).

^{xvii} This included a reduction in the Universal Credit taper rate from 63% to 55%, and a £500 increase in annual work allowances for households with children or a household member with limited work capability.

^{xviii} Trust for London, London's Poverty Profile – London's geography and population. See <https://www.trustforlondon.org.uk/data/geography-population/#:~:text=40%25%20of%20Londoners%20are%20Black,who%20are%20not%20UK%2Dborn>. Accessed 07/02/2022

^{xix} Family work status was determined by taking all non-retired and non-student adults in the sharing unit, and allocating full-time workers a value of 1, part-time workers a value of 0.5, and someone who is unemployed, inactive, or studying a value of 0. The average of these scores is then taken for the family. Full-time work families have an average score of greater than/ equal to 0.75, full/part-time work families have a score of between 0.75 and 0.5 (including 0.5 but excluding 0.75), and part-time work families have a score of between 0 and 0.5 (excluding 0 and 0.5). Families that are workless have scores of 0.

^{xx} Joseph Rowntree Foundation, (2022), UK Poverty 2022. See <https://www.jrf.org.uk/report/uk-poverty-2022> Accessed 22/02/2022.

^{xxi} Trust for London, London's Poverty Profile – Relative housing costs. See <https://www.trustforlondon.org.uk/data/housing-as-proportion-income/> Accessed 23/02/2022.

^{xxii} Survey of UK parents, Mumsnet (2021). See <https://www.mumsnet.com/news/mega-survey-of-uk-parents-shows-that-childcare-is-failing-families> Accessed 21/02/2022.