

Tackling Poverty in Portsmouth
– Needs Assessment Refresh
2015 - 2018

DRAFT

Contents

Contents.....	i
Executive summary.....	4
Conclusions/Recommendations	5
Needs Assessment - Summary of Needs	6
Introduction	21
Aim of the Tackling Poverty Needs Assessment	21
Why is reducing poverty important?	21
Outcomes for children, families and adults	22
Costs to society	23
Legal responsibilities to tackle child poverty	23
Defining and measuring poverty	24
A picture of Portsmouth	28
Who lives in Portsmouth?	28
Portsmouth the place.....	30
Detailed research and analysis – children and families.....	32
Portsmouth demographics.....	32
Extent of child poverty in Portsmouth – how much and where?	35
Children and families most at risk from poverty	45
Groups identified by HBAI data	45
Children in need and/or at risk.....	48
Young people who are not in Education, Employment or Training (known as NEETs) ...	48
Children’s general wellbeing	52
Children’s educational attainment and links with Free School Meals data	54
Children’s Expectations and Aspirations.....	61
Childcare.....	64
The ‘Heat or Eat’ Dilemma – Fuel and Food Poverty experienced by families.....	66
Detailed research and analysis – the Adult population.....	69
Portsmouth demographics.....	70
Extent of poverty for working age adults in Portsmouth – how much and where?	73
Adults most at risk from poverty	77

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Groups identified by HBAI data	77
People with learning disabilities	82
People with mental health issues	88
People with alcohol and substance abuse issues	90
Alcohol misuse	90
Substance misuse	93
Domestic Abuse	94
Detailed research and analysis - Older People (65+)	96
Portsmouth demographics	97
Extent of poverty for older people aged 65+ in Portsmouth – how much and where?	99
Older people most at risk from poverty	104
Groups identified by HBAI data	104
Factors that have a strong relationship with poverty for all residents	107
Welfare Reforms	107
Housing	112
Food poverty	117
Financial inclusion	117
Addressing the ‘Poverty Premium’ for people in financial hardship	118
Knowledge of and access to financial products	119
Debt	122
Fuel Poverty	131
Digital Exclusion	137
Wider knowledge and understanding around money management	140
Employment and worklessness	141
(see also Low Pay and Underemployment sections)	141
Income	145
Benefits	147
Benefit take-up	149
Low pay	150
Underemployment	153
The Living Wage	154
In work poverty	158

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Adult Skills, Qualifications, Education and Training	159
Literacy and Numeracy	162
Crime and anti-social behaviour	166
Health and Wellbeing	169
Life Expectancy.....	172
Low Birth Weight.....	174
Obesity	175
Alcohol and Substance Misuse.....	178
Mental illness	178
Teenage Conception.....	178
Learning Disabilities	179
Carers	179
Wider learning about the needs of people in Portsmouth	181
Learning from Portsmouth's Local Welfare Assistance Scheme.....	181
Learning from customer focused reviews of services.....	183
Consultation	186
What next?.....	186

Executive summary

In 2011 a comprehensive needs assessment was carried out in relation to levels of poverty and deprivation in Portsmouth, exploring its nature and underlying causes. As a result of this needs assessment, a 3 year strategy aimed at tackling poverty in the city was implemented.

Three years on, given some of the recent economic challenges in terms of experiencing a double-dip recession, a significant program of welfare reform and with cuts to public services, it is now timely to undertake a refresh of the original needs assessment.

A report to the Council's Cabinet on the 4th December 2014 stated that most commentators expect there to be a steady and sustained economic recovery in the country, but with the pace of growth slowing, next year and into future years, and that the lack of real growth in wages (i.e. wage growth being outpaced by inflation) and geopolitical tensions are the main dangers to these forecasts. Low wages certainly feature as a risk for the city within this needs assessment; and so locally, it is important to try and address this at all levels, including through the education system and through engagement with the business community.

In addition, looking forward, the Council's current forecasts which run to 2017/18 indicate an overall savings requirement of £37m (or £37.6m if a Council tax freeze is assumed for 2015/16) over the forthcoming 3 year period. This will mean that over the period of the austerity programme, funding from Government will have reduced by some 49%.¹ This poses key challenges in terms of maintaining services that might help to alleviate or work preventatively around poverty in the city, as well as impacting on crisis services which alleviate the severest effects for those at the highest level of need. These impacts will therefore need to be considered as part of the wider strategy.

This refreshed needs assessment attempts to build on the 2011 tackling poverty needs assessment by updating key areas of data and intelligence, in order to inform the tackling poverty work going forward. The needs assessment aims to be a reference tool only, presenting the data and the analysis alongside it. The tackling poverty strategy will then look at the key findings from this needs assessment and will make recommendations for the work going forward, drawing in knowledge of 'what works' with evidence around evaluated interventions that are known to 'narrow the gap' and break the cycle of deprivation in the longer term.

¹ Context of budget cuts: Portsmouth City Council Revenue Budget 2015/16 - Savings Proposals Report to Cabinet 4th Dec
<http://democracy.portsmouth.gov.uk/documents/s5854/Revenue%20Budget%202015%2016%20report%20Appendix%20A.pdf>

Conclusions/Recommendations

These recommendations are based on the summary of needs following this section, and the key actions required (which will be fully detailed in the Tackling Poverty Strategy going forward).

In order to alleviate poverty in the city it is recommended that objectives in the strategy focus on

Improving longer term outcomes for children in the city by:

- closing the gap between free school meal and non-free school meal children
- building a culture of high expectation for children across the city, including increasing the numbers of children who go on to University (where current numbers are some of the lowest in the country)
- increasing literacy and numeracy rates in the city
- supporting work around attracting good teachers to schools where free school meal children are under-performing, as evidence shows this can significantly narrow the gap
- building on known evaluated interventions that work with families

Addressing employment and low pay issues in the city by:

- planning to ensure that people in the city have the skills they need for the jobs that will be available in the future
- addressing low pay and career progression through increasing skills in the population and also working with employers to identify clearer progression paths
- ensuring that getting people into suitable employment is seen as a critical need by services working with residents in the community, including awareness around the benefits of 'dual earner' families
- ensuring that vulnerable groups are targeted within this work, for example people with learning disabilities who have low rates of employment in the city, carers who struggle to access employment with the barriers they face, and black and minority ethnic communities who face their own specific barriers, addressing areas such as flexibility of childcare and employment practices
- encouraging organisations in the city to adopt the living wage, building on the Council's recent move in this area, in order to address the low pay issue that exists in the city

Addressing financial exclusion and debt in the city by:

- exploring of collective purchasing arrangements such as Switch Hampshire to reduce the price of essentials (e.g. fuel)
- having a targeted approach to raising levels of budgeting and money management skills in the city, partly through better training of frontline staff and partly through public education
- doing targeted work around income maximisation, for example with older people in the city

- getting more people online, in order to ensure they are able to access the employment opportunities they need, as well as being able to access the welfare benefits they need when they require a safety net
- doing targeted work with specific groups in the city that will be more vulnerable to poverty, for example people with disabilities and people from black and ethnic minority communities, in order to level the playing field

Ensuring crisis provision in the city uses these points of crisis to solve problems longer term by:

- ensuring crisis provision is available for those at the highest level of need, such as people coming out of care, hostels or institutions, when they require help in setting up their homes in the community
- working with crisis services to use this point of crisis to address deeper underlying causes and solve problems longer term, skilling up the wider workforce to work more holistically with people
- ensuring that all work is based on evidenced need and a sound understanding of what matters to customers when using services in the city

Influencing wider policies and decision-makers in order to alleviate poverty by:

- influencing services such as housing planning and development in the city, to try and ensure the right affordable housing options for people
- working strategically to create positive environments in the city, for example exploring how planning and/or licensing laws can be used to control the numbers and locations of gambling and high cost credit organisations in the city
- influencing wider decisions around services in light of local authority cuts, highlighting the impacts for people in poverty in the city
- ensuring that the tackling poverty work integrates with public health objectives around poverty and health inequalities

Needs Assessment - Summary of Needs

CHILDREN AND FAMILIES

Extent of child poverty - how much and where
22.3% of all children aged 0-19 in 2012 were deemed as living in poverty in Portsmouth under the Children in Low Income Households Measure (before housing costs). This is above both the England and South East averages of 18.6% and 13.6%.
Child poverty rises sharply in some parts of the city - e.g. in Charles Dickens ward it is 44.2%.
Child poverty levels have dropped in the city since the last needs assessment in 2011, as they have nationally, however some of this is attributable to a fall in incomes across the nation as a whole and this being a relative rather than absolute measure.

Nearly half of all families claiming housing benefit or council tax support in the city are working families.

Children and families most at risk from poverty

National Households Below Average Income data highlights workless families, lone parent families not working, families with 3 or more children, families where someone is disabled and black and minority ethnic communities as more vulnerable to poverty.

Others at risk may include families in in-work poverty, self-employed households, and young people not in education, employment or training (known as NEETs). Work is required to target at risk groups.

Intelligence Gap: It is unknown as to whether there is an association between children 'in need' or 'at risk' in the city and poverty (although anecdotally it is believed this is the case).

Children's educational attainment and links with free school meals data

Only half (50.8%) of Portsmouth children got the GCSE 'Gold Standard' in 2013/2014 (5 A*-C including English and Maths).

Whilst a direct comparison cannot be made with the previous year, Portsmouth has moved nearer to the England average. Whilst this improvement is welcome, it is recognised that there is still a long way to go to reach satisfactory standards for children in Portsmouth.

There is a significant gap (as there is nationally) between pupils in receipt of free school meals (FSMs) in Portsmouth and those who are not, in terms of educational attainment.

In 2013 only 59% of 19 year olds achieved Level 2 who were in receipt of free school meals at 15, compared to 71% for England as a whole.

Literacy levels for free school meal children, whilst improving, are still significantly below those of non-free school meal children in the city (see adult literacy section).

Children's expectations and aspirations

At present no evidence has been found to suggest children in Portsmouth have low aspirations. However some research suggests that there can be lower expectations for children from poor socio-economic backgrounds.

The parliamentary constituency of Portsmouth North in 2013 had the third lowest participation rates in the country with only 22% of young people going straight on to university (compared with 2/3rds of 18 year olds in Wimbledon).

It cannot be assumed that schools will do worse when they are in deprived areas - some schools in poor areas in the country have achieved good results for children.

One of the key steps to improving children's life chances includes building a high expectations, inclusive culture. Raising children's belief and expectation in themselves can be achieved in a number of ways, for example through use of growth mindsets theory.

Childcare

In general, Portsmouth as a city has a reasonable amount of childcare provision. Quality of provision is generally good.

Portsmouth is in the top 37% of Local Authorities for % take-up of free early education (2yr olds) at November 2014 (in-line with national self-assessment results).
However Portsmouth does not perform so well in the priority geographical areas of Paulsgrove, Stamshaw, Buckland and Fratton, Baffins and Eastney and Craneswater, and projects have been developed to address these challenges.

The 'Heat or Eat' Dilemma – Fuel and Food Poverty experienced by families
Foodbank usage has dramatically increased in the last few years in Portsmouth. For example, the Trussell Trust Foodbank saw demand double between 2011 and 2013, and reports a higher prevalence of working families asking for help.
The single biggest cause for referral to foodbanks in the city appears to be benefit delays, suspensions or sanctions.
Work with Foodbanks can involve exploring the underlying causes of people's problems in order to try and find longer term solutions. Collective purchasing of food and fuel in the city should also be explored.

WORKING AGE ADULTS

Extent of poverty for working age adults in Portsmouth – how much and where?
National Households Below Average Income (HBAI) data shows that there has been little change in the percentage of working age adults in low-income households in 2012/13. 15 per cent of working-age adults were in relative low income.
Unfortunately only very limited up-to-date local data is available for the adult population. Housing Benefit (HB) and Council Tax Support (CTS) records show that of the 22,504 working age households claiming either HB or CTS in Portsmouth, 32% were working households. 40.59% of workless households claiming HB/CTS are located in Charles Dickens, Nelson and Fratton wards (the most deprived wards).
20.15% of households claiming HB/CTS had at least one adult with a long-term illness or disability, and 21.25% of households claiming HB/CTS had a family member with a disability.

Adults most at risk of poverty
National Households Below Average Income data highlights single working age adults, workless households, adults with no reported educational qualification, adults living in a household with a head from an ethnic minority, younger adults (especially those with children) and adults in households with at least one disabled member as more vulnerable to poverty.

People with learning disabilities
It is unknown as to how many people in Portsmouth have a learning disability overall. This is partly due to the partly 'hidden' nature of the learning disabilities population. Some GP and Office for National Statistics data is available but these figures are likely to be under-estimates. Identifying hidden carers is a need going forward.
Where the carer's age is known, 60% of people with a learning disability receive care from

someone who is aged 55+ years.
In Portsmouth, 69% of adults aged 18+ years with a learning disability known to Adult Social Care were in settled accommodation, and only 9% were in employment, highlighting the need for both settled accommodation and employment for this group.
National data from 2012 suggests that, alongside care/treatment, and housing, financial issues were also significant to people.
Intelligence Gap: Further analysis and consultation is required to understand how people with learning disabilities in the city are impacted upon by economic deprivation.

People with mental health issues
In 2012/13, in total, Adult Social Care provided services in the community for mental health problems to 753 adults aged 18+ years, with the highest crude rates (where calculable) in two of the most deprived wards in the city, Charles Dickens and Fratton.
Nationally one in four people with a mental health problem is in debt, and one in two people in debt have a mental health problem.
Portsmouth has significantly higher rates of risk factors for mental ill health, such as % of 16-18 year olds not in employment, education or training.
People with mental health problems are at increased risk of social exclusion so national priorities suggest improving access to stable accommodation and paid employment.

People with alcohol issues
People may be more likely to use alcohol or other substances in times of stress in their lives; and financial stress can contribute to this. Funding an addiction can also reduce household income and have an impact on employment.
Portsmouth has been above both the South East and England averages for alcohol-related hospital admissions for a number of years. However as of 2012/13 Portsmouth is now below the England average.
Alcohol-specific hospital admissions were significantly higher than the City rate for people from some of the most deprived wards in the city. There is a similar association between the most deprived wards and alcohol-related admissions.

People with substance abuse issues
There is a 24.9% increase on the 2010/11 rate for the number of opiate and crack cocaine users (OCU's) in Portsmouth, which is in comparison to reductions in the rate both nationally (3.1%) and in the south east (1.9%).
In contrast to the national picture where it has risen, findings from the Children's Society Survey 2013/14 indicate that drug use amongst school age children in Portsmouth has remained broadly the same.
National studies have shown that three quarters of drug service users had mental health problems (mostly affective disorders and anxiety disorders).

Domestic abuse

Domestic abuse remains a significant issue in Portsmouth, and can have a detrimental impact on employment, as well as housing, with domestic abuse being a commonly quoted reason for homelessness in women.
The impact of domestic abuse on very young children is often underestimated and the impact on school age children could affect their ability to achieve, thereby potentially affecting their education and employment in the longer term.
Financial dependency and/or hardship can prevent people from leaving abusive relationships. The relationship between poverty and domestic abuse requires further exploration in the city.
There is currently a gap in the city where, if a person does not qualify for public funds (e.g. where their immigration application is not successful), they can only access the refuge if they can find their costs from elsewhere (e.g. a voluntary organisation).

OLDER PEOPLE

Extent of poverty for older people - how much and where
National Households Below Average Income (HBAI) data in 2012/13 showed that poverty had fallen again for pensioners and was now at an all-time low, with 13% living in low-income households, compared to 21% of working age adults and 27% of children.
However there are still a significant number of older people in the city who fall underneath the relative and absolute poverty lines, or who may not meet the definition but are struggling financially (e.g. 'asset rich/cash poor').
Only very limited data is available for the older population at a local level. The old Indices of Multiple Deprivation (2010) data showed that 37.7% of all older people living in the Charles Dickens ward were living in poverty, followed by Nelson (24.5%) and Paulsgrove (24.3%). Drayton and Farlington had the least, with 5.6%.
About a quarter of older people in Portsmouth were on pension credit in 2013 - this has declined gradually over the last few years. Work is required to ensure older people are claiming all of the benefits they are entitled to.

Older people most at risk of poverty
National Households Below Average Income data highlights single older people who live alone, Living in families with disabled members not in receipt of disability benefits, Living in a household with a head from an ethnic minority as more vulnerable to poverty. However some older people might not technically meet this definition of poverty and yet be 'asset rich, cash poor' and thus in financial hardship

FACTORS THAT HAVE A STRONG RELATIONSHIP WITH POVERTY FOR ALL RESIDENTS

Welfare Reforms
The ongoing programme of welfare reforms has had a significant impact on working age households nationally. In Portsmouth, 12.5% of households have been affected by the key Housing Benefit reforms, losing an average of £976 per year, above the national average (excluding London).

The impact of welfare reforms has varied between households. 44% of PCC tenants subject to the size criteria reduction in Housing Benefit have maintained their full rental payments, while 29% are in arrears of more than £200.
The estimated combined adverse impact on households in Portsmouth of the changes from Incapacity Benefit to Employment and Support Allowance and from Disability Living Allowance to Personal Independence Payments is £18m per year. These changes have created significant additional demand on advice services in the city.
Universal Credit is being rolled out nationally for new, single jobseekers from February 2015, but may not be implemented in Portsmouth in 2015.
Reductions in annual up-ratings to means-tested working age benefits have reduced income in Portsmouth by an estimated £12m per year.

Housing
In recent years there has been a significant drop in owner occupation, and rise in private sector renting in Portsmouth. New households in the most deprived wards in Portsmouth are more likely to be living in the private rented sector than in social housing.
Some low income households renting in the private sector have higher rents, worse housing conditions, unreliable maintenance, and low security of tenure, compared to the social rented sector.
27.0% of heads of household in the social rented sector, and 13.7% in the private rented sector are among the working age groups most affected by welfare reform and at risk of poverty.
64.5% of Local Housing Allowance claims are for properties where the rent exceeds the maximum Housing Benefit entitlement for the occupying household, with the average top up being £18.04 per week, reducing the income available to meet those households' needs.
Between 2009 and 2014, 34.1% of households receiving statutory homelessness assistance from Housing Options were in need due to losing private rented sector housing, and the growth of the private rented sector is likely to increase this demand.
Portsmouth has significant levels of homes that are overcrowded, and homes that do not have central heating.

Financial inclusion - addressing the 'poverty premium' for people in financial hardship
Poor families pay more for goods because they are poor. Save the Children's 'poverty premium' shows that the additional cost of services and goods for poorer families has risen from £1,280 in 2010 to £1,639 a year in 2014 (e.g. through paying more for gas and electric, insurance, credit etc).
There is a need therefore to counteract the effects of the poverty premium for people households in the city, both through education and also through provision of access to affordable goods and services (such as affordable credit and home contents insurance).

Financial inclusion - knowledge of and access to financial products
Intelligence Gap: The Council currently has no access to detailed local data on how many residents have the necessary financial products such as bank accounts and insurance.
However modelled data provides a very rough estimate and indicates that the wards with the highest proportion of adult residents with no current account are Charles Dickens,

Paulsgrove and Nelson. This equates to 6.2% of the adult population.
Targeted work is therefore required to increase the uptake of relevant financial products, such as the new 'charge free' basic bank accounts being developed by 9 high street banks, and also including affordable insurance.

Financial inclusion - debt
Debt has an association with mental health. One in four people with a mental health problem is in debt, and one in two people in debt have a mental health problem.
A sample by Portsmouth's Credit Union in 2014 showed that Brighthouse Pay Weekly Store (APR approx. 67% online) was the most prevalent of transactions, accounting for 20% of all payments out. Pay-day loan-type companies also featured significantly.
Door step lending has also anecdotally been prevalent in poor communities in Portsmouth for a number of years. APR rates tend to range from between 270% to 400%.
High cost credit is causing levels of debt in the city through this use of expensive forms of credit. Public education and awareness-raising with frontline staff will continue to be required in order to address some of these issues. Further exploration is required in relation to any planning or licensing powers the Council may have to control or limit the numbers of organisations in the city who provide high cost credit.
Lack of ongoing local welfare assistance provision for furniture and white goods for people in crisis is likely to escalate debt and use of high cost credit, as will a lack of affordable white goods and affordable credit for people on low incomes in the wider population.
Nationally half of those in a recent StepChange survey had waited over a year between realising their debts were a problem and seeking help. Work on getting people to seek earlier is therefore a need.
Intelligence Gap: There is little information or data at present around levels of problem gambling in the city which can result in debt. Again, planning and/or licensing powers held by the Council may be able to assist in some way with this.

Fuel poverty
Under the old 10% measure, 10.4% of households across all tenures in Portsmouth are deemed to be in fuel poverty, compared to 17% for the UK. Under the new Low Income High Cost (LIHC) measure, 10.7% of households in Portsmouth across all tenures are deemed to be in fuel poverty, compared to 10.4% for England.
Research shows that policies that improve thermal efficiency of housing stock tend to be most cost-effective in alleviating fuel poverty.
Whilst older people tend to be at highest risk of fuel poverty, children and families are the second most prevalent group to feature in terms of vulnerability.
The main cause of cold related illness and death is circulatory diseases, including heart attacks and strokes, accounting for 40% of excess winter deaths nationally. Another 1/3rd of deaths are caused by respiratory illness. The cold is associated with higher Excess Winter Deaths (EWD) - also sometimes known as Excess Winter Mortality (EWM).
Work to identify households who may be suffering from fuel poverty in order to offer advice, support and access to any relevant resources is therefore an important role for

frontline staff, as is continued public education.

Digital exclusion

The Tinder Foundation found that 60% of those who do not use the internet have no qualifications, and 42% earn less than £12,500, so digital exclusion disproportionately affects those in poverty or at risk of poverty.

The 2011 Skills for Life Survey in England identified that Central Southsea had almost twice the percentage of residents with high skills in email than Charles Dickens (the most deprived ward), and less than half the percentage of residents with low skills.

In 2012 a Portsmouth Jobcentre Plus survey found that 17.5% would require assistance in order to use the internet, which has implications for the new Digital Jobcentres and forthcoming roll out of Universal Credit (when claims will be mostly made online).

In 2012 Portsmouth City Council also conducted a survey of its customers. 30% did not have internet access, significantly above the national average in 2012 of 20%, with lower levels of access amongst older people. An ONS 2014 report found that in Portsmouth, between 17.8 and 31.9% of adults had never used the internet, above the UK average of 12.3 to 12.9%.

It is important therefore to understand the range of tasks people might be required to undertake online, and to develop a local digital inclusion strategy to meeting these needs.

Wider knowledge and understanding around money management

During the local consultation process people have overwhelmingly agreed that everyone struggles with budgeting in today's complex financial environment, and that improving budgeting skill levels in the city could make a real difference to people's incomes.

Learning suggests that money classes per se are not well attended; however they can be successful if integrated into the sessions of an existing group that meets regularly.

A successful method for working on budgeting appears to be through people's key workers. There is a need therefore to roll budgeting training out to frontline staff more widely.

Employment and worklessness

Nationally, unemployment fell by 300,000 between mid-2013 and mid-2014 and in general employment rates are or are at near historic highs.

However nationally, wages have fallen and 1.4 million adults are in part time work because they can't find full time employment. In addition 3/5ths of people who moved from unemployment into work in the last year are paid below the Living Wage.

In general, rates of unemployment in Portsmouth are slightly below the national average. In 2013 6.9% of people in Portsmouth were unemployed compared to 7.5% nationally. However Portsmouth was higher than the South East average of 5.7%.

As with levels of deprivation in the city, there are pockets of unemployment in the city that are significantly higher than the national average, for example in Charles Dickens ward.

Whilst in work poverty is an issue, work remains an essential tool for raising confidence and for accessing better paid work in the longer term, so addressing unemployment is a key.

Employment and ethnicity

Significant differences can be seen nationally, and also in Portsmouth, between ethnic groups, by category of employment. Whilst 47.6% of Portsmouth's White British working

population were employed in 4 key sectors, this compared to just 31.9% of Bangladeshi workers, 34.4% of Chinese workers, and 36.1% of Other White workers.
Working in more marginal sectors is likely to reduce the number of opportunities available for career development and pay progression.
Overcoming barriers that prevent workers from entering the largest sectors of employment in the city would reduce one cause of income inequality between ethnic groups in the city.

Income
In the 2011 Tackling Poverty Needs Assessment, resident earnings in Portsmouth had previously grown by 25% in 2009, to an average of £475 per week.
However for 2013 they have dropped to £474 per week. This does not reflect any inflationary lift at all, unlike the national picture which has a small lift. This is a drop in real terms for Portsmouth residents.
For the period of 2002 to 2009, average workplace wages were £59 a week higher than average resident wages. This has dropped to a difference of £35 in the 2013 data - i.e. average workplace wages are now only £35 higher than average resident wages.
This difference may still suggest, as previously, that the higher paid jobs that clearly exist in Portsmouth aren't filled by residents of the city, possibly due to relatively low skills levels amongst the city's resident workforce.
The difference between average resident male wages - at £504, compared to male workplace wages of £574 is marked. Men who live in the city are earning £70 less a week than the workplace average, suggesting they are not getting the higher paid jobs in the city.
Resident women are earning significantly less than their male resident counterparts - £87 a week less, suggesting either inequalities in pay, or women generally tending to take lower paid work (or both).
There is a need therefore to link with the city's Business Skills and Growth Plan to ensure Portsmouth residents are able to access the skills they need.

Benefits
In 2013, there were just under 22,500 housing and/or council tax support claimants or 11% of Portsmouth's whole population.
In Oct 2014, 2% of the city's working age population were in receipt of Job Seekers Allowance (JSA), which is a fall since the last needs assessment in March 2011 (at 3.5%).
9.7% of Portsmouth's working age population were benefit claimants, compared to 13.5% in August 2010, so again a significant drop.
However numbers of benefit claimants can be impacted upon by changes to benefits systems and people 'falling through the net', as well as underemployment issues.

Benefit take up
Almost a third of eligible people in the UK in 2009-10 were not claiming the means-tested benefits they were entitled to. Agencies in Portsmouth help residents to claim millions of pounds worth of benefits every year that they are entitled to.
Improving take up of these key benefits and income maximisation could help to alleviate poverty and particularly recommends additional spending being targeted at poor families. This could also lead to wider improved outcomes e.g. health, employment, wellbeing.

Low pay
As stated in the income section, Portsmouth is experiencing real issues around low pay and has experienced a worse than average drop in residents' wages.
The prevalence of low pay has meant that in-work poverty has risen to an all-time high with 2/3rds of people in the country who are in poverty, in 'in work' poverty.
In the country overall, Portsmouth workers in the low quartile wage group (along with Bournemouth and London) have the lowest wages after housing costs. This reinforces the issue that low pay in Portsmouth is significantly worse than the national average.
National research evidences that only 1 in 4 workers who were low paid in 2001 - and who remained in employment for most of the subsequent decade - went on to escape poverty and move on to higher pay, suggesting an issue with social mobility and progression.
Barriers to progression included working part time, and/or other factors such as being older, a single parent or disabled. Workers in specific industries were also more vulnerable.
There is a need therefore to work with employers in the city to remove some of these barriers and to create progression opportunities for all sectors for the community.

Underemployment
Nationally, the number of workers in temporary contracts is increasing. Temporary contracts are more prevalent in low paid employment sectors.
An average of 3 million workers in the UK were under-employed in the UK in 2014, down 2.3% from the peak level in 2013, but almost 50% higher than the pre-recession level in 2007. Although total underemployment fell by 2.3% in 2014, the number of underemployed workers in self-employment increased by 2.2%
Underemployment has increased faster in the South East than in some other regions in GB.

The 'living wage'
The Living Wage was created to give the minimum pay rate required for a worker to provide their family with the "essentials of life" and is currently calculated at £7.85 per hour at the national rate, and £9.15 at the London rate. It is higher than the minimum wage, which is £6.50. (As at Nov 2014).
18 - 21 year olds, women and part time workers are disproportionately affected.
Whilst data is not available for Portsmouth, the South East data shows that whilst proportionately, the South East is one of the areas with the lowest proportion of people not on the Living Wage, it has some of the highest numbers.
There are a number of benefits to paying the Living Wage e.g. some evidence of improved sickness/retention rates, as well as wider benefits to the local economy. The strongest argument however may be the moral one, regarding ethical employment practice.
There are challenges involved in being a Living Wage employer such as affordability for smaller businesses; and challenges in particular sectors for example in adult social care.
The Council has recently committed to paying Council workers the Living Wage. Given the low resident wages in Portsmouth and elementary occupations accounting for around 11% of the workforce, further roll out of the Living Wage e.g. to schools staff and to wider businesses across the city, would help to reduce rates of in work poverty in the city.

In work poverty
Intelligence Gap: No data is available at present concerning in work poverty in the Portsmouth Local Authority area.
Nationally almost half of all poverty is found in working families, and about 2/3rds of children in poverty live in households where someone works. People in work make up almost 2/5ths (39%) of all working age people in poverty (8 million)
HBAI data suggests that households where both parents are in full time work are at least risk of poverty (4%) or where one parent is in full time work and one parent is in part time work (6%).
There are significant barriers that potential second earners face in entering the workforce such as childcare and low wages. Research suggests that 'lifting the number of dual-earner families is a crucial part of a revived anti-poverty strategy focused on jobs and wages'.

Adult skills, qualifications, education and training
Portsmouth is above the South East average for 'no or low adult qualifications' (Portsmouth is 20.95%, the South East is 18.34%). It is slightly below the England and GB averages of 21.16% and 21.21%. (This has improved from 27% in the last needs assessment).
Despite this improvement, one in five adults in Portsmouth has 'no or low' qualifications and this is a problem for the city as it increases the likelihood of low pay.
Portsmouth (at 2.2%) is significantly lower than the South East (4.2%) and England (4.6%) averages for its population qualified at NVQ 4 or above, increasing the likelihood of low pay.
The biggest demand going forward in the city will be for skilled, knowledge-based activities requiring graduate or equivalent level qualifications. It will be important therefore to raise educational attainment, and for colleges and higher education establishments to put on the right educational courses for young people, as well as addressing the soft skills required.

Literacy
Intelligence Gap: Very little up-to-date data is available around adult literacy in the city.
Nationally, research has shown that a quarter of all children leaving primary education couldn't read well; and this increased to every 2 in 5 poorer children. There is a direct link between poverty and reading outcomes.
45% of low-income, white British boys were not reading well by the age of 11 - and this is even more pronounced for those who had English as their first language. If a child does not learn to read well when young, they can turn away from education as they get older, get poor qualifications and struggle in the world of work.
Whilst there has been some improvement between 2013 and 2014, there is still a significant gap in 2014 with only 63% of Free School Meal (FSM) children achieving Level 4B+ reading at Key Stage 2 (11 years) compared to 76% of all children.
Low levels of literacy for children in the city are likely to lead to low levels of literacy for adults, with a knock on effect on job opportunities, unemployment and levels of pay.

Numeracy
Having good numeracy skills has a direct relationship with poverty not only in terms of having the skills required for employment, but also for effective money management.
Fewer than one in four (23%) of Portsmouth's working age population are working at Level 2

or above in numeracy (roughly equivalent to A* - C GCSE), while more than half (55%) are literate to this level. Although levels of numeracy in Portsmouth are a little higher than the England average of 22%, they are below the South East average of 28%.
Studies suggest that men who have left school at 16 with low numeracy are at greater risk of depression and were more likely to have been suspended from school, or arrested and cautioned by the police. Outcomes for women who left school at 16 with low numeracy are even worse, being less likely to be in full-time work and subject to other poorer outcomes.
Addressing literacy and numeracy levels within the city is therefore key in terms of breaking the cycle of deprivation longer term.

Crime and anti-social behaviour
Although overall crime is reducing, Portsmouth's rate is still slightly higher in comparison to other similar areas (79.9 per 1,000).
In terms of where anti-social behaviour is most prevalent in the city, Charles Dickens has a much higher rate than the other wards (124.1 per 1,000) - the average for the city is 44.2 per 1,000. The other areas with a high rate are: St Thomas (73.2), Nelson (59.1) and St Jude (58.2). These correlate with some of the most deprived wards in the city.
There is an association between crime and poverty. Young offenders in the most part come from the more deprived parts of the city. Charles Dickens has highest rate of young offenders followed by St Thomas and Paulsgrove.
There may also be links between crime and low skills and education; and given that poor children in Portsmouth schools are falling far behind their peers, again this would suggest a relationship.
Research and anecdotal evidence suggests that many of the most vulnerable individuals suffer compound issues, and services need to ensure they are taking a holistic and collaborative approach towards their clients, using onward referrals where appropriate.
Intelligence Gap: The Safer Portsmouth Partnership acknowledges that further work is needed in the areas of reoffending, substance and alcohol misuse, and domestic abuse with wider support being provided to people in areas such as mental health. There is a need to explore the relationship with poverty (e.g. offenders' financial backgrounds) alongside this.

Health and wellbeing
People in Portsmouth in poorer wards die earlier than their more affluent counterparts, particularly men. In 2010/12, whilst male life expectancy at birth in Portsmouth was 78.2 years, for males in Portsmouth's most deprived 10% of Lower Super Output Areas (LSOAs), it was 72.7 years - 9.4 years shorter than males in the least deprived 10% of LSOAs.
As a result, the city's Tackling Poverty Strategy is now one of the priorities identified as part of the Joint Health and Wellbeing Strategy, which states that growing up in poverty has a significantly negative impact on health and wellbeing outcomes for children and has the potential to expose children to more risk factors.
Some of the common areas of work between the strategies are health inequalities linked to deprivation, employment/employability, skills and qualifications, educational attainment, healthy affordable eating (linked to food poverty and nutrition) and fuel poverty.
The King's Fund recommends 9 key areas that can improve public health and reduce inequalities, some of which directly link to tackling poverty objectives, such as the best start in life, helping people to find good jobs and to stay in work, and warmer and safer homes.

There is a strong need therefore to work together with Public Health around issues of health inequalities, in order to maximise resources and ensure a joined up approach.

Life expectancy

Life expectancy is used frequently as an indicator of the overall health of a population. There are some concerning differences in rates for people living in poor communities, compared to people living in more affluent areas. As stated earlier, People in Portsmouth in poorer wards die earlier than their more affluent counterparts, particularly men.

The main broad causes of death contributing to the gap in life expectancy between the 20% most deprived and 20% least deprived in Portsmouth are circulatory diseases, cancers and respiratory disease.

Some of these illnesses link to lifestyle behaviours - for example smoking and poor diet. Smoking tends to be more prevalent in poor communities. Being poor and having financial stresses might increase people's overall stress levels, making such behaviours more likely.

Quality of education in the city may also be an issue - as well as wider factors such as media and advertising, numbers of fast food outlets in communities etc.

Improving the health of people living in the most deprived areas of the city should also have a positive knock on effect on poverty rates in the city for example through increased employment and productivity.

Low birth rate and obesity

The percentage of low birth weight babies in the most deprived quintile is statistically significantly higher than the % of low birth weight babies in the least deprived quintile within Portsmouth.

This suggests an association between multiple deprivation (including poverty) and low birth weight of babies.

Reception year children in Portsmouth are statistically significantly higher 'excess weight' (overweight or obese) in the most deprived quintile compared to the least deprived (both IMD 2010 and child poverty quintiles). (Using the children in families quintiles, obesity is also significantly higher in the most deprived quintile).

With Year 6, there is no statistical difference between the most deprived and least deprived quintiles for 'excess weight'; but obesity is statistically significantly higher in the most deprived quintile compared to the least deprived (both IMD 2010 and child poverty quintiles).

It is not possible to be able to conclude the reasons as to why childhood obesity is higher for those children in the city who live in deprived areas, but areas for consideration may include affordability of nutritional food, cooking skills, education etc. This would be a possible area for research going forward.

Teenage conception

In 2010/12, Portsmouth's conception rate in women aged under 16 years was 7.3 conceptions per 1,000 women aged 13-15 years – significantly higher than the rate for the South East, higher but not significantly than the rate for England, and lower but not significantly than Southampton's rate. Compared to previous years, this is the lowest local rate since 1998/00.

In 2010/12, Portsmouth's conception rate in women aged under 18 years was 37.5 conceptions per 1,000 women aged 15-17 years, again significantly higher than the rates for England and the South East region. However, the trend shows the Portsmouth rate continues to decrease since 2007/09.
Young mothers face significant financial pressures when they raise children and so this is a positive trajectory. It will remain important to offer the right support to young mothers in the city, including good information and advice around training, employment and childcare.

Carers
Carers can be prone to financial stresses for a number of reasons including lack of access to employment opportunities, having to survive on welfare benefits and trying to manage finances on top of being a carer.
Portsmouth's JSNA (August 2014) reports that there has been an increase in the number of carers claiming benefits (about 45 additional claimants - mainly in working age carers).
However there are thought to be many 'hidden carers' in Portsmouth and an increase in claimants may be down to more carers claiming rather than an increase in actual carers.
In 2013 about 1,380 (110 more than in 2012) residents of working age claim Carer's Allowance. The highest number and rate of claimants in 2013 are in Paulsgrove. About 4390 residents aged 65+ years claim Attendance Allowance (151.2 per 1,000 residents aged 65+ years). The highest rate of claimants is in Hilsea.
The carers' survey found that 41% of local carers were aged 65+ years. Local carers are mainly looking after one person – usually a spouse/partner (42%), or parent aged 65+ (35% - higher than the national level of 29%).
13% were not in paid employment because of their caring responsibilities and 4% were in paid employment and did not feel supported by their employer. 24% of carers themselves had a long-standing illness. This highlights potential effects on their financial circumstances.
One of the key issues raised by local carers in a survey in 2009 was that their caring role caused some financial problems to 30% of carers. Support for carers around money, finances, training and employment is therefore key.

WIDER LEARNING ABOUT THE NEEDS OF PEOPLE IN PORTSMOUTH

Learning from Portsmouth's Local Welfare Assistance Scheme (LWAS)
Portsmouth's LWAS criteria centres around people who are in severe financial hardship and who are either have a (defined) crisis, or people who are either re-settling or living in the community, and who need furniture and/or white goods to reach a basic standard of living.
697 applicants were granted awards in 2013/14, primarily for furniture or white goods, but also with some crisis provision (e.g. food, gas and electric).
About 10% of awards were granted in relation to fleeing domestic abuse.
40% of funding was spent on 'improving the living conditions' of vulnerable people already in their own homes - e.g. physical or mental health issues, facing exceptional pressures etc.
Over 30% of funding was spent on resettlement issues, including people leaving hostels, hospital, institutions or prison, for furniture and white goods to set up home.
Due to the government ceasing allocated funding, there will only be about a 1/5 th of the previous funding available for provision for 2015/16. Leaving a gap around these high level

needs could drive up costs across a range of public services (for example through increased demand at services such as mental health, temporary accommodation, and debt advice).

Learning from customer focused reviews

Portsmouth City Council has been engaged in using Systems Thinking methodology (Vanguard method) for a number of years in the city order to learn about and understand its customer's needs in a number of key services.

This approach enables an understanding of services from the customer's perspective, and enabling services to be re-designed from this perspective, so that they are much more effective in meeting customers' needs.

A common theme across interventions has centred around finding a central person who can navigate people through services, thus protecting them from the chaos of multiple service involvement, pulling services in when required. Understanding services from the perspective of people's real lived experiences is ultimately more likely to result in services that are effective in helping people to address the underlying causes of their problems.

Introduction

Aim of the Tackling Poverty Needs Assessment

The aim of this assessment is to identify and understand levels of poverty and deprivation in Portsmouth, exploring its nature and underlying causes, and to use this evidence base to shape the new Tackling Poverty Strategy 2015-18.

As a comprehensive needs assessment was carried out in 2011, we already have a significant evidence base upon which to draw; this needs assessment therefore builds upon, rather than seeks to replicate, the entirety of this previous analysis. Three years on, given some of the recent economic challenges in terms of a double-dip recession, a significant program of welfare reform and with cuts to public services, it is now timely to explore how these changes might shape our plans to tackle poverty going forward, along with any wider data and learning that we have gained on this journey.

Why is reducing poverty important?

In the recent Joseph Rowntree Report entitled 'Monitoring Poverty and Social Exclusion 2014', statistics show that 13 million people today in the UK are in poverty; and that half of all people in poverty live in a working family. Poverty amongst pensioners is at an all-time low, but poverty amongst working age adults without children is as high as it has ever been. In the last decade, the number of people in poverty in private rented housing has doubled. Unemployment fell by 300,000 between mid-2013 and mid-2014. But average wages are falling in relation to prices and 1.4 million are in part time work because they can't find full time employment².

So poverty remains a key issue across the country in terms of people being able to develop financial sustainability in their lives, and to ultimately achieve positive outcomes across wider areas of their lives such as health, education and employment.

It appears that child poverty numbers are likely to increase. Using the relative low-income measure, the Institute for Fiscal Studies projects increases of 2.7 percentage points (ppts) or 400,000 children by 2014–15, and 5.0ppts or 900,000 children by 2020–21. Using the absolute low-income measure, they project increases of 5.6ppts or 800,000 children by 2014–15 and 8.4ppts or 1.4 million children by 2020–21³.

² Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014:
<http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

³ Child and working-age poverty in Northern Ireland over the next decade: an update - IFS Briefing Note BN144 Economic and Social Research Council Jan 14

Outcomes for children, families and adults

In order to look at outcomes for adults in relation to poverty, the evidence base suggests what happens in childhood is critical to this. Child poverty is the strongest determinant of poor outcomes for children when they reach adult life. Children who grow up in poverty are four times as likely to become poor adults, becoming the parents of the next generation of children living in poverty⁴. The children who suffer the worst outcomes are those who are stuck in poverty for longer – i.e. the longer children are in poverty the greater the risk is of them becoming poor adults⁵.

Children in poor households tend to perform less well at school, as evidenced nationally by lower levels of educational attainment achieved by children on Free School Meals (FSMs) compared to their non FSM peers, impacting on future education, training and employment opportunities. Frank Field's review in 2010 found overwhelming evidence that children's life chances are most heavily predicated on their development in the first five years of life, and the review set out a new multi-dimensional approach to poverty. Released at the same time, Graham Allen's Review of Early Intervention supported these findings, identifying the need for specific policies and programmes to give children aged 0 – 3 the social and emotional bedrock they need to reach their true potential and older children help to become the good parents of tomorrow.

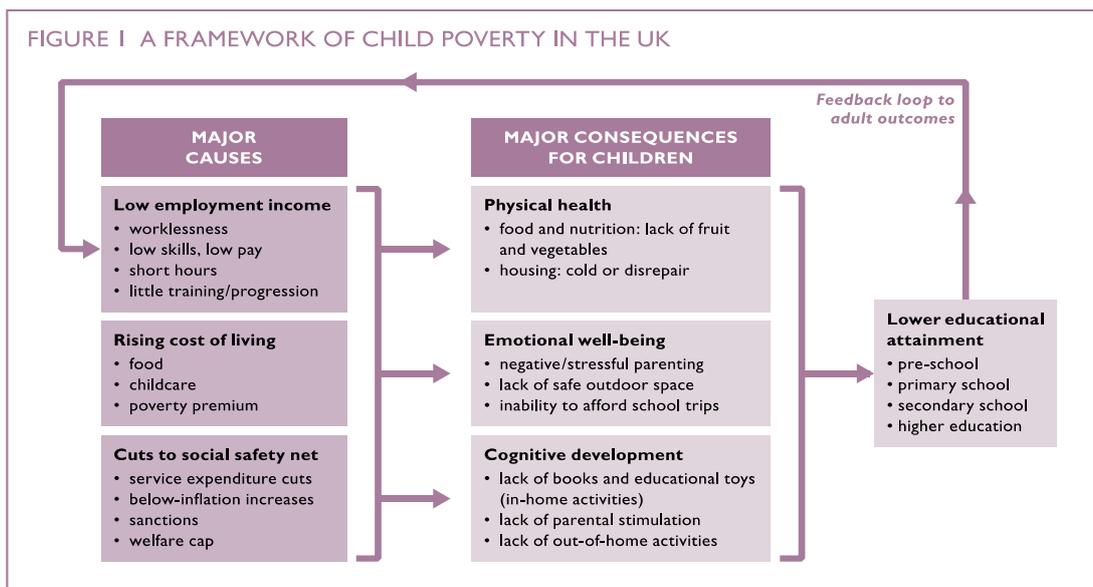
There is also a strong correlation between health inequalities and poverty, with clear cut health differences at each stage of the life cycle, as evidenced by the Marmot Review in 2008. A later review chaired by Marmot in 2013 stated that, because there is a social gradient in health – i.e. health is progressively better the higher the socio-economic position of people and communities, it is important to design policies that act across the whole gradient, and to address the people at the bottom of the social gradient and the people who are most vulnerable. In other words, it is important to address the causes of the causes – *'the conditions in which people are born, grow, live, work and age and inequities in power, money and resources that give rise to them'*.⁶

In summary the Save the Children diagram below illustrates well how all of the factors relating to child poverty inter-relate;

⁴ Blanden, J. and Gibbons, S (2006)

⁵ 'An evidence review of the drivers of child poverty for families in poverty now and for poor children growing up to be poor adults', HM Government (2014)

⁶ 'Review of Social Determinants and the Health Divide in the WHO European Region – Executive Summary', World Health Organisation (2013)



Source: Save the Children, based on a range of publicly available sources, including HM Government, Resolution Foundation, Joseph Rowntree Foundation, Child Poverty Action Group, Living Wage Foundation (2014), Waldfogel and Washbrook (2010). The diagram also illustrates the major consequences that are cited frequently in literature on child poverty in the UK, particularly in reference to their impact on school attainment, which are the focus of Chapter 1. It also illustrates the three major causes of child poverty, which are the focus of Chapter 2. The diagram is not intended to be exhaustive.

Costs to society

In addition to the obvious human costs, poverty costs society financially in a number of different ways. For example, it leads to a higher welfare benefits bill; it increases costs on public services (e.g. the costs of poor health on the NHS and other key public services); and it leads to lower productivity by the adult workforce. It was estimated in 2013 that, nationally, child poverty cost £29bn a year; with an estimate for Portsmouth of £121m⁷. There is a clear financial case therefore for seeking to reduce child poverty in order to maximise resources within a difficult economic climate.

Legal responsibilities to tackle child poverty

The Child Poverty Act 2010 placed a statutory duty on all top tier local authorities to publish a child poverty needs assessment, and to put in place arrangements to work with named partners to reduce and mitigate the effects of child poverty in their areas through a joint child poverty strategy. The act enshrined in law the Government's commitment to eradicating child poverty by 2020, with four targets around relative low income, combined low income and material deprivation, absolute low income and persistent poverty - as defined in the next section. A national Child Poverty Strategy was published and a Child Poverty Commission established. A new refreshed national child poverty strategy was published in June 2014.

⁷ 'An estimate of the cost of child poverty in 2013', Donald Hirsch, Centre for Research in Social Policy, Loughborough University (2013).

It is therefore timely that this refreshed needs assessment is undertaken, not just to meet the statutory requirements of the Child Poverty Act, but also to reflect on the changing economic environment over the past 3 years, in order to ensure robust actions in relation to tackling poverty going forward.

Defining and measuring poverty

Background – the complexities of measuring ‘poverty’

The most commonly used measure across Europe, which is an income-based measure, is known as the ‘**relative poverty**’ measure. This essentially measures those who are considerably worse off than the majority of the population; i.e. a level of deprivation heavily out of line with the general living standards enjoyed by the majority of the population. Each household’s income, adjusted for family size, is compared to median income (the median income is the ‘middle income’ – half of people have more than the median, and half have less). As middle incomes move up and down, so too does the 60% threshold. Those with less than 60% of median income are classified as poor. This is the agreed international measure used throughout the European Union.

The Child Poverty Act 2010 cited previously placed a duty on the Secretary of State to ensure that targets were met in relation to the UK by 2020, including relative poverty, as follows:

- **Relative low income** - as defined above. The target for this was that less than 10% of children who live in qualifying households, live in households that fall within the relevant income group
- **Combined low income and material deprivation** - The target for this was that less than 5% of children who live in households which fall within the relevant low income group, and experience material deprivation fall within this group. Material deprivation is based on quantitative research on items which are believed to be the necessities of life (material goods, activities and access to services)
- **Absolute low income** - The target for this was that less than 5% of children who live in qualifying households live in households should fall within the relevant income group. Absolute low income denotes a poverty level that does not change over time, in terms of the living standard that it refers to - i.e. it stays the same even when communities become more prosperous. It represents how much it would cost to buy a certain basic level of goods and services and only rises with inflation.
- **Persistent poverty** denotes a poverty level over a number of years - i.e. over time, and is measured through surveys. The target for this was set against the percentage of children who live in qualifying households during the survey years which relate to the target year who have lived in households that fell within the relevant income group in at least 3 of the survey years

Relative poverty is the most commonly used indicator but there is much debate as to whether an income measure alone is sufficient. Much work has been completed over the years to find the perfect definition and measure of ‘poverty’. A recent Government review of child poverty measures in this country explored a new multi-dimensional measure of poverty, to try and capture some of the wider

aspects of poverty rather than being just income-based. However this work has seemingly stalled after the consultation highlighted some key flaws with the new measure, indicating the complexities of this work. The introduction of Universal Credit, a single streamlined payment for means-tested benefits has added some additional uncertainty over what data may or may not be available and how poverty may therefore be measured going forward. However the work to date suggests that no simple definition or measure can capture the complexities, or the real life, day-to-day experiences, of people living in poverty. This perhaps explains why the relative poverty measure has remained the most commonly used measure for a number of years, in the absence of anything more suitable.

Official UK measure

The measure currently used by government is based upon the concept of relative poverty described above, and data around this is obtained from the annual Households Below Average Income Survey. The survey collates information on the standard of living of the household population in the UK, focusing on the lower part of income distribution, as determined by disposable income and changes in income patterns over time. The HBAI reports concentrate on those with household incomes below 60% of median income.

The percentage of individuals in the UK in relative low income in 2012/13, before housing costs, was 15%⁸.

One of the difficulties of this measure is that when incomes across the nation fall as a whole, less people will be officially categorised as 'in poverty' and yet their circumstances might not have changed at all, because it is a relative measure, not absolute. For example, the low income threshold which is 60% of the median income fell from £218 in 2011 to £204 in 2012 in nominal terms).

The percentage of children in the UK in relative low income in 2012/13, before housing costs, was 17%⁹.

Another commonly used measure of deprivation is the Indices of Multiple Deprivation (IMD). The indices provide a relative measure of deprivation at a small area level across England. Areas are ranked from least deprived to most deprived on seven different dimensions of deprivation and an overall composite measure of multiple deprivation. The domains for 2010 included; income deprivation, employment deprivation, health deprivation and disability, education deprivation, crime deprivation, barriers to housing and services deprivation, and living environment deprivation. So each domain represents a specific form of deprivation experienced by people and each can be measured individually using a number of indicators. (For the 2010 IMD, most of the indicators used in the statistics are from 2008.)

⁸ Latest HBAI data released July 2014

⁹⁹ The proportion of children living in families in receipt of out of work (means-tested) benefits or in receipt of tax credits where their reported income is less than 60% of median income (before housing costs).

In addition two supplementary indices measure income deprivation amongst children – the Income Deprivation Affecting Children Index (IDACI) – and older people – the Income Deprivation Affecting Older People Index (IDAOPI). However as stated above, most of the data underlying the most recent 2010 Indices is for the year 2008, hence this data is of limited use now (particularly as it would not reflect most of the economic downturn, or the welfare reforms program). The updated indices are not due to be published until summer 2015.

Child poverty measures are also available under a ‘basket of indicators’ as part of the national Child Poverty Strategy from 2010 (currently being updated); including persistent poverty, absolute poverty, severe poverty and material deprivation – however data on these is not available at a local level and so are of limited use from a local perspective.

Local measure – the Children in Low Income Households Local Measure

Unfortunately the data provided through the HBAI Survey at a national and regional level is not sufficiently robust at a local authority level and cannot provide what is required in terms of ward level data and lower (e.g. down to Lower Super Output Areas). This is a disadvantage as, in order to tackle poverty effectively in local areas, this lower level data is required.

Instead a combined proxy measure is used which counts the number of children in households claiming out of work benefits and the number of children in households claiming working tax credits where income is below the 60% median income.

This was previously known more widely as the ‘the revised local child poverty measure’ or National Indicator 116; but it has recently been re-named the ‘children in low income families local measure’. The most recent proxy data was extracted on the 31st Aug 2011, and showed that 24.4% of all children in Portsmouth were living in poverty.

Indirect measures

Whilst not direct measures, there are also a range of indicators that can tell a story locally around poverty and its impacts. For example, with the known link between poverty and lower educational attainment, measures such as numbers of children getting the ‘gold standard’ GCSE results (i.e. 5 A-C grade GCSE’s including English and Maths) should be monitored. Other indirect measures can include % of people in fuel poverty, demand at local food banks, levels of homelessness, rates of unemployment etc.

What relative poverty looks like financially per week

It is helpful to know in monetary terms what the relative poverty line looks like in terms of actual income for households. The table below sets out where this line lies, with examples from different types of households; (*add source*)

	Relative Poverty (£ per week before housing costs)	Relative Poverty (£ per week after housing costs)	Earnings if working, on minimum wage (12/13 £6.31 per hr)
Single adult with no children	172.00	128.00	
Couple with no children	256.00	220.00	
Lone parent, one young child	223.00	172.00	£233.47 gross (i.e. after tax, leaves person in 'relative poverty' without benefits/tax credits etc)
Couple, 2 children aged 6 and 14	392.00	357.00	£466.94 gross (rough calculation – double the above)

What becomes clear by looking at this table is that if, for example, you are a lone parent with one young child, and are working full time on the minimum wage, you would still need to draw down benefits in order to lift yourself above the relative poverty line. With 2/3rds of people in this country in in-work poverty, this illustrates the problems posed by low wages, unstable employment and high living costs.

The data that is available under child poverty measures may be presented differently due to the changing benefits system (particularly the implementation of Universal Credit). This may mean that child poverty data will no longer be available in the same format at local authority level or lower (e.g. down to lower super output area, as it is at present). This will cause difficulties in terms of monitoring official poverty levels in the locality.

A report published by the Joseph Rowntree Foundation has warned that the true number of people living in poverty is probably much higher than presently recorded, as current poverty measures do not account for the different impact the rising cost of basics has on poorer households. For example, between 2002/03 and 2013/14, households with incomes in the bottom fifth of the population have seen prices increase by 50%, while those in the top fifth have seen a more gentle increase of 43%. Researchers found that, energy costs for example take up around 8% of the budgets of the poorest fifth of households, but for the richest fifth of households just 4% of their budget goes towards energy. The price of energy has leapt by 67% between January 2008 and March this year. Food costs take up 20% of the budgets of the poorest fifth of households, but for the richest fifth this is 11%. Food costs have surged by 31% between January 2008 and March 2014¹⁰. Some of this relates to the 'Poverty Premium'

¹⁰ Joseph Rowntree Foundation, Institute for Fiscal Studies - cited in Wales online
<http://www.walesonline.co.uk/news/wales-news/poverty-totals-could-much-higher-8050614>

described in the Financial Inclusion section, demonstrating the poor people pay more for essential goods and services.

The Centre for Social Justice state that poverty and inequality have become entrenched in Britain, allowing the rich to get richer with few opportunities for the poorest, according to new data prepared by them for an episode of Channel 4's Dispatches presented by Fraser Nelson called 'How the rich get richer'¹¹.

By using data obtained through analysis of public government records, freedom of information requests and modelling based on unpublished data provided by the Office for National Statistics (ONS), the CSJ found that poverty is about far more than just money.

The analysis of the statistics showed that households in the poorest areas have high levels of family breakdown; poor educational outcomes for children, especially in deprived communities; and a shocking gap in male life expectancy among different communities:

	<i>Poorest Million People</i>	<i>Richest Million People</i>
Male life expectancy	69.6	88.1
Fatherless households	38%	11%
Children in homes where no adult is in employment	35%	4%
Adults on out-of-work benefits	32%	3%
Households in social housing	56%	3%

This reinforces the need to have a clear strategy within the city for not only tackling deprivation and its immediate effects, but breaking the cycle longer term to narrow the gap between the rich and the poor.

A picture of Portsmouth

Who lives in Portsmouth?

The 2012-based Sub-national Population Projections estimate that in 2013 there were 208,889 people living in Portsmouth. Of these, 37,900 were aged 0 - 15, 140,400 were aged 16 - 64, and 28,500 were aged 65+¹².

In Portsmouth, over the ten year period to mid-2022:

- The population is projected to grow by 6.6% to 220,500.
- The percentage of the population aged 65+ is projected to increase by 16% - less than England (22%) and the SE (25%).

¹¹ 'CSJ research exposes vast inequality across Britain for a new Channel 4 Documentary'; Centre for Social Justice website 2014 <http://centreforsocialjustice.org.uk/channel-4-dispatches>

¹² Source: 2012-based Sub-national Population Projections (ONS)

- The 0 – 15 population is projected to grow by 9% - the same as both England and the SE.
- The working age population (16 – 64) is projected to grow by 4% - more than England and the SE (both 3%).

Table 1: Population change by age group, mid-2012 to mid-2022¹³

AGE	MID-2012	MID-2022	CHANGE #	CHANGE %
All ages	206,800	220,500	13,700	7%
0 - 15	37,900	41,400	3,500	9%
16 - 64	140,400	146,100	5,600	4%
65+	28,500	33,100	4,600	16%

Note: Figures may not sum due to rounding

Over the ten year period to mid-2022, nine tenths of the projected population growth in Portsmouth is due to there being more births than deaths (natural change) and one tenth is due to net inward migration. However, the last four years of the period are projected to be characterised by net outward migration (i.e. more people moving out of Portsmouth than moving in).

Portsmouth is a more ethnically diverse city than it was - the city's longstanding Asian communities have been joined by a burgeoning Black African and Polish population. Based on the latest census data (2011), the city's ethnic profile has changed significantly since 2001:

- 84% of the population is White British (down from 92% in 2001)
- Portsmouth's black and minority ethnic (BME) community accounts for an estimated 16% of the population (up from 5.3% in 2001)
- 4.3% of the BME population above is White non-British (up from 2.2% in 2001 – reflecting increased immigration from EU accession countries including Poland).

School Census data has provided 10 years of historical information in relation to the ethnicity of pupils in the city¹⁴. During the period covered by this data, there has been a steady rise in pupils of all ethnic minority groups, from 2279 to 4682, and increase of 2403 (up by 105%). Part of this increase may be attributed to the reduction of pupils recorded as "Refused", "Not Obtained" or blank (down from 1293 to 370). The percentage of Ethnic minority pupils has risen from 9.2% to 19.3%, indicating greater ethnic diversity amongst the city's young people.

¹³ Source: 2012-based Sub-national Population Projections (ONS)

¹⁴ It should be noted that Portsmouth LA do not make use of the full set of detailed Ethnic codes, and as a result it is not possible to use the Ethnicity to differentiate between a person of White/French as opposed to someone of White/Russian ethnicity. Please also note that Ethnicity is attributed by child (depending upon age) or their parents. Where an Ethnicity is provided, it is what they feel is correct, not what the school or the LA believe to be correct. For instance we are aware that many of the pupils within the LA who are of Filipino origin have been recorded as "Asian" rather than as, or as "Other" which is the correct value.

Looking at data between the January 2007 and 2014 Censuses, as a percentage of the school population, the number of pupils whose First Language is not English almost doubled from 7.2% to 14.3%¹⁵. The number of different languages recorded (excluding English, Refused, Not Obtained or Blank) has risen from 79 to 109. In one school in Portsmouth, 57% of pupils do not have English as their First Language. Bengali has remained the most common language during the period, with an increase from 752 to 864 (14.9% increase). Polish is the now second most common language code, up from 69 to 412 (597% increase), and has the largest increase in both numbers and percentage. The number of East European language speakers has increased from 148 to 785 (an increase of 530%).¹⁶ Overall, there is a large increase in the number of pupils whose First Language is not English, whilst at the same time there is a reduction in the number of pupils whose first Language is English.

Portsmouth the place

Portsmouth is a bustling island city on the south coast, with a population of approximately 208,000 living within an area of 15.5 square miles (40.15 sq km). It is the most densely populated area in the UK outside of London. The distance from the north of the city to the south is 5.6 miles and the distance from east to west is 3.1 miles. Portsmouth is well connected with strategic road and rail routes as well as domestic and international ferry routes to a range of destinations.

Portsmouth boomed as a city in the 19th and 20th centuries, although its importance as a port and its strong associations with the Royal Navy pre-date this. Indeed the presence of the Royal Navy and the dockyard has long shaped the city's economy and image, acting as a catalyst to create a network of defence and related industries, as well as a naval heritage-based tourist industry.

Portsmouth was badly bombed in the Second World War with residents regularly having to take cover and/or sleep in various shelters in the city. Between July 1940 and May 1944 Portsmouth suffered 67 air raids. During the 4 year period of the Portsmouth Blitz, 930 lives were lost; 1216 people were hospitalised and 1621 sustained less severe injuries. Approximately 10% of the city's 63,000 homes were destroyed, and a further 6,000 damaged. During one raid 6 churches in the city were lost, and the city's three major shopping centres in King's Road, Palmerston Road and Commercial Road were destroyed. Portsmouth Guildhall was directly hit and remained an empty shell for the rest of the war¹⁷.

With the building of high rise accommodation in the city during the 1960s it's fair to say that Portsmouth has changed in its appearance significantly over the past few decades. As with other seaside towns there have been challenges in preventing a decline of its image. However in the past decade the redevelopment of the city, as the great waterfront city, has seen regeneration including new shopping and leisure attractions (such as Gun Wharf and the Spinnaker Tower), as well as luxury and affordable housing. There are significant developments to be completed in the next few years including the

¹⁵ January Schools Census Data 2007 - 2014

¹⁶ In 2014, the top most common languages in Portsmouth LA Maintained Schools and Academies were recorded for 2713 pupils. This equates to 78.2% of the pupils whose First Language was not English.

¹⁷ Source: Pompey Pensioner Issue No. 43 Bob Davis (2014)

redevelopment of Tipner (including housing and business space/accommodation), and a new power plant at the Naval base.

From January 2012 - December 2013, Portsmouth had 72% employment amongst the working-age population (persons aged 16-64 years). This is broadly similar to the national average (71.7%). It is higher than Portsmouth's nearest statistical neighbour Southampton (69.8%) but lower than the South East average of 75.4%. Portsmouth's employment rate has fluctuated but is gradually declining. In terms of long term unemployment rates, in 2012 Portsmouth was significantly lower than the rate for England but significantly higher than the rate for the South East and Southampton¹⁸.

At March 2014, unemployment jobseeker allowance claimant rates were highest in Charles Dickens (5.1% of working age population); Nelson (3.5%); and Fratton (3.3%) and Paulsgrove (3.3%). At March 2013, unemployment rates were highest in Charles Dickens (6.7% of working age population), Nelson (5.3%) and Fratton (4.6%). At March 2012, unemployment rates were highest in Charles Dickens (7.1%), Nelson (5.1%) and Fratton (4.6%) wards.

Earnings by residence in Portsmouth (gross weekly pay) in 2013 were £473.90, whereas earnings by workplace were £508.30¹⁹. This may suggest that people from outside of Portsmouth are getting the higher paid jobs in the city. Or it may be that some people in the city move out of the city into more expensive areas once they have higher earnings but this is purely speculative.

One of the challenges for Portsmouth (and indeed other cities in the UK) has been the reduction of jobs in the traditional shipbuilding and dockyard industries where young people who did not necessarily have qualifications could still successfully enter the workforce. Given that Portsmouth has lower than average skills and qualifications and lower than average educational attainment, this has meant young people without these skills cannot enter sustainable employment as easily as perhaps the previous generations in the city. As a result the city's 'Shaping the Future of Portsmouth' Strategy states that, in order to ensure that Portsmouth residents benefit from building a globally competitive environment for business and enterprise, which attracts investment and visitors, *'we must continue to regenerate priority areas, improve skills, increase aspirations and support the development of sustainable communities'*.

¹⁸ JSNA July 2014 <http://protohub.net/jsna/portsmouth-jsna/social-environmental-context/>

¹⁹ NOMIS Official Labour Market Statistics (2013)

Detailed research and analysis – children and families

In the following section the needs of children and families experiencing poverty in Portsmouth are examined. However this section should be read in conjunction with the ‘Factors that have a strong relationship with poverty for all residents’ section, which examines themes based on the needs of the population as a whole (for example health and lifestyle, transport and financial inclusion). Similarly, there will be needs and vulnerable groups identified in the adult section of this needs assessment which will apply to the adults who have children, and so this should also be referenced.

Portsmouth demographics

The 2012-based Sub-national Population Projections estimate that in 2013 there were 50,417 children and young people aged 0 – 19 years, accounting for approximately 24% of the whole population.

The table below provides a breakdown of this data by age group. It demonstrates that only some change is forecast in either overall numbers or distribution over the next ten years, with an increase in 5 - 9 year olds and the largest increase with 10 - 14 year olds. For the other 2 age groups, there is little change. In 2022 it is estimated that children and young people (0 – 19) will account for 24.25% of the whole population. The 0 - 15 population is projected to grow by 9% - the same as both England and the South East.

Children and Young People (0 - 19) by age band 2012 & 2022

	2012	2022	Change #	Change %
All pop	206,836	220,526	13,690	6.6%
Age group				
0 - 4	13,558	13,723	165	1.2%
5 - 9	11,616	12,849	1,233	10.6%
10 - 14	10,518	12,401	1,883	17.9%
15 - 19	14,725	14,507	-218	-1.5%

Based on August 2013²⁰ data, 24,085 families in Portsmouth are claiming child benefit for a total of 41,230 children. Of these, 15% of these families have three or more children. In terms of age of children receiving child benefit, 30.7% are under 5, 31.7% are aged 5 – 10, 23.7% are aged 11 – 15 and 13.8% are 16 and over.

All of the data above is useful in terms of quantifying the scale of work required around the preventative approach to tackling poverty – i.e. we know that children living in poverty aged 0 – 5 are much more likely to become adults living in poverty and subject to other poorer outcomes, and so in relation to the

²⁰ HMRC Child Benefit Statistics – <https://www.gov.uk/government/publications/child-benefit-statistics-geographical-analysis-august-2013>

data above, we effectively have 13,558 children in the city under the age of 5 who need to be able to access a good universal offer; but with a targeted approach to those at the highest levels of need (known as proportionate universalism).

Ethnicity

School Census data has provided 10 years of historical information in relation to the ethnicity of pupils in the city²¹. During the period covered by this data, the school population has dropped from 24899 in 2005 to 23639 in 2010, rising to 24244 in 2014, which is an overall decrease of 655 from 2005 - 14. Over the same period, there has been a steady rise in pupils of all ethnic minority groups, from 2279 to 4682, an increase of 2403 (up by 105%). Part of this increase may be attributed to the reduction of pupils recorded as "Refused", "Not Obtained" or blank (down from 1293 to 370). The percentage of Ethnic minority pupils has risen from 9.2% to 19.3%.

For Secondary schools, there has been a steady drop in pupil numbers from 9942 to 8332 - a reduction of 1610 (down by 16.2%). However, the number of Ethnic minority pupils has maintained a steady increase from 743 to 1321 - an increase of 578 (up by 77.8%). The percentage of ethnic minority pupils has risen from 7.5% to 15%.

For Primary schools, the school population dropped from 14410 to 13810 in 2008, but has since steadily increased to 15287 in 2014, an increase of 877 (up by 6.1%). The number of Ethnic minority pupils has steadily increased from 1480 to 3291, an increase of 1811 (up by 122.4%). This increase is equally split between FSP/KS1 pupils (865) and KS2 pupils (861). The percentage of ethnic minority pupils has risen from 10.3% to 23.9%.

Each Secondary School year group has an average of 264 ethnic minority pupils, compared to Primary phase year groups which have an average of 405 for pupils in Key Stage 2, and 510 for pupils in FSP/Key Stage 1 year groups.

We are likely to see a noticeable increase in Ethnic minority pupils within the Portsmouth LA over the next few years.

Pupils for whom English is not a First Language

It is also interesting to look at this from a language perspective and how this presents in schools. It should be stressed that information relating to First Language should not be used as an indicator of

²¹ It should be noted that Portsmouth LA do not make use of the full set of detailed Ethnic codes, and as a result it is not possible to use the Ethnicity to differentiate between a person of White/French as opposed to someone of White/Russian ethnicity. Please also note that Ethnicity is attributed by child (depending upon age) or their parents. Where an Ethnicity is provided, it is what they feel is correct, not what the school or the LA believe to be correct. For instance we are aware that many of the pupils within the LA who are of Filipino origin have been recorded as "Asian" rather than as , or as "Other" which is the correct value.

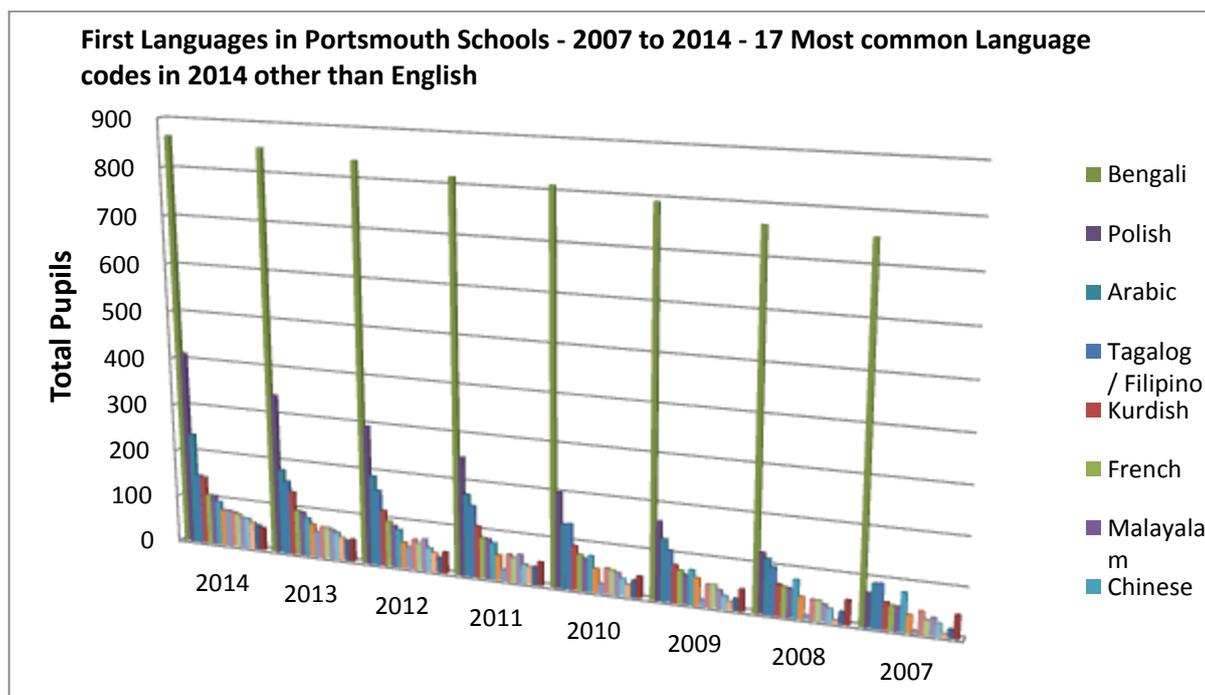
ethnicity for a number of different reasons. However it does demonstrate the diversity of the school population and the importance of knowing how these landscapes are changing, in order to ensure the right support for families.

Looking at data between the January 2007 and 2014 Censuses, the number of pupils whose First Language is not English has increased from 1806 to 3468, an increase of 92%. As a percentage of the school population, the number whose First Language is not English almost doubled from 7.2% to 14.3%²². The number of different languages recorded (excluding English, Refused, Not Obtained or Blank) has risen from 79 to 109.

In 2007, the top 17 most common languages recorded for Pupils in Portsmouth LA Maintained Schools were recorded for 1542 pupils. This equated to 85.4% of the pupils whose First Language was not English. In 2014, the top most common languages in Portsmouth LA Maintained Schools and Academies were recorded for 2713 pupils. This equates to 78.2% of the pupils whose First Language was not English. In one school in Portsmouth, 57% of pupils do not have English as their First Language.

Bengali has remained the most common language during the period, with an increase from 752 to 864 (14.9% increase). Polish is the now second most common language code, up from 69 to 412 (597% increase), and has the largest increase in both numbers and percentage. The number of East European (including Baltic States) language speakers has increased from 148 to 785 (an increase of 530%)

Overall, there is a large increase in the number of pupils whose First Language is not English, whilst at the same time there is a reduction in the number of pupils whose first Language is English.



²² January Schools Census Data 2007 - 2014

Additional information on ethnicity – which will also apply to children and families depending on their circumstances – can be found in the ‘Portsmouth demographics’ and ‘adults’ and ‘older people most at risk from poverty’ sections of this needs assessment.

Summary of key points: Portsmouth Demographics, Children and Families

The 2012-based Sub-national Population Projections estimate that in 2013 there are 50,417 children and young people aged 0 – 19 years, accounting for approximately 24% of the whole population.

Children living in poverty aged 0 – 5 are much more likely to become adults living in poverty and subject to other poorer outcomes, and so in relation to the data above, there are effectively 13,558 children in the city under the age of 5 who need to be able to access a good universal offer; but with a targeted approach to those at the highest levels of need (known as proportionate universalism).

School Census data covering 10 years of historical information shows there has been a steady rise in pupils of all ethnic minority groups, from 2279 to 4682, an increase of 2403 (up by 105%). Part of this increase may be attributed to the reduction of pupils recorded as "Refused", "Not Obtained" or blank (down from 1293 to 370). The percentage of Ethnic minority pupils has risen from 9.2% to 19.3%. We are likely to see a noticeable increase in Ethnic minority pupils within the Portsmouth LA over the next few years.

Between the January 2007 and 2014 Censuses, as a percentage of the school population, the number whose First Language is not English almost doubled from 7.2% to 14.3%. 109 different languages are recorded. Bengali has remained the most common language during the period, and Polish is the now second most common language, and has the largest increase in both numbers and percentage. The number of East European (including Baltic states) language speakers has increased from 148 to 785 (an increase of 530%)

Extent of child poverty in Portsmouth – how much and where?

National data sources available at a local level

Using the Children Living in Relative Low Income Households Measure data from 2012²³, which is the most up-to-date data available at a local level²⁴, 22.3% of all children aged 0 - 19 are deemed as living in poverty in Portsmouth. This is higher than the England average of 18.6%. (However this is a drop on 2011, when 24.4% of all children aged 0 - 19 in Portsmouth were living in poverty).

As in previous years, child poverty rises sharply in some parts of the city, demonstrating real pockets of deprivation – for example in Charles Dickens ward in 2012, 44.2% of all children aged 0 - 19 live in poverty. However, in line with the England figures, this is a drop on 2011, when it was 47.5% of all children. With rates of 31.1% in St Thomas ward (previously 36.3% in 2011), 30.8% in Paulsgrove (previously 32.2% in 2011), 28.4% in Nelson (previously 30.6%) and 24.4% in Fratton wards (previously 27.5% in 2011), the pockets of deprivation remain visible.

²³ Previously known as the Revised Local Child Poverty Measure, HMRC – Snapshot data from 31 August 2012. <https://www.gov.uk/government/statistics/personal-tax-credits-children-in-low-income-families-local-measure-2012-snapshot-as-at-31-august-2012>

²⁴ Except for data recently released by the End Child Poverty organisation - see page xx

See the table below for how these rates have progressed over the years in Portsmouth (all children 0 - 19):

	Portsmouth		South East		England	
	Number	Percentage	Number	Percentage	Number	Percentage
2006	9,320	23.6%	255,475	14.4%	2,298,385	20.8%
2007	9,785	24.9%	264,730	14.9%	2,397,645	21.6%
2008	9,560	24.0%	260,920	14.5%	2,341,975	20.9%
2009	10,325	25.2%	280,755	15.4%	2,429,305	21.3%
2010	10,235	24.7%	275,935	15.0%	2,367,335	20.6%
2011	10,170	24.4%	270,945	14.6%	2,319,450	20.1%
2012	9,330	22.3%	252,795	13.6%	2,156,280	18.6%

For more information and definitions please refer to the technical note available at: <https://www.gov.uk/government/publications/personal-tax-credits-children-in-low-income-families-local-measure>

As stated earlier in this needs assessment, one of the difficulties of this measure is that when incomes across the nation fall as a whole, less people will be officially categorised as 'in poverty' and yet their circumstances might not have changed at all, because it is a relative measure, not absolute. For example, the low income threshold which is 60% of the median income fell from £218 in 2011 to £204 in 2012 in nominal terms.

As it can be hard to judge effectiveness of tackling poverty strategies in areas against poverty data alone (given that poverty has been likely to rise with the recession and with cuts to budgets and the welfare bill), it can be useful to make comparisons with other local authority areas as demonstrated by the table below. Even more useful will be to monitor this over time - so that if one Local Authority area seems to be performing better (e.g. not seeing such a significant rise in poverty as the other areas) there can be discussion and evaluation as to what that area might be doing that is making the difference.

Table: Children in low income families²⁵ - comparator data

	Children under 20 in low income families	All children under 20	Percentage of children under 20 in low income families
England	2,156,280	11,602,370	18.6%
South East	252,795	1,865,335	13.6%
Portsmouth	9,330	41,840	22.3%

²⁵ Personal tax credits: Children in low-income families local measure: 2012 snapshot as at 31 August 2012, HMRC

*Bournemouth	5,865	32,730	17.9%
*Brighton and Hove	8,780	50,305	17.5%
*Bristol, City of	20,855	90,335	23.1%
*Plymouth	10,760	53,380	20.2%
*Southampton	10,900	48,100	22.7%
*Southend-on-Sea	8,080	38,765	20.8%

*The ONS regional centre group (statistical comparator) is not available; therefore, Portsmouth's comparators in the ONS regional centre group from the South of England have been included.

The next table details levels of poverty against the above measure at ward level in Portsmouth. However it should be noted that, whilst the England data is also displayed, these small areas estimates are not directly comparable with the national DWP Child Poverty figures.

Table: Children 0-19 in low income families²⁶

Location	Children in IS/JSA families	Children in families receiving WTC and CTC, and income <60% median income	Children in families receiving CTC only, and income <60% median income	% of Children in low-income families
	All Children	All Children	All Children	All Children
United Kingdom	2163330	66930	331630	18.7%
Great Britain	2077465	65035	324070	18.6%
England and Wales	1924725	61250	301350	18.7%
England	1810950	57620	285415	18.6%
Portsmouth	7,940	230	1,160	22.3%
Baffins	460	15	65	15.4%

²⁶ Personal tax credits: Children in low-income families local measure: 2012 snapshot as at 31 August 2012, HMRC

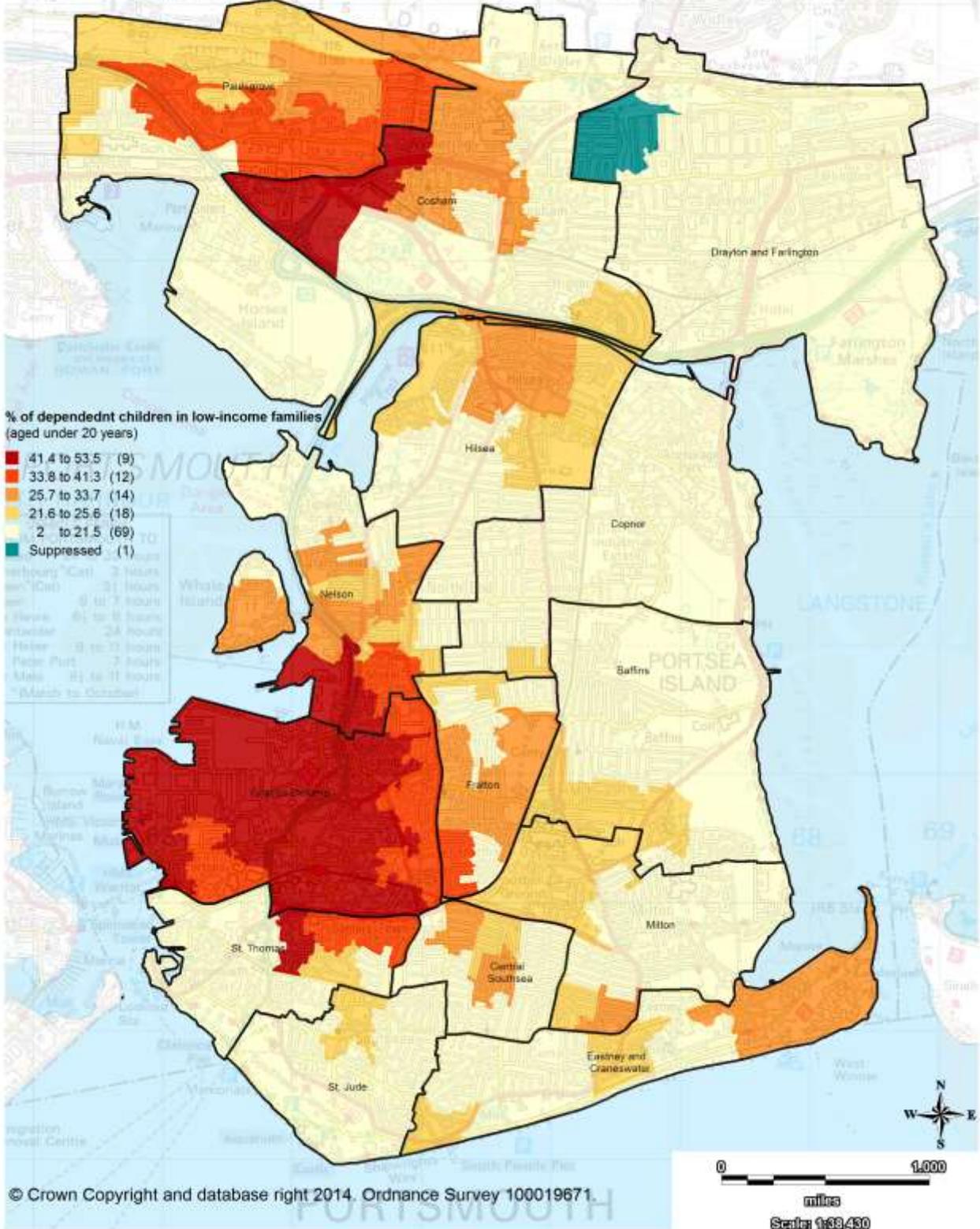
Central Southsea	350	10	65	19.2%
Charles Dickens	1575	30	185	44.2%
Copnor	340	5	65	12.9%
Cosham	545	25	85	20.1%
Drayton and Farlington	100	5	25	4.7%
Eastney and Craneswater	280	20	65	16.7%
Fratton	755	20	110	24.4%
Hilsea	400	20	80	16.3%
Milton	405	10	65	16.9%
Nelson	945	20	100	28.4%
Paulsgrove	1030	25	130	30.8%
St Jude	135	15	35	13.7%
St Thomas	625	20	90	31.1%

This needs assessment has focused on the children in low income households measure as, whilst the Indices of Multiple Deprivation (IMD) is a commonly cited and detailed source of data in this area, the latest IMD was in 2010. This data is therefore very dated at present – as most of the indicators used are from 2008. It should also be noted that the age range for this data source is 0 – 15, whereas the Children Living in Relative Low Income Households Measure above is 0 – 19, and the measures in themselves use different data, so it is not comparing like with like. However for historic interest, the IMD 2010 data showed that 27% of Portsmouth’s children (aged 0 – 15) were living in poverty compared to 22% nationally.

The following map gives a good visual representation of the children in low income households data. (Please note that these small areas estimates are not directly comparable with the national DWP Child Poverty figures. Also, this measure should not be used to obtain a definitive measure of child poverty in any given area. However, this measure can reliably be used to explore variations in low income across Portsmouth).

Number of dependent children aged under 20 living in families in receipt of CTC whose reported income is less than 60 per cent of the median income or in receipt of IS or (Income-Based) JSA, divided by the total number of children in the area (determined by Child Benefit data), by LSOA, as at 31st August 2012.

Source: Personal Tax Credits: Related Statistics - Child Poverty Statistics, HMRC © Crown Copyright.



The End Child Poverty Coalition and the Centre for Research in Social Policy²⁷ argue that in order for the Children in Low Income Families data to be an accurate proxy for the statutory measure on child poverty (HBAI), the data need to be adjusted.

This is because the CLIF measure is based on a snapshot that is two years out of date. It also assumes that every child in a household on out-of-work benefits is in poverty and it under-estimates in-work poverty, which it reports as only 21% of child poverty, whereas the HBAI data shows that it now accounts for 63%.

Their analysis adjusts the figures to take into consideration changes in the labour market since the snapshot, and to reflect the relative scale of in-work and out-of-work poverty.

However, the data is only published by the End Child Poverty Coalition at local authority level, and after housing costs, and therefore is of limited use, but under their calculation, Portsmouth has a child poverty rate (after housing costs) of 29%. Portsmouth is closer to the worst SE areas - Thanet at 32% and Hastings 30%. Southampton is 30%, and the Isle of Wight 28%. This potentially marks an issue with poverty in seaside towns.

Having examined the direct data in relation to poverty in the city, there is other important data that can tell us about poverty locally. For example, as the next section 'Children and Families most at risk of poverty' will demonstrate, worklessness poses one of the highest levels of risk in terms of likelihood of being in poverty. The following table demonstrates some stark pockets of worklessness across the city, which perhaps unsurprisingly tend to correlate generally with the pockets of deprivation also experienced in the city:

Number of Children living in Out-of-work Benefit Claimant Households by Ward and Age at May 2013²⁸						
Source: DWP and HMRC data - snapshot 31 May 2013						
Ward	0- 4	5 - 10	11 - 15	16 - 18	0 - 15	0 - 18
Baffins	195	165	115	50	470	520
Central Southsea	160	130	85	40	380	415
Charles Dickens	650	555	330	125	1540	1665
Copnor	145	130	85	45	365	405
Cosham	265	210	120	45	590	635
Drayton & Farlington	40	40	30	20	105	130
Eastney & Craneswater	125	105	55	35	285	325
Fratton	355	265	170	75	790	865

²⁷End Child Poverty website: <http://www.endchildpoverty.org.uk/why-end-child-poverty/poverty-in-your-area>

²⁸<https://www.gov.uk/government/publications/children-in-out-of-work-benefit-households-statistics-31-may-2013>

Hilsea	185	145	95	40	430	475
Milton	145	165	100	55	410	465
Nelson	415	340	180	75	930	1005
Paulsgrove	365	355	265	125	990	1110
St Jude	80	55	25	15	170	180
St Thomas	270	235	160	65	660	730
	3395	2895	1815	810	8115	8925

Note: Figures may not sum due to rounding

As the data demonstrates, the wards with the highest levels of workless families (0 - 18) are Charles Dickens (1665), Nelson (1005), Paulsgrove (1110) and Fratton (865). The wards with the lowest levels are Drayton and Farlington (130), St Judes (180), Eastney and Craneswater (325) and Copnor (405).

However it should not be assumed that gaining employment automatically lifts families out of poverty. 'In work' poverty has been rising over recent years; nationally 2/3rds of people in poverty are in 'in work' poverty. This is covered in the next sections 'Local data sources that can also contribute to child poverty analysis' and 'Children and families at most risk of poverty'.

Local data sources that can also contribute to child poverty analysis

Housing Benefit and Council Tax Support Data

Housing Benefit (HB) and Council Tax Support (CTS) records were analysed on the 24th June 2014, to provide data that might assist with the analysis of child poverty across the city.

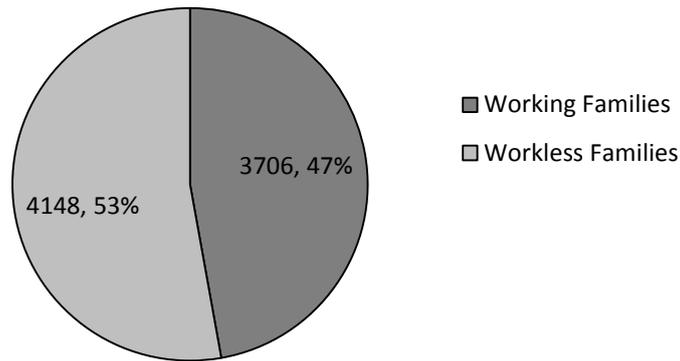
There are 19,052 households claiming HB, or HB and CTS in Portsmouth wards, and a further 3452 Households claiming CTS only, totalling 22,504 households, which represents 25.23% of the 89,205 properties on the valuation list for Council Tax.

HB and CTS can be claimed by people whether they are in work or not, and CTS can be claimed by owner occupiers, as well as people who pay rent. As HB and CTS are means tested, people who are better off are excluded from this data. As a consequence, the HB/CTS data might be considered a significant sample of lower income households in the city.

Households with children claiming HB/CTS

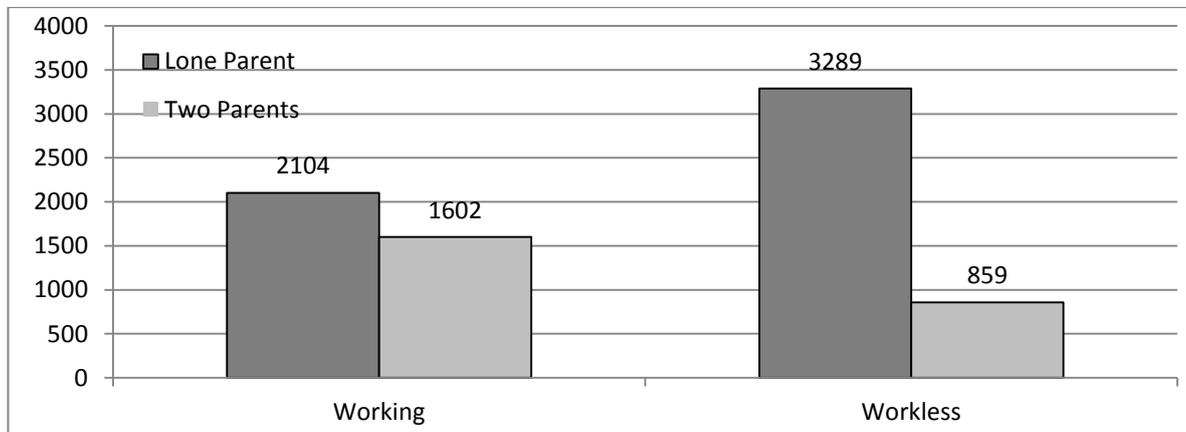
The HB/CTS data identifies 7854 claims where children are part of the household. This includes 4148 households where the family is on out of work benefits.

Portsmouth children by household employment status



This clearly demonstrates that, of all families in Portsmouth claiming either Housing Benefit or Council Tax Support (i.e. low income families), nearly half are working families. This can be for a variety of reasons - e.g. low pay (workers not receiving a 'Living Wage' - see 'Living Wage' section), insufficient hours/zero hour contracts, only one earner in the household, high cost of childcare etc. It is important therefore to address the needs of families in the city who are in in work poverty, as well as out of work poverty.

The following chart and table breaks down working and workless families by household type:



Household Type	Workless	Workless %	Working	Working %
Lone Parent	3289	79.3%	2104	56.8%
Two Parents	859	20.7%	1602	43.2%
Total	4148	100%	3706	100%

This demonstrates the higher levels of risk associated with being a lone parent - i.e. lone parents on housing benefit or council tax support are much more likely to be workless than two parent families. This is perhaps not surprising given the additional challenges a lone parent would have in the workplace in terms of the need for childcare. This supports the national HBAI figures cited in the 'Children and families most at risk from poverty' section.

Households with children: Income Analysis

We have used the HB and CTS data to calculate the average weekly income by household type for working and workless families.

Average Incomes: Working Families claiming HB/CTS

		Average Income Including HB & CTS	Average Income Excluding HB & CTS
Lone Parent	1 Child	£381.88	£293.39
Lone Parent	2 Children	£464.50	£358.33
Lone Parent	3 Children	£557.96	£428.50
Lone Parent	4 or more children	£659.72	£510.71
Two Parents	1 Child	£403.80	£319.77
Two Parents	2 Children	£475.36	£378.25
Two Parents	3 Children	£567.22	£457.60
Two Parents	4 or more children	£687.16	£549.82

Average Incomes: Workless Families claiming HB/CTS

		Average Income Including HB & CTS	Average Income Excluding HB & CTS
Lone Parent	1 Child	£259.11	£170.61
Lone Parent	2 Children	£346.73	£240.55
Lone Parent	3 Children	£438.16	£308.71
Lone Parent	4 or more children	£538.98	£389.97
Two Parents	1 Child	£281.23	£197.20
Two Parents	2 Children	£360.52	£263.40
Two Parents	3 Children	£438.15	£328.53
Two Parents	4 or more children	£563.31	£425.97

Families claiming HB/CTS including a disabled parent or child

HB/CTS data has no comprehensive data about the incidence of disability; we can however confirm the number of families where a part of their income includes Disability Living Allowance (DLA), or Personal

Independence Payments (PIP). It should be noted however, that for households in receipt of out of work benefits, our records about DLA/PIP could be understated.

HB/CTS records held however identify 276 lone parents receiving DLA/PIP, and 88 children in lone parent households receiving DLA/PIP. In two parent families we have identified 327 parents receiving DLA/PIP, and 108 children receiving DLA/PIP. This data suggests

- 7.7% of households claiming HB/CTS with children have at least one adult with a long-term illness or disability.
- 2.5% of children in households claiming HB/CTS have a disability, with just under half of them living in a lone parent household.
- 12.6% of children in households claiming HB/CTS, live in households claiming Employment Support Allowance or Incapacity Benefits

Household Size and Location of families claiming HB/CTS

The following table details the size of the family, and the location of the family by ward

NUMBER OF CHILDREN	TWO PARENTS						LONE PARENT					
	1	2	3	4	5	6+	1	2	3	4	5	6+
Baffins	33	50	30	18	0	1	164	109	55	8	1	0
Central Southsea	43	43	25	8	5	3	145	71	31	12	4	4
Charles Dickens	149	150	99	36	16	6	524	298	93	25	12	5
Copnor	25	29	27	14	5	2	93	90	37	9	5	1
Cosham	36	53	43	18	3	4	176	101	54	16	3	0
Drayton & Farlington	11	17	6	2	1	0	58	34	9	1	0	1
Eastney & Craneswater	22	30	29	3	2	0	137	61	18	4	1	0
Fratton	94	97	43	27	6	4	318	181	57	15	4	1
Hilsea	38	32	26	8	4	3	150	80	35	16	5	0
Milton	50	43	29	6	2	2	211	96	27	14	3	1
Nelson	91	92	50	22	11	5	336	178	70	20	6	2
Paulsgrove	71	63	66	32	14	4	241	175	86	29	7	1
St Jude	45	24	12	2	2	0	129	39	5	3	0	0
St Thomas	60	78	71	25	6	4	198	110	52	14	8	0
TOTAL	768	801	556	221	77	38	2880	1623	629	186	59	16

HB/CTS data indicates that:

- 22.7% of children live in households with three children or more.
- 47.7% of families with 3 or more children claiming HB/CTS are workless
- The greatest number of workless families claiming HB/CTS are in Charles Dickens ward
- 53.52% of workless households claiming HB/CTS are located in Charles Dickens, Paulsgrove, Nelson and Fratton wards

Summary: Extent of child poverty - how much and where

22.3% of all children aged 0-19 in 2012 were deemed as living in poverty in Portsmouth under the Children in Low Income Households Measure (before housing costs). This is above both the England

and South East averages of 18.6% and 13.6%.
Child poverty rises sharply in some parts of the city - e.g. in Charles Dickens ward it is 44.2%.
Child poverty levels have dropped in the city since the last needs assessment in 2011, as they have nationally, however some of this is attributable to a fall in incomes across the nation as a whole and this being a relative rather than absolute measure.
Nearly half of all families claiming housing benefit or council tax support in the city are working families.

Children and families most at risk from poverty

Establishing who might be at most risk of poverty in the city has usually fallen into two distinct categories; geography (i.e. where people live) and vulnerable groups (i.e. groups of people within the community who might be at a higher risk statistically of experiencing poverty).

Groups identified by HBAI data

The HBAI 2013 data²⁹ gives us some useful information around the percentage of children in low income groups by various family and household characteristics in the United Kingdom. The groups below have been compared at a relative poverty level – i.e. at <60% median income, before housing costs, and stand out as being at a higher risk of and therefore more vulnerable to poverty, as follows;

Workless families

Compared to the average for all children of 17%, workless families are at a 40% risk of poverty. The highest risks are couples with children where both parents are not working, at 54%. (This compares to a risk of 4% when both parents are both in full time work). Where one or more parents are in part-time work, the risk is 39%, which is significantly above the average. However the critical factor appears to be having at least one parent in full time work; where one parent is in full time work, and one parent is not working, this drops to 20%; and where one parent is working full time and one parent is working part time this drops even further to 6%. So either both parents working full time or one parent working full time and one working part-time are the most favourable circumstances in relation to alleviating poverty. This emphasises the need financially to help at least one parent back into full time, sustainable work wherever possible, and is where the availability of good quality, flexible childcare is essential. It also highlights why it is always worth encouraging people to have a better off calculation done re going back to work, as it can help to dispel the myth that most households are worse off working than on benefits.

Lone parent families not working

A lone parent not working is at a 34% risk of poverty – whereas taking part time work reduces this risk to the average for all children of 17%.

²⁹ Source: Households Below Average Income - – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

Families with 3 or more children

These families are at a 25% risk of poverty. The HBAI data will not however reflect the impact of the Household Benefit Cap, which was implemented in 2013, which in Portsmouth mainly affected families with 3 children, and so locally this risk could be significantly higher for this group. If the family goes on to working tax credit, they become exempt from the Cap.

Families where someone is disabled

Where there is a disabled adult and no disabled children, the risk of poverty is 23%. Where there are disabled children in the family, and where the family is not in receipt of disability benefits, this is 24%. If they are in receipt of disability benefits, this drops to 13%, highlighting the need to ensure families are claiming everything they are entitled to. When the Benefit Cap was being implemented in Portsmouth in 2013, some families who were initially affected by the Cap became exempt as it transpired that they were eligible for Disability Living Allowance.

Black and Minority Ethnic Communities

This is where some of the highest risks of poverty are seen. For example, within the Asian/Asian British group which overall stands at 35%, the Pakistani community are at the highest risk of poverty overall in terms of ethnic group with a 48% risk of poverty; Bangladeshi 42%; Chinese 29% and Indian 24%. The Black/African/Caribbean/Black British group is 25%; Other Ethnic 30%; Mixed Multiple Ethnic groups are 27%. This compares to 16% where the ethnic group of the head is White, and a 17% average overall.

As to why this risk is so much higher for BME communities, there could be a number of reasons which we need to explore, and gain a greater understanding of in Portsmouth. There may be a higher prevalence of people from BME communities in low paid work such as catering, retail, hospitality etc. There may be issues with English as a second language around securing adequately paid, sustainable work. There may be cultural barriers within recruitment processes for work; and/or there may be discrimination occurring in securing work and in the workplace itself.

Locally we know that people from BME groups account for 16% of the population in Portsmouth. Additionally, the proportion of school age children for whom English is not their first language has grown significantly over the last 10 years (see Portsmouth Demographics Children and Young People section). This may indicate that there is a sizeable group of people (their parents) for whom English is a barrier to accessing services. Better understanding these needs will be a key objective for the new strategy.

In addition to the HBAI data (which will only reflect the groups that are captured by the particular data sets collected), evidence suggests there are also higher risks around the following groups:

Families in in-work poverty

In order to fully understand issues around in work poverty for children this section should be read in conjunction with the generic sections in this needs assessment on low pay, underemployment and the Living Wage. Low pay (especially where people are not paid a Living Wage) and/or unstable employment (e.g. zero hour contracts), or situations where people can only get part time work when they want more hours, all contribute to in work poverty.

No data is available at present concerning in work poverty in the Portsmouth Local Authority area. Given the issues around low pay in the city, and given that unemployment is not above the national average, it's probably fair to assume that Portsmouth would suffer from similar issues to the country as a whole in this area; so it is therefore useful to look at the national data from 2012/13³⁰ to establish the depths of this problem for families.

- People in work make up almost 2/5ths (39%) of all working age people in poverty
- 6.6 million people in working families are living in poverty
- This means half of all poverty is found in working families
- This is because of a rise in poverty in working families, and a fall in poverty in workless and retired families (mainly retired families)
- 2.2 million of children in poverty are in a working family
 - Of these, 850,000 are in families where all the adults are in paid work
 - The other 1.3 million are in families where one adult works and one does not
- The remaining 1.4 million children in poverty live in a workless household.
- This means that about 2/3rds of children in poverty live in households where someone works.

As the HBAI data³¹ around groups at risk demonstrated in the children and families section, households where both parents are in full time work are at least risk of poverty (4%) or where one parent is in full time work and one parent is in part time work (6%). However an earlier report by the Joseph Rowntree Foundation³² goes on to reflect on the significant barriers potential second earners face in entering the workforce such as getting flexible, quality childcare, flexible, sustainable employment and low wages. Working full time on the minimum wage will not necessarily lift a household above the relative poverty line; and the Joseph Rowntree Report above argues that *'lifting the number of dual-earner families is a crucial part of a revived anti-poverty strategy focused on jobs and wages'*.

Self-Employed Households

³⁰ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014:
<http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

³¹ Source: Households Below Average Income - - An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

³² Source: 'Tackling In-Work Poverty by Supporting Dual-Earning Families', Kayte Lawton and Spencer Thompson, Joseph Rowntree Foundation (November 2013).

Finally, in relation to in-work poverty, it is believed that – while not quantifiable at the moment – there is some heightened risk for people who are self-employed, going forward under the new Universal Credit system. As it currently stands, Universal Credit will assume that a self-employed person earns a set amount each week – and even if they don't, it will still make that assumption. Whilst encouraging people who are out of work to look at self-employment options can be a positive action, for those who will be on low pay and will potentially have to draw down Universal Credit to top up their income, this could leave them at risk of income shortfall if they don't earn as much as expected in given weeks. It will be important therefore for these issues to be highlighted when people are considering self-employment, in order that they are not 'set up to fail'.

Children in need and/or at risk

In the last needs assessment in 2011, it was identified that for some of the city's most vulnerable children – e.g. those who are classified as 'children in need', or those who are subject to a child protection plan, or those in care/leaving care, there is an over-representation from poor communities/households. Whilst anecdotally, it is believed that it is still the case, this analysis has not been completed in time for this assessment and so has been identified as a data/intelligence gap going forward.

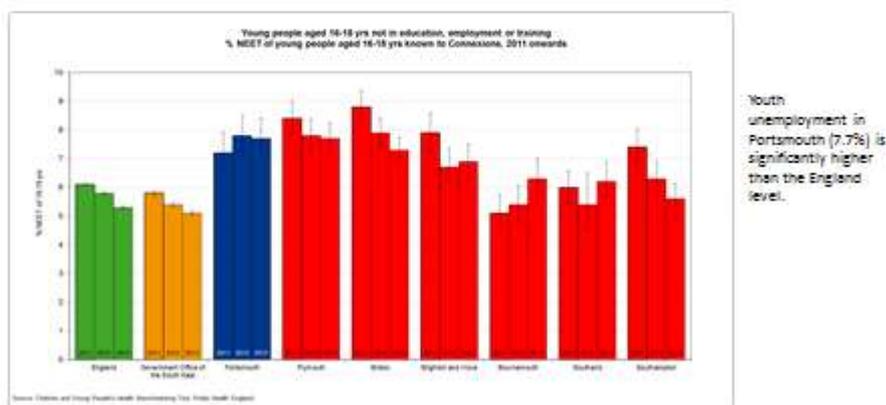
Young people who are not in Education, Employment or Training (known as NEETs)

This may be a contributing factor to the numbers of young people in Portsmouth who are not in Education, Employment or Training (known as NEETs). In 2013, the estimated percentage of Portsmouth young people aged 16-18 years not in education, employment or training (NEET) was 7.73%³³. NEETs in Portsmouth have been consistently higher than the national average for a number of years.

³³Info provided by PCC Education Service. To find the average NEET figure for 2013, PCC took the average NEET figure from November 2013, December 2013 and January 2014.

16-18 year olds not in education, employment or training

Young people who are NEET are at greater risk of a range of negative outcomes including poor health, depression or early parenthood.



The following information has been provided by the Council's Education Service and gives a useful snapshot of NEETs in the city:

- Over half of Portsmouth's 16-18 year old NEETs are aged 18
- Compared to its statistical neighbours, Portsmouth has the highest proportion of NEETs at age 16 (4.9%) and is ranked in the middle for ages 17 (6.7%) and 18 (11.4%)
- Compared to its statistical neighbours, the proportion of Portsmouth's cohort whose activity is not known gets progressively worse as young people get older. Out of 11 authorities Portsmouth has the 7th highest proportion at age 16 (2.2%), 4th highest at age 17 (8.4%) and 2nd highest at age 18 (43.9%).
- Compared to the 19 top tier SE authorities, Portsmouth has the highest proportion of NEET at age 16, the 4th highest at age 17 and the 3rd highest at 18. In terms of the % not known Portsmouth has the 11th highest at age 16, 5th highest at age 17 and the highest at age 18.
- The Special Educational Needs (SEN) population of the NEET cohort in Portsmouth is much higher than the overall SEN population – 47% of NEETs identified as School Action Plus or had a statement of SEN compared to 10.2% of Portsmouth's pupils overall
- A higher proportion of the NEET cohort were persistently absent compared to Portsmouth overall – 36% compared to 7.3% (2011)
- Portsmouth NEETs have higher average numbers of exclusions than Portsmouth pupil overall – 5.2 average days lost to exclusions compared to 3.82 overall (2011)
- Portsmouth NEETs' attainment levels are lower than the Portsmouth average e.g. 86% did not achieve GCSE gold standard compared to 52% of all pupils (2012/13)

The causes of this are complex but include:

- Weaknesses in the post 16 offer and progression pathways for young people - work undertaken by the Local Authority in 2013/14 in partnership with local post-16 providers identified some concerns including:
 - Entry and Level 1 provision has now, in some cases, been conflated, causing problems with recruitment at the lower level;
 - discussion with guidance staff revealed that although some Entry / Level 1 provision is advertised, some young people find it hard to access the programme they have applied for;
 - some Entry / Level 1 provision tends to be focussed on general employability skills with tasters in occupational areas, whereas the young people want a specific occupational area of study;
 - at age 17 there is a significant issue where young people are unable to progress to the next level despite having achieved the vocational requirement - this is due to not having English and Maths at the required standard.

- Gaps in provision – in 2012/13 gaps in the provision for Behavioural, Emotional and Social Difficulties (BESD) and Severe Learning Difficulties (SLD) and Profound and Multiple Learning Difficulties (PLD) were identified which led to a bid to the EFA for capital funds to develop provision at Highbury College (Arundel Centre) for BESD (opened in Sept 2014) and at Portsmouth College for SLD/PLD (in partnership with Mary Rose Academy – to open in September 2015)
- Access to appropriate information, advice and guidance
- No single overview of what should be done to reduce the proportion of young people who are NEET or at risk of becoming NEET - responsibilities in PCC are spread across Education, City Development & Cultural Services, Children's Social Care and Safeguarding and Public Health; there is a lack of post-16 collaboration following the demise of the 14-19 Consortium
- Issues concerning the reliability, maintenance and analysis of the data that supports the national NEET datasets and the tracking of young people
- Effectiveness of the targeted support for young people who are NEET or at risk of becoming NEET through ITYSS, Youth Contract, ESF (PHASE 2) etc.

In the previous 2010 needs assessment, teenage conception rates in Portsmouth were high, particularly in areas of deprivation. Following on from this, for 2010/12, Portsmouth's conception rate in women aged under 16 years was 7.3 conceptions per 1,000 women aged 13-15 years – significantly higher than the rate for the South East, higher but not significantly than the rate for England, and lower but not significantly than Southampton's rate. Compared to previous years, this is the lowest local rate since 1998/00. For the same period, Portsmouth's conception rate in women aged under 18 years was 37.5 conceptions per 1,000 women aged 15-17 years, again significantly higher than the rates for England and the South East region. However, the trend shows the Portsmouth rate continues to decrease since 2007/09³⁴.

³⁴ Portsmouth Joint Strategic Needs Assessment (JSNA) Lifestyles - Sexual Health Briefing Note accessed 07.01.14
https://hantshub-files.s3.amazonaws.com/API_STR_JSNA_LIF_SX_Overview.pdf

Whilst this decrease is positive, Portsmouth therefore remains above the national average. Teenage parents are vulnerable to low levels of educational attainment and are more likely to be NEETs (not in education, employment or training, of which the city has higher than average numbers, as stated previously). These factors combined with the issue of child care will make securing paid employment difficult for the parents, leaving the family extremely vulnerable to income deprivation. Outcomes for the children of these families will be negatively impacted further by the health risks associated with smoking during pregnancy, which is still prevalent in the city amongst women under 20. This evidences some of the multiple factors that can come into play in relation to poverty, health and life chances and where – if this inter-generational cycle can be broken – a real difference can be made

This is not a definitive list of children and families at a heightened risk of poverty – there may be other groups who are vulnerable who are not stated here. A draft national child poverty strategy was consulted upon in Spring 2014 and this also identified vulnerable groups, many of which cross over with those cited in this section. As the city's tackling poverty strategy going forward aims to alleviate poverty for all residents, any missing groups will not be excluded as they will benefit from the work across the wider population.

However much of the above confirms the need for early help for families, throughout all stages of childhood. A need therefore going forward is to ensure that children get this best start in life; and that they are school-ready; that they are fit and healthy both physically and emotionally; and that they progress in their education, not just through junior school (where results are reasonable across the city as a whole) but also when they go on to secondary school, which is where results start to dip for them, culminating in poor GCSE results.

The latest research from the Joseph Rowntree Foundation³⁵ shows that families with children are now at greater risk than any other group of having an inadequate income, with more than one in three having less than they require for a socially acceptable standard of living. At least 8.1 million parents and children are living on incomes below what is needed to cover a minimum household budget, up by more than a third from 5.9 million in 2008/09. Donald Hirsch from the University of Loughborough, co-author of this report states that:

'Our tracking of what has happened to people on the lowest incomes shows just how much ground they need to make up in order to restore pre-recession living standards. Over one in three families with children now have incomes that are not high enough to afford a minimum basket of essentials according to our research into what the general public define as adequate. A pause in inflation, influenced by the drop in oil prices will make it easier to reverse recent trends, but it will take several years of rising real wages, while maintaining support through tax credits and Universal Credit, to reduce decisively the number of families with inadequate incomes.'

³⁵ Joseph Rowntree Foundation 'Households below a minimum income standard: 2008/09 to 2012/13' - January 2015

Summary: Children and families most at risk from poverty

National Households Below Average Income data highlights workless families, lone parent families not working, families with 3 or more children, families where someone is disabled and black and minority ethnic communities as more vulnerable to poverty.

Others at risk may include families in in-work poverty, self-employed households, and young people not in education, employment or training (known as NEETs). Work is required to target at risk groups.

Intelligence Gap: It is unknown as to whether there is an association between children 'in need' or 'at risk' in the city and poverty (although anecdotally it is believed this is the case).

Children's general wellbeing

Poverty can have a significantly detrimental impact upon children's general wellbeing. There are the very immediate impacts, such as children going to school hungry (of which there are anecdotal reports of in Portsmouth at present), and as indicated by significantly increased demand at foodbanks in the city; and of homes being cold where parents cannot afford to heat them, due to soaring energy prices.

However there are also the longer term impacts which will affect children throughout their childhood and into their adult years. Research, such as the Frank Field Review into Poverty and Life Chances, evidences that children who live in poverty between the ages of 0 and 3 suffer significantly poorer outcomes later on in life, including around education, employment and socio-economic status. 'Free School Meal (FSM)' children quickly fall behind their peers as they progress through school; demonstrated by a 30% achievement gap in Portsmouth between pupils eligible for FSMs and their peers, achieving the expected level at Key Stage 4³⁶. This has a knock on effect on self-esteem and pupils' beliefs in their abilities. The negative impacts of poverty in families such as debt, social isolation, anxiety, health issues, poor housing and lower levels of educational attainment affect children later on in life through lack of employment opportunities, knock on mental health issues from financial hardship such as depression and anxiety.

This year, in 2014, the Children's Society has undertaken a survey with Portsmouth children and young people in relation to their well-being. It provides a useful snapshot around how children in Portsmouth feel about themselves, their family life, their homes, their health, schooling and their overall environment. The survey in Portsmouth used the same set of questions that were developed and tested through a program of research by the Children's Society in collaboration with the University of York, involving 40,000 children nationwide aged 8 to 15. The questions have been shown to be reliable indicators of children's wellbeing.

All schools with children aged 7 to 18 were invited to participate, and over 4100 children and young people from 16 primary schools, six secondary schools and one Special Educational Needs school participated in the survey. Because of the sample size, it should be noted that comparisons between

³⁶ Portsmouth JSNA July 2014 <http://protohub.net/jsna/portsmouth-jsna/social-environmental-context/>

Portsmouth and the national averages are approximate and were intended to provide material for further discussion with children and adults in the Portsmouth area.

The key findings were as follows:

- Most children in Portsmouth are happy with their lives, but around 10 – 13% of children have low overall well-being.
- Those with disabilities, learning difficulties or not living with their family have lower overall well-being.
- Children in Portsmouth are happier than average with their prospects for the future and their money/possessions.
- They are less happy than average with their health and appearance.
- Just under a third of the children surveyed said that they had been bullied in the last year.
- The Children's Society's national research shows that family relationships, choice, money/possessions, and experiences of bullying are some of the most important aspects of life affecting children's well-being.

Taking the third point above – 'children in Portsmouth are happier than average with their prospects for the future and their money/possessions' could be seen as good news in relation to the child poverty needs assessment. However the questions involved in this make the assumption that children know what their prospects are. There is some research to suggest that there are lower expectations for children from poor socio-economic backgrounds and so young people in the city may not know about all of the opportunities that are available to them- indeed no-one may ever have spoken to them about the possibilities of going to University, for example. Children from poor socio-economic backgrounds may in fact get channelled into poor paid professions such as hair dressing, catering, retail and basic construction work. Whilst there is nothing wrong with children pursuing this if this is their passion, what would be concerning would be that they go into these professions because the adults around them do not broaden their horizons and make them aware of the full range of opportunities available. (See Children's expectations and aspirations section for more information).

It is important to note that 10 – 13% of all children reported low well-being in Portsmouth. For future research purposes, it would be interesting to see whether there was any correlation between these children and those living in areas of deprivation.

It should also be noted that the survey did not ask some very fundamental questions related to poverty – for example, whether children were finding that there was sometimes not enough to eat at home, or that there was not enough money in the household to put the heating on. (Anecdotal reports from schools and wider professionals in the city suggest that there are increased reports of this).

Some of the quotes from the follow up visits to schools are also quite interesting – for example *'I think more people are fat because healthy food is like £3 for a salad and burgers are 99p'* (Year 8 boy). Whilst

this comment related to questions around diet and exercise, there is an obvious link here with the cost of healthy food and potential financial hardship.

Summary: children's general wellbeing
Evidence suggests that poverty can have a significantly detrimental impact on children's general wellbeing - through immediate impacts such as going to school hungry and not having a warm home, to the longer term impacts of lower educational attainment for 'free school meal' children and future life chances.
Perhaps surprisingly, a local survey by the Children's Society in 2014 found that children in Portsmouth were happier than average with their prospects for the future and their money/possessions.
However this makes the assumption that children know what their full range of prospects are; and anecdotally, evidence suggests that this might not always be the case for children from poor communities in the city - for example with significantly lower than average numbers of Portsmouth children going on to University.
10 – 13% of all children reported low well-being in Portsmouth. It is unknown at present as to whether there is any correlation between these children and children living in areas of deprivation. This would be an area for future research.
The survey did not ask questions about whether children ever went hungry due to not enough money in the household; or whether they experienced living in a cold home. The findings are therefore limited and should be treated with caution.

Children's educational attainment and links with Free School Meals data

The statistical first release (SFR) published by DFE on 29th January 2015 showed GCSE and equivalent results in England for 2013-14. The data covers pupils at the end of key stage 4 in the 2013/14 academic year. Notwithstanding the two main policy changes (vocational qualifications and 'first entry'³⁷, which mean that 2012/13 results cannot be compared with the 2013/14 results, it is worth noting that the gap between Portsmouth and the national average has significantly narrowed, as has Portsmouth's relative position against its statistical neighbours. Nationally, Portsmouth now ranks 132 out of 151 authorities (Portsmouth was 149th for the Gold Standard in 2013, and was bottom for several of the other KS4

³⁷ There are two major reforms to GCSEs that have an impact on the 2013/14 GCSE and equivalent results: the reform of vocational qualifications as recommended in Professor Alison Wolf's Review of Vocational Education; and an introduction of early entry policy. As a result they now only include qualifications in performance measures which meet the new quality criteria. This has led to the removal of around 3,000 unique qualifications from the performance measures between 2012/13 and 2013/14. They also adjust the associated point scores for non-GCSEs so that no qualification will count as larger than one GCSE in size. For example, where a BTEC may have previously counted as four GCSEs it will now be reduced to the equivalence of a single GCSE in its contribution to performance measures. They restrict the number of non-GCSE qualifications that count in performance measures at two per pupil. In addition, in the past, school performance measures have been calculated using the best result that a pupil achieved in a subject, regardless of the number of times they may have been entered for it - this has now changed to the first entry result only. This new rule only affects a school's performance measure calculations; pupils will still be accredited with every grade achieved, regardless of the number of entries.

Note: English Baccalaureate subjects comprise English, mathematics, history or geography, the sciences and a language.

performance measures) and ranks 9th in its statistical neighbours. The table below shows the figures locally and nationally for 2014 (first entry) and 2013 (best entry).

Table 1: GCSE Gold Standard

GCSE Gold Standard (5 A*-C incl Eng and Maths)		
	2014 (First entry)	2013 (Best entry)
Portsmouth	50.8%	47.6%
National (State funded)	56.8%	60.8%
National (All England)	53.4%	59.2%
IoW	45.2%	48.7%
Southampton	51.0%	58.1%
Hampshire	58.9%	60.0%

Table 2: % of pupils at the end of key stage 4 achieving at GCSE and equivalents: Gold Standard - All pupils 2013/14

Region/ Local Authority	5+ A*-C including English & Mathematics GCSEs	Statistical neighbour rank
Southend-on-Sea	62.2	1
Bournemouth	61.1	2
Bristol, City of	55.2	3
Sheffield	53.9	4
Plymouth	53.1	5
Coventry	52.3	6
Telford and Wrekin	51.7	7
Southampton	51.0	8
Portsmouth	50.8	9
Peterborough	50.0	10
Derby	50.0	10

Table 3: Gold Standard Boys

Region/ Local Authority	5+ A*-C including English & mathematics GCSEs	Statistical neighbour rank
Southend-on-Sea	56.3	1
Bournemouth	56.1	2
Bristol, City of	50.4	3
Telford and Wrekin	49.9	4
Sheffield	48.8	5
Coventry	47.9	6
Portsmouth	47.5	6
Peterborough	47.2	8
Plymouth	46.6	9
Derby	43.5	10
Southampton	43.4	11

Table 4: Gold Standard Girls

Region/ Local Authority	5+ A*-C including English & mathematics GCSEs	Statistical neighbour rank
Southend-on-Sea	68.5	1
Bournemouth	65.8	2
Bristol, City of	59.9	3
Plymouth	59.8	4
Sheffield	59.2	5
Southampton	58.9	6
Derby	56.9	7
Coventry	56.9	7
Portsmouth	54.3	9
Telford and Wrekin	53.8	10
Peterborough	52.8	11

Whilst it is pleasing that Portsmouth has 'bucked the national trend' and improved its performance against last year and against its statistical neighbours, it is recognised also that there is still a long way to go to reach upper quartile performance at KS4.

A starting point will be a focus on ensuring more pupils make expected levels of progress in English and maths.

Seven of the city's ten mainstream secondary schools / academies improved their Gold Standard figures from 2013, with three falling. This inconsistency prevents the city from achieving an even greater level of performance against its national peers.

It is worth noting that in 2016 the measure for assessing school performance will change from 'Gold Standard' towards a 'progress 8' model which will focus on the progress children make from their entry point into secondary education. This may paint Portsmouth's comparative picture in a better light than is currently the case³⁸.

There are links between health and educational attainment that may be useful to consider in relation to work on educational attainment in the city. Public Health cites these links as the following³⁹:

- Pupils with better health and wellbeing are likely to achieve better academically.
- Effective social and emotional competencies are associated with greater health and wellbeing, and better achievement.
- The culture, ethos and environment of a school influence the health and wellbeing of pupils and their readiness to learn.
- A positive association exists between academic attainment and physical activity levels of pupils.

Nationally, as well as locally, there has been a significant gap between pupils in receipt of free school meals and those who are not, in terms of educational attainment, suggesting a link with low income and educational attainment. As the table demonstrates below, some improvement was made locally at Key Stage 2 in comparison to national comparators up to 2010/11. However from 2011/12 onwards Portsmouth has been several percentage points above the national average.

At Key Stage 4, the achievement gap at both national and South East regional levels has been stable over the last 7 years, fluctuating by up to 2 percentage points, compared to Portsmouth where the variation has been over 11 percentage points during that period. This may be partially attributable to larger cohort sizes at regional and national level. In Portsmouth, the achievement gap reduced by 6.5 percentage points, from 30.2 to 23.7, between 2012/13 and 2013/14. This may be the result of the focussed work aimed at reducing the achievement gap, and better use of the Pupil Premium, which has taken place over the last 2 years. However, taking into consideration previous fluctuations, there is currently insufficient evidence to confirm that this reduction is sustainable.

Even if Portsmouth is able to maintain this level of achievement, the current gap of 23.7 percentage points demonstrates a clear achievement gap between FSM and non FSM children, and this simply isn't good enough for children in poor households. This remains a significant issue therefore not just for Portsmouth but also the wider country.

³⁸ All data supplied by the Council's Education Service 2014.

³⁹ Source: Public Health England - The link between pupil health and wellbeing and attainment (Nov 14)

Achievement gap between pupils eligible for FSMs and their peers achieving the expected level at Key Stage 2 , Portsmouth City and comparators 2007/08 - 2013/14 ⁴⁰							
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
England	22.3	22.1	21.0	20.0	17.0	19.0	18.0
Government Office of the South East	28.3	29.1	25.0	26.0	22.0	24.0	22.0
Portsmouth City	27.0	24.1	21.0	18.0	24.0	24.0	21.0

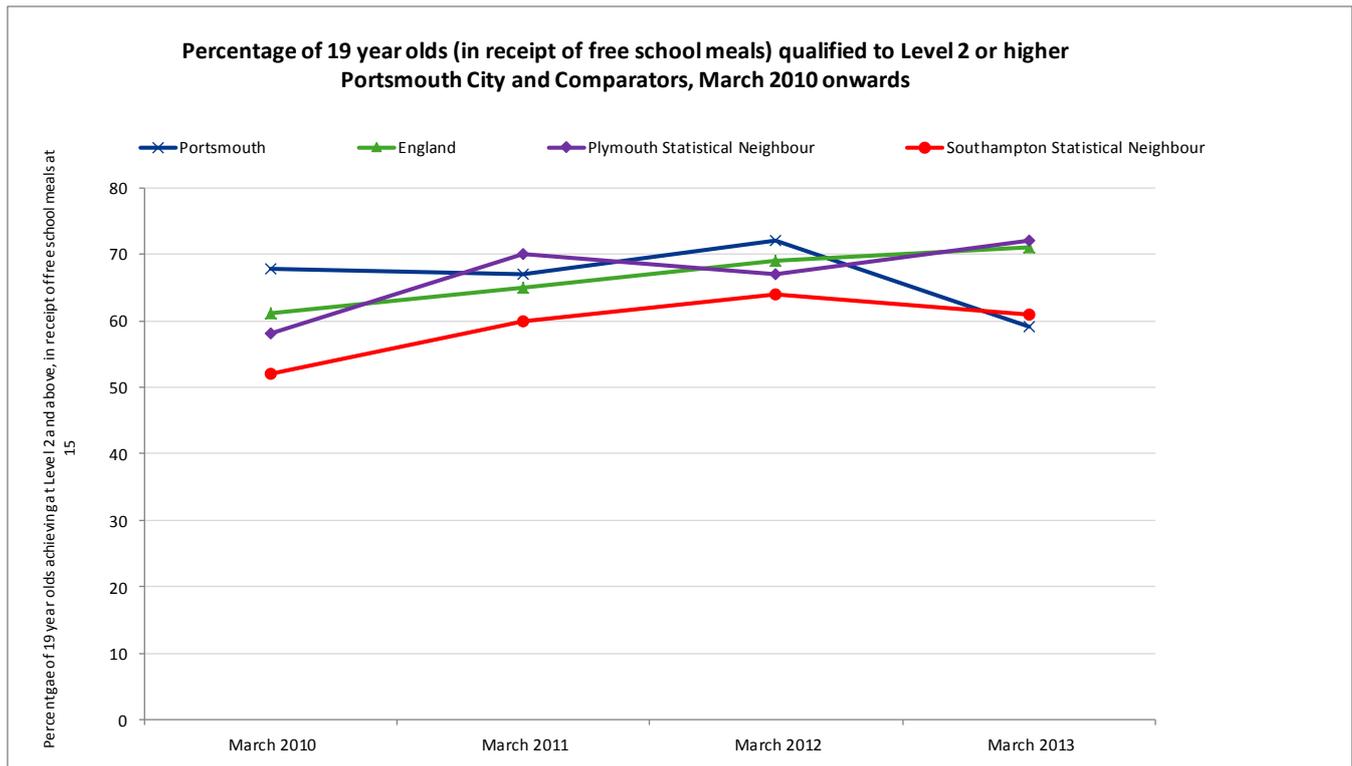
Achievement gap between pupils eligible for FSMs and their peers achieving the expected level at Key Stage 4, Portsmouth City and comparators 2007/08 - 2013/14 ⁴¹							
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
England	27.8	27.8	27.6	27.5	26.4	26.7	27.0
Government Office of the South East	32.8	32.3	33.8	33.8	33.3	32.7	33.5
Portsmouth City	21.2	18.8	25.0	29.7	28.5	30.2	23.7

Unfortunately the issue with lower attainment and links with free school meals follows through into early adulthood for young people in Portsmouth. The Portsmouth Joint Strategic Needs Assessment⁴² demonstrates that, in 2013, there was a sharp drop in attainment (i.e. qualified to Level 2 or higher) for young people on free school meals by the age of 19. Only 59% of 19 year olds achieved Level 2 who were in receipt of free school meals at 15, compared to 71% for England as a whole. Numbers of young people in Portsmouth progressing to year 12 have been falling year on year and will continue to do so for the next couple of years.

⁴⁰ Portsmouth JSNA July 2014 <http://protohub.net/jsna/portsmouth-jsna/social-environmental-context/>

⁴¹ Portsmouth JSNA July 2014 <http://protohub.net/jsna/portsmouth-jsna/social-environmental-context/>

⁴² Portsmouth Joint Strategic Needs Assessment accessed 22.09.14: <http://protohub.net/jsna/portsmouth-jsna/social-environmental-context/>



The House of Commons Education Committee released a report on the 11th June 2014 named 'Underachievement in Education by White British Working Class Children'⁴³. The report highlighted that white children who are eligible for free school meals are falling significantly behind their peers and are consistently the lowest performing group in the country. The difference in attainment between them and their more affluent white peers is marked; and larger than for any other ethnic group. Whilst initially the inquiry looked at definitions for 'working class' they found this was complex and tended to be based on parents' occupations. The proxy of free school meal eligibility was therefore used - poverty is often used as a proxy for class. There are issues with this though - for example a mismatch between free school meal children and parents who self-define as working class.

There are other dangers of associating poverty with class. The report states that '*Statements relating to the underachievement of white working class pupils often use eligibility for free school meals as a proxy for working class. Entitlement to FSM is not synonymous with working class, but it is a useful proxy for poverty which itself has an association with educational underachievement*'. Amongst a range of measures, the report talks about the importance of getting the best teachers to the areas that need them most, thinking about what incentives drive teachers to work in particular areas, and then deploying the best teachers within individual schools according to their strengths in terms of helping raise attainment for this group accordingly.

⁴³ House of Commons Education Committee 'Underachievement in Education by White Working Class Children' London (2014)

It should also be noted that literacy levels for Key Stage 2 free school meal children in Portsmouth are significantly below those of non-free school meal children - for full details of this please see the Adult Literacy section. Not being able to read at an acceptable level has a significant knock on effect on children's future employment and finances, increasing their risk of poverty as adults.

On the wider subject of FSMs, FSMs are a useful way of ensuring that disadvantaged children receive a nutritional meal each day, which is particularly pertinent given national reports of children coming to school hungry and with local increased use of foodbanks. FSMs are now available for all children in infant school, on a universal basis. With the links between concentration and diet/nutrition this is likely to have a positive impact for some children in relation to their school performance.

Finally, there is a strong correlation to date on child poverty rates and Ofsted judgements for schools⁴⁴. If an area has a child poverty rate of under 20% (with the exception of Herefordshire) it's a "Good" judgement. Those with a child poverty rate of over 20%, with the exception of Hartlepool, have all got Requires Improvement or Inadequate. The only exception is Hartlepool who have the highest spend per head on children and young people's services (excluding education services) of any local authority inspected to date - i.e. it could be argued that they've invested heavily to compensate for the child poverty/deprivation factors in their area.

There is a reasonable correlation between scale and judgement (i.e. larger local authorities tending to get better overall judgements) but it's not as strong as the child poverty correlation.

Overall, raising educational attainment in the city therefore remains critical in terms of tackling longer term poverty and its outcomes for individuals - see also Children's Expectations and Aspirations Section.

Summary: Children's educational attainment and links with free school meals data
Only half (50.8%) of Portsmouth children got the GCSE 'Gold Standard' in 2013/2014 (5 A*-C including English and Maths).
Whilst a direct comparison cannot be made with the previous year, Portsmouth has moved nearer to the England average. Whilst this improvement is welcome, it is recognised that there is still a long way to go to reach satisfactory standards for children in Portsmouth.
There is a significant gap (as there is nationally) between pupils in receipt of free school meals (FSMs) in Portsmouth and those who are not, in terms of educational attainment.
In 2013 only 59% of 19 year olds achieved Level 2 who were in receipt of free school meals at 15, compared to 71% for England as a whole.
Literacy levels for free school meal children, whilst improving, are still significantly below those of non-free school meal children in the city (see adult literacy section).

⁴⁴ PCC Education Service; based on 2014 results

Children's Expectations and Aspirations

As stated in the previous tackling poverty needs assessment it is sometimes said within the city that children in Portsmouth have low aspirations. In fact there is little evidence for this – a full literature review was carried out by the University of Portsmouth in 2010 and it concluded that there may be more of an issue around expectations for children in Portsmouth, rather than any evidence that they had lower aspirations than other children⁴⁵.

As stated in the Children's Educational Attainment section of this needs assessment, it is also sometimes assumed that schools in deprived areas will do worse academically because of the nature of the families and issues they are working with. The report found that it is true that low achievers are mainly situated in poor urban areas, but variation and school quality is extensively distributed among different schools and local authorities, allowing high performance to be achievable for some disadvantaged pupils. (This is evidenced by the fact that there are schools in London and other areas of the country with high levels of poverty and deprivation and yet they have been able to produce good academic results for their children). Although students' social and economic circumstances appear to be the most important factors, studies have found that the quality of the schools can make a difference to outcomes (Cassen, 2007). The report also found a relationship between neighbourhood poverty and teacher quality; the poorer the area, the worse the teaching⁴⁶. This may be linked with the difficulties there are in recruiting sufficient numbers of teachers to neighbourhoods perceived as 'challenging'.

Kintrea (2009) concludes his research finding by saying that neighbourhood is important but not as much as family, household, ethnicity, and income factors. *To summarise, it can be said that the assumption that low SES is a cause of low aspiration is an over-simplification. In much of the research this assumption is not evidenced. Although it is clear that aspirations are influenced by the adults in children's lives it is not necessarily the case that regional poverty leads to low aspiration. Ethnicity seems to play a role in student's aspirational goals, although other factors such as the home educational aspirations are also important. Students who had career aspirations were more likely to have family members as role models. Parents of black students seem to encourage their sons to do better, whereas parents of white students did not want their children to suffer disappointment or angry feelings. Similar patterns in ethnic groups have been found in other research (Strand & Winston, 2008).*

A recent report by the Social Mobility and Child Poverty Commission called 'Cracking the code: how schools can improve social mobility'⁴⁷ highlights how being poor too often leads to a lifetime of poverty; and that 'nearly six out of ten disadvantaged⁴⁸ children in England do not achieve a basic set of

⁴⁵ Aspirations, Expectations and Achievement: A Project for Portsmouth City Council, University of Portsmouth (2010).

⁴⁶ Aspirations, Expectations and Achievement: A Project for Portsmouth City Council, University of Portsmouth (2010).

⁴⁷ 'Cracking the code: how schools can improve social mobility' Social Mobility and Child Poverty Commission, London (Oct 2014).

⁴⁸ Free School Meal children

qualifications⁴⁹ compared to only one in three children from more advantaged backgrounds'. The report also confirms that

'There is nothing pre-ordained to make the UK a low social mobility society where children's starting point in life determines where they end up. International evidence has long suggested that the link between social background and outcomes is stronger in the UK than in many other countries. Now there is growing evidence from the English schools system that deprivation need not be destiny. There is an emerging wealth of data, stories and individual experiences demonstrating that some schools are bucking the trend, enabling their disadvantaged students to far exceed what would have been predicted for them based on experience nationally'.

The report says that schools should do more to learn from what they call 'code breakers', and it sets out 5 key steps to improve children's life chances as follows, which it will be important to reflect in any tackling poverty strategy going forward:

- Using the pupil premium strategically to improve social mobility
- Building a high expectations, inclusive culture
- Incessant focus on the quality of teaching
- Tailored strategies to engage parents
- Preparing students for all aspects of life, not just exams

If some of the work required in Portsmouth with children is around raising expectations, rather than aspirations, it is useful to examine theories around ability and intelligence. A common belief in our society is that people with high ability and self-belief in that ability are likely to embrace the challenges that they tackle in life with high levels of resilience, determination and success. However, according to Carol Dweck, a well-known Education Psychologist from the U.S, it is not ability or belief in that ability that predict resilience and perseverance in the face of challenge and failure; rather it is the individual's belief about the nature of their ability (referred to as Self Theory of Intelligence, also known as Mindsets) that determines whether learners have an incremental (growth mindset) or entity (fixed mindset) self theory of intelligence.

In other words, individuals who have a fixed mindset tend to believe that their intelligence is fixed; that they are born that way, and that it can't be changed. Individuals with a growth mindset however, tend to believe that their intelligence is not fixed and that it can develop; that with perseverance, and by trying different strategies, they can succeed; and are therefore not put off by challenge or failure. Interventions related to Mindsets have been rolled out widely in the USA. In summary, many years of research (pioneered by Carol Dweck and her colleagues) have shown that:

- Children with a growth mindset do better at school;

⁴⁹ Five a*-Cs including English and Maths at GCSE

- Children can be taught a growth mindset;
- The way in which we give feedback and praise influences mindsets.
- Teaching a growth mindset raises pupils' motivation and achievement, especially in traditionally difficult subjects (e.g. maths) and across school transitions.

These impacts on attainment occur as positive upward spirals via enhanced resilience to challenging tasks. Different patterns in Mindsets in childhood (naturally occurring) persist into adulthood and have an impact beyond educational attainment.

It is important therefore to recognise the need to raise expectations for children in Portsmouth, and to consider how research of this nature could contribute to this area of work. For example, figures from the Government's Higher Education Funding Council for England released in 2013 show that young people from the most disadvantaged areas are up to 4 times less likely to go to university than those from more affluent areas. The parliamentary constituency of Portsmouth North did particularly badly in this report, having the third lowest participation rates in the country with only 22% of young people going straight on to university (compared with 2/3rds of 18 year olds in Wimbledon).

This may link back to the expectations there are for children from poor backgrounds in the city, i.e.

- Are expectations for the city's poor children less than for their more affluent peers?
- Are these children given the tools to develop 'growth mindsets'?
- Are these children are made aware of the same range of opportunities for when they leave school as their more affluent peers?

There will be a need therefore within the tackling poverty strategy to examine these issues and to plan for ensuring that children in the city from poorer socio-economic backgrounds are not disadvantaged in this manner.

Summary: Children's expectations and aspirations
At present no evidence has been found to suggest children in Portsmouth have low aspirations. However some research suggests that there can be lower expectations for children from poor socio-economic backgrounds.
The parliamentary constituency of Portsmouth North in 2013 had the third lowest participation rates in the country with only 22% of young people going straight on to university (compared with 2/3rds of 18 year olds in Wimbledon).
It cannot be assumed that schools will do worse when they are in deprived areas - some schools in poor areas in the country have achieved good results for children.
One of the key steps to improving children's life chances includes building a high expectations, inclusive culture. Raising children's belief and expectation in themselves can be achieved in a number of ways, for example through use of growth mindsets theory.

Childcare

In general, Portsmouth as a city has a reasonable amount of childcare provision. There are challenges for the Council however in meeting some of its statutory duties around sufficient free early education places.

The following table demonstrates that generally, quality of provision across the city is good:

Local data - January 2015 (provided by the Council's Early Years Dept)	
All provision	81% good or better (156 of the 193 providers with an inspection judgement)
Childminders	83% good or better (86 of the 110 childminders with an inspection judgement)
Non-domestic premises	87% good or better (70 of the 83 'settings' with an inspection judgement)

The table below looks at how Portsmouth has been performing over the last year to two years (and compares this with national picture) and demonstrates an upward trajectory as follows:

National profile 31 August 2014

	31 August 2013		31 August 2014	
	National good +	PCC good +	National good +	PCC good +
All provision	77%	75%	80%	78% (+3%)
Childminders	75%	67%	78%	75% (+8%)
Non-domestic premises	82%	86%	82%	82% (-4%)

It is also useful to look at take up of free early education places for 2 year olds in the city, particularly as this can be a key tool for enabling parents to go back to work and thus reducing the risk of poverty:

Take up data

Free early education (2yr olds) at November 2014(in-line with national self-assessment results)

Rank nationally	Category
56/151	% Take-up compared to national
82/151	Target numbers compared to national
9/19	% Take-up compared to Regional
11/19	Target numbers compared to Regional

Portsmouth has achieved well compared to target as it is in the top 37% of LA's for % take-up.

At November 2014 - 964 children had been allocated a place for the autumn term (79% Department for Work and Pensions (DWP) target).

Ofsted registered childcare places - August 2014

The following table also details provision of Ofsted registered childcare places in the city. It should be noted that the providers referred to below are the number of providers registered on the database at the end of the relevant period. As not all providers inform Ofsted that they have ceased provision, this number is likely to be higher than the actual number of providers.

It should also be noted that registered places are the number of children that may attend the provision at any one time. Registered places are not the number of places occupied, nor the number of children who may benefit from receiving places through providers offering sessions at different times of the day. Place numbers are only collected for providers on the Early Years Register. For these providers, the numbers show the total places available for children under eight. As of 1 September, providers can only care for children in accordance with the requirements of the Early Years Foundation Stage. Ofsted no longer set additional conditions at registration and will only update data on available places at inspection. Averages are used for a very small number of providers whose place numbers are not available at the time of the analysis. There are very small discrepancies in totals due to rounding.

Ofsted registered childcare places - August 2014

	Childminder		Childcare on Non-Domestic Premises		All providers	
	Providers	Places	Providers	Places	Providers	Places
All Registers	105	547	52	2,369	157	2,916
EYR and CCR	12	50	9	334	21	384
EYR only	0	0	35	1,435	35	1,435
EYR registered	117	597	96	4,138	213	4,735

(Register(s): Ofsted registered care provided for children on two registers, the Early Years Register (EYR) and the Childcare Register, which has a compulsory (CCR) and voluntary (VCR) component. People can apply to join one register or both registers at the same time. Most childcare providers caring for children aged under eight must register with Ofsted unless the law states they are not required to do so. If a childcare provider is not required to register with Ofsted, then in some circumstances they may choose to do so by joining the voluntary part of the Childcare Register (VCR).

Current priority areas for capacity development - January 2015

In relation to the challenges mentioned earlier in relation to its statutory duties, the Council currently has 5 priority areas for development. These have been agreed in light of predicted eligibility for free early education places (2yr olds), reported waiting lists from registered childcare places and local intelligence from children's centre outreach staff. The areas of the City are:

- Paulsgrove

- Stamshaw
- Buckland and Fratton
- Baffins
- Eastney and Craneswater

Using 'trajectory funding' allocated by the Department for Education the Council has supported the development of almost 600 new childcare places since April 2012. In addition, 8 large projects are currently in their final planning stages to meet the demands of parents in the priority areas:

- Joint work with Paulsgrove Baptist Church to develop accommodation at their Community Hall
- Joint work with Parkwood Leisure to develop accommodation at The Mountbatten Centre
- Joint work with Manor Infant School to increase the community pre-school accommodation
- Joint work with the Stacey Centre to improve accommodation, allowing a long-term lease to a new childcare provider
- Support for the development of a new childcare provision at the former male bowls pavilion at Canoe Lake
- Support for the development of extended accommodation at Little Learners Nursery
- Support for the development of a new childcare provision on the site of St James' Hospital
- Support for the development of a new childcare provision at Langstone Community Church

Summary: Childcare
In general, Portsmouth as a city has a reasonable amount of childcare provision. Quality of provision is generally good.
Portsmouth is in the top 37% of Local Authorities for % take-up of free early education (2yr olds) at November 2014 (in-line with national self-assessment results).
However Portsmouth does not perform so well in the priority geographical areas of Paulsgrove, Stamshaw, Buckland and Fratton, Baffins and Eastney and Craneswater, and projects have been developed to address these challenges.

The 'Heat or Eat' Dilemma – Fuel and Food Poverty experienced by families

There has been a significant amount of press coverage in the past 2 years about people struggling to make ends meet, and having to choose between key needs such as heating their homes, or eating. In fact these are just two of the essential areas which families may be trying to juggle. Recent research commissioned by Shelter found that more than a third of parents have cut back on food to pay for their housing costs. The survey, undertaken by YouGov for Shelter, surveyed 10,174 working adults with children aged under 18, and showed that 36.7% (about 3,700) had reduced the amount they spend on food to keep up payments on their homes. More than 10% (about 1,070) of parents responding to the poll at the end of July said they or their partner had skipped meals to help pay for their housing costs, while about 1,310 (12.9%) had delayed buying their children new shoes⁵⁰.

⁵⁰ Source - 'Inside Housing' newsletter 28th August 14

This relationship between food, warmth and housing and how to prioritise when they are all essential, demonstrates how difficult it gets when the household income does not match and sufficiently exceed household costs; and when people have little or no savings. In April 2014 Shelter published research which stated that millions of working families in the UK could not pay their rent or mortgage for more than a month if they lost their job. A survey of working adults who pay rent or a mortgage found that, with little or no savings to fall back on, 3.8 million families could be just one paycheque away from losing their home⁵¹.

Anecdotal evidence from advice services and foodbanks in the city suggests that it is often a change of circumstance that tips the balance - i.e. people have been just about getting by but then a member of the household gets ill or loses their job, or there is a big unexpected cost; and there is no safety net to fall back on, leading to financial crisis.

There is no doubt that there have been real cost of living issues for families over the past few years in light of the economic downturn. Whilst signs of recovery may be appearing, local evidence suggests that many families simply aren't yet feeling these benefits on the ground. In addition some families have become worse off financially as a result of the welfare reforms program (which hit children and families the hardest), and debt advice services in the city are reporting record numbers of people asking for help.

Foodbank usage has also dramatically increased in the last few years. For example, one of the busiest foodbanks in the city, the Trussell Trust Foodbank in the King's Church, has seen the following rise in demand over the past few years:

2011	2012	2013
1493 vouchers redeemed	2053 vouchers redeemed	3037 vouchers redeemed
3075 people	3896 people	6243 people

It's fair to say there are some very polarised debates happening about foodbanks at the moment, particularly around the underlying causes as to why people are using foodbanks and whether this is true emergency usage, or whether increased supply has created increased demand.

There are now approximately 10-12 foodbanks in Portsmouth - this has certainly increased over the last 3 years. In terms of data from the foodbanks themselves, the single biggest cause for referral appears to

⁵¹ 'Almost four million families could be just one paycheque away from losing their home': Shelter website 14 April 2014

be benefit delays, suspensions or sanctions. Whilst there is no local data around sanctions, agencies report increased use of sanctions linked to the increased levels of conditionality attached to benefits such as Jobseekers Allowance. Some of the problems seem to centre around the 'fitness for work' assessments and levels of mental health specialism within the process – i.e. some people with mental health issues are being assessed as 'fit for work' because their mental health issues are not being correctly assessed, which then involves the stressful process for people of taking their case to appeal.

Problems with sickness benefits locally have been evidenced by a recent piece of research by the Bill Sargent Trust with advice services across Portsmouth, Southampton and Hampshire. It showed that the single biggest demand across all advice services involved problems with either applying for or on-going issues with Employment Support Allowance. 3,500 people in Portsmouth were adversely affected by the move from IB to ESA and between them they have lost an estimated £13m a year⁵². When cases go to appeal, a significant proportion are then over-turned. For example, during the period October 2008 and May 2011, of ESA claimants judged fit for work in an initial functional assessment, 38% of DWP decisions nationally, and 47% in the South East, were overturned on appeal, suggesting that the process isn't working for people at present⁵³. Anecdotally, agencies are reporting serious delays in processing people's claims (ditto with Personal Independence Payment) and the foodbanks are seeing cases such as this on a daily basis where people literally have no food or funds while they are waiting for their benefits to be sorted out.

The King's Church Foodbank also reports a higher prevalence of working families approaching them for help. It is likely this is linked to higher levels of in work poverty in the country (this was previously half of all children in poverty, but has more recently risen to two thirds of all children in poverty)⁵⁴.

Given the level of need presenting at foodbanks in the city this presents an opportunity to work together with foodbanks to learn about this need, and how it might be possible to use these contacts as a way of exploring the underlying causes of people's crisis situations in order to try and find longer term solutions.

For example, there are some clear links with healthy eating and healthy lifestyle-related issues. Where people are struggling financially, this may be having a knock on effect on people's diet and the type of food they can afford. The BBC reported on the 22nd August 2014 that the Faculty of Public Health had stated that conditions like rickets were becoming more apparent because people could not afford quality food in their diet. It came after health figures recently revealed a 19% increase in the number of people admitted to hospital with malnutrition over the past year. Vice president of the Faculty of Public Health, John Middleton, said food-related ill health was getting worse through "extreme poverty and

⁵² 'The Impact of Welfare Reforms in Hampshire', Beatty et al, Bill Sargent Trust (Dec 2013)

⁵³ Department for Work and Pensions; Employment and Support Allowance appeal outcomes; (part of) Ad hoc statistical analysis 2012 - quarter 3; published 12 September 2012

⁵⁴ Source: 'Tackling In-Work Poverty by Supporting Dual-Earning Families', Kayte Lawton and Spencer Thompson, Joseph Rowntree Foundation (November 2013).

the use of food banks"... "It's getting worse because people can't afford good quality food. It's getting worse where malnutrition, rickets and other manifestations of extreme poor diet are becoming apparent".⁵⁵

Something which may ease some of these pressures was the introduction of free school meals for all infant school children this Autumn. This policy is welcomed from a tackling poverty perspective. From a wider, preventative perspective however the aim should be for families to be able to afford to feed their families adequately without having to solely rely on free school meals (especially as these are not available during the holiday periods).

A recommendation made in a recent report by Church Action on Poverty⁵⁶ states that '*Local Authorities, social landlords and others should explore the potential for collective purchasing of food and fuel and for district heating systems or community energy co-operatives in low income neighbourhoods*'. Portsmouth has taken part, for example, in the Switch Hampshire Scheme, which is a collective energy switching scheme which gets residents cheaper prices on their fuel bills through bulk purchasing. This has not happened recently and so there is a need to explore this and other options for residents.

Summary: The 'Heat or Eat' Dilemma – Fuel and Food Poverty experienced by families
Foodbank usage has dramatically increased in the last few years in Portsmouth. For example, the Trussell Trust Foodbank saw demand double between 2011 and 2013, and reports a higher prevalence of working families asking for help.
The single biggest cause for referral to foodbanks in the city appears to be benefit delays, suspensions or sanctions.
Work with Foodbanks can involve exploring the underlying causes of people's problems in order to try and find longer term solutions. Collective purchasing of food and fuel in the city should also be explored.

Detailed research and analysis – the Adult population

In the following section the needs of adults experiencing poverty in Portsmouth are examined. However this section should be read in conjunction with the 'Factors that have a strong relationship with poverty for all residents' section, which examines themes based on the needs of the population as a whole (for example health and lifestyle, transport and financial inclusion). Similarly, there will be needs and vulnerable groups identified in the children and families section of this needs assessment which will apply to the adults who have children, and so this should also be referenced.

⁵⁵ Link: <http://www.bbc.co.uk/news/health-28883892>

⁵⁶ Food, Fuel and Finance - Tackling the Poverty Premium - Dec 14 - Church Action on Poverty

Portsmouth demographics

The 2012-based Sub-national Population Projections estimate that in 2013 there are 208,889 people living in Portsmouth. Of these, 140,400 are aged 16 - 64, and 28,500 are aged 65+⁵⁷. This section will focus on working age adults, i.e. those aged 16 – 64, who account for approximately 67% of the population in Portsmouth, and older people – those aged 65+, who account for approximately 14% of the population. Breakdown within the age groups is as follows:

Working age population by age band 2012 & 2022			
Age group	2012	2022	% change
15 - 19	14,725	14,507	-1.5%
20 - 24	24,344	24,007	-1.4%
25 - 64	103,595	109,939	6.1%
65 - 74	14,786	16,573	12.1%
75 - 84	9,357	11,459	22.5%
85+	4,337	5,068	16.9%

It demonstrates that very little change is forecast in either overall numbers or distribution over the next ten years for the 15 - 24 year old population. However there is then an upward trajectory in numbers as ages rise, with a 22% increase in the numbers of 75 - 84 year olds by 2022, and a 16% increase in the % of 85+, as people live longer.

In terms of ethnicity, the size and make-up of Portsmouth's Black and Minority Ethnic (BME) community has changed significantly since the last census. Having grown by only 4.4% between 2001 and 2011, the White British population now accounts for 84% of the usual resident population compared to 92% in 2001. The ethnic group category that has made the greatest gain since 2001 is Other White (growing by 20% to account for 3.8% of the population - up from 2.2% in 2001), followed by Black African (growing by 12.8% to account for 1.4% of the population - up from 0.3% in 2001). See the table below for a basic breakdown as follows:

	0 - 15	Working age (16 - 64)	Retirement age (65+)	All persons	%
White British	29,984	116,151	26,178	172,313	84.0%
White non-British	1,196	7,069	604	8,869	4.3%
Mixed	2,592	2,756	119	5,467	2.7%
Asian/Asian British	2,692	9,387	395	12,474	6.1%
Black/Black British	932	2,784	61	3,777	1.8%
Arab or other ethnic group	404	1,697	55	2,156	1.1%

⁵⁷ Source: 2012-based Sub-national Population Projections (ONS)

	0 - 15	Working age (16 - 64)	Retirement age (65+)	All persons	%
All Persons	37,800	139,844	27,412	205,056	100

Source: ONS Census 2011

Figures may not sum exactly due to rounding

The 2011 Census was the first Census to capture more detailed information on ethnicity - providing people with the opportunity to identify the ethnic group and cultural background to which they perceive themselves to belong. This allowed the ONS to expand the five broad ethnic groups/18 ethnic group categories to provide estimates of 250 individual ethnicities. Bangladeshi, Indian and Chinese remain amongst the top six ethnicities in Portsmouth, but since 2001 they have been joined by Black African, Mixed White & Asian and Polish ('Other White'). A (ranked) list of the top 20 different ethnicities in Portsmouth (whole population, not just working age adults) can be found below as follows:

Ethnicity of Portsmouth residents - 2011 Census				
Ethnic Group	2011 #	2011 %	% BME pop	Rank
White: English/Welsh/Scottish/Northern Irish/British	172,313	84.03%		1
Asian/Asian British: Bangladeshi, British Bangladeshi	3,649	1.78%	11.14%	2
Black/African/Caribbean/Black British: African	2,958	1.44%	9.03%	3
Asian/Asian British: Indian or British Indian	2,911	1.42%	8.89%	4
Asian/Asian British: Chinese	2,611	1.27%	7.97%	5
Mixed/multiple ethnic group: White and Asian	2,381	1.16%	7.27%	6
White: Polish	1,668	0.81%	5.09%	7
White: Other Western European	1,223	0.60%	3.74%	8
Mixed/multiple ethnic group: White and Black Caribbean	1,103	0.54%	3.37%	9
Other ethnic group: Arab	1,078	0.53%	3.29%	10
White: Irish	1,071	0.52%	3.27%	11
White: European Mixed	1,023	0.50%	3.12%	12
White: Any other ethnic group	1,022	0.50%	3.12%	13
Mixed/multiple ethnic group: White and Black African	935	0.46%	2.86%	14
White: Other Eastern European	786	0.38%	2.40%	15
Asian/Asian British: Filipino	679	0.33%	2.07%	16
Mixed/multiple ethnic group: Any other ethnic group	589	0.29%	1.80%	17
Black/African/Caribbean/Black British: Caribbean	540	0.26%	1.65%	18

Asian/Asian British: Pakistani or British Pakistani	539	0.26%	1.65%	19
White: Baltic States	369	0.18%	1.13%	20

In terms of ethnicity, in the UK, individuals living in households headed by someone from an ethnic minority are more likely to live in low income households⁵⁸. This is particularly the case for households headed by someone of Pakistani or Bangladeshi ethnic origin. The HBAI report states that it is likely that this is because individuals in workless households face very high risks of living in poverty and employment rates vary by ethnicity, with high rates of worklessness among individuals of Pakistani and Bangladeshi ethnic origin.

The highest concentrations of Bangladeshi, Indian, Black African and Chinese communities are in the St Thomas and Charles Dickens wards, which traditionally have been top four most deprived wards in Portsmouth⁵⁹. Recognising and addressing the additional challenges faced by these and other communities in terms of poverty will be of utmost importance in the new Tackling Poverty Strategy going forward. Local intelligence on the particular issues affecting BME groups experiencing poverty is limited and more work in this area is a priority action if we are to understand needs of our BME communities (children, adults and older people) including gypsy and traveller communities and asylum seekers, and newer communities such as the needs of Eastern European communities. *¥ Local intelligence gap*

Additional information on ethnicity – which will also apply to older people depending on their circumstances – can be found in the ‘Portsmouth demographics’ and ‘children, families and adults most at risk from poverty’ sections of this needs assessment.

Summary of key points: Portsmouth demographics, adult population
There are 208,889 people living in Portsmouth. Of these, 140,400 are aged 16 - 64, and 28,500 are aged 65+. Those aged 16 – 64 account for approximately 67% of the population in Portsmouth, and older people – those aged 65+, account for approximately 14% of the population.
There is an upward trajectory in numbers as ages rise, with a 22% increase in the numbers of 75 - 84 year olds by 2022, and a 16% increase in the % of 85+, as people live longer.
The White British population now accounts for 84% of the usual resident population compared to 92% in 2001. The ethnic group category that has made the greatest gain since 2001 is Other White (now accounting for 3.8% of the population, followed by Black African, now accounting for 1.4% of the population.
Bangladeshi, Indian and Chinese remain amongst the top six ethnicities in Portsmouth, but since 2001 they have been joined by Black African, Mixed White & Asian and Polish ('Other White').
In terms of ethnicity, in the UK, individuals living in households headed by someone from an ethnic minority are more likely to live in low income households. This is particularly the case for households

⁵⁸ Source: Households Below Average Income - - An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

⁵⁹ Portsmouth JSNA 2014 - taken from IMD 2010 data

headed by someone of Pakistani or Bangladeshi ethnic origin.
The highest concentrations of Bangladeshi, Indian, Black African and Chinese communities are in the St Thomas and Charles Dickens wards, which traditionally have been top four most deprived wards in Portsmouth.
Local intelligence on the particular issues affecting BME groups experiencing poverty is limited and more work in this area is a priority action.

Extent of poverty for working age adults in Portsmouth – how much and where?

Unfortunately the same level of up-to-date data, which is currently available to analyse child poverty all the way down to lower super output area level locally, is not available for the adult population. The Households Below Average Income (HBAI) data is available at a national level only.

There is Indices of Multiple Deprivation (IMD) data available at a local level (see 'National data sources available at a local level' section shortly), but the last release - IMD 2010 - draws from data sets primarily from 2008, meaning this data is very dated and does not reflect the economic downturn and other changes such as the welfare reforms program. Unfortunately the new IMD 2014 data release is not due until Summer 2015.

However there are a number of sources that can be examined to at least give indicators as to the extent of poverty in the city as follows:

National data - what can be inferred

The data in this section has been taken from the Households Below Average Income Survey (HBAI 2014) which uses data from 2012-13⁶⁰ to give a national picture of poverty across the population.

Generally, there has been little change in the percentage of working age adults in low-income households in 2012/13. 15 per cent of working-age adults were in relative low income (with incomes below 60% of contemporary median net disposable household income before housing costs). From 1998/99 the percentage of working-age adults in relative low income has not seen large changes, remaining between 14 and 16 per cent.

16 per cent of working-age adults were in absolute low income before housing costs in 2012/13. The percentage in absolute low income underwent a sustained decrease from 1998/99 to 2004/05. Following some years of fluctuating levels, there was an increase from 2009/10 to 2011/12.

There was a 1 percentage point decrease in 2012/13, which was not statistically significant, and it is at the same level as it was in 2001/02. These latest figures BHC show 5.5 million working-age adults in relative low income, whilst there were 5.9 million under the absolute low income measure. Whilst the

⁶⁰ Source: Households Below Average Income - – An analysis of income distribution 1994/95 – 2012/2013 (HBAI 2014)

effects of rising housing costs may be seen in the 1 percentage point increase in working-age adults in absolute low income AHC to 23 per cent, this change was not statistically significant. This follows small steady increases from 2004/05 onwards, returning to levels last seen between 1999/00 and 2000/01.

National data sources available at a local level

As stated previously, the Indices of Multiple Deprivation (IMD) data 2010, which draws upon data sources from 2008, is very much out of date now. However for the sake of historic reference, the IMD data⁶¹ shows the following:

Portsmouth is ranked 76rd of 326 local authorities in England, compared with 93rd of 354 authorities in 2007 (where 1 is the most deprived). Within Hampshire and the Isle of Wight, Portsmouth is ranked highest of 14 local authorities for its average deprivation score and concentration of deprivation. It is ranked second highest for its average rank of deprivation, of income deprivation and employment deprivation. It is ranked third highest for extent of deprivation.

The most deprived areas in Portsmouth continue to be in Charles Dickens ward (six of the 10 worst areas in Portsmouth), Paulsgrove (two areas), Cosham and St Thomas wards.

The most **income deprived** areas are in Charles Dickens ward with seven out of the 10 worst areas (up from six in 2007), St Thomas, Nelson, and Cosham wards. The estimated number of people suffering income deprivation in Portsmouth has risen slightly up to 30,000 from 29,600 in 2007.

The most **employment deprived** areas in Portsmouth continue to be in Charles Dickens, with seven out of the 10 worst areas (up from six in 2007), Nelson, Cosham and St Thomas wards. There were an estimated 11,300 people in Portsmouth suffering employment deprivation, up from 10,500 in 2007.

The most **health deprived** areas in Portsmouth continue to be in Charles Dickens ward, with seven out of the 10 worst areas (down from eight in 2007), Nelson (two of the worst 10 areas) and Fratton wards.

The most **education, skills and training deprived** areas in Portsmouth are in Charles Dickens ward, with five out of the worst 10 areas (up from four in 2007), Paulsgrove (four of the worst 10 areas) and St Thomas wards.

The most deprived areas in Portsmouth for **housing and services** are in Paulsgrove ward, with five out of the worst 10 areas (up from four in 2007), Eastney and Craneswater ward with two of the worst 10 areas (up from one in 2007), Cosham, Copnor, and Hilsea wards.

The worst areas for **crime** are in Charles Dickens ward, with four of the worst 10 areas (down from five in 2007), Eastney and Craneswater, Fratton, Nelson, Paulsgrove, St Jude and St Thomas wards.

The worst areas in Portsmouth **for living environment deprivation** are in Cosham and Nelson wards (both with three areas in the worst 10 areas), Paulsgrove (two areas), Charles Dickens (down from three in 2007) and Fratton wards.

⁶¹ Portsmouth JSNA - Source: IMD data 2010 http://www.hants.gov.uk/pccjsna/API_STR_JSNA_SEC_DEP2.pdf

Local data sources that can also contribute to working-age adult poverty analysis

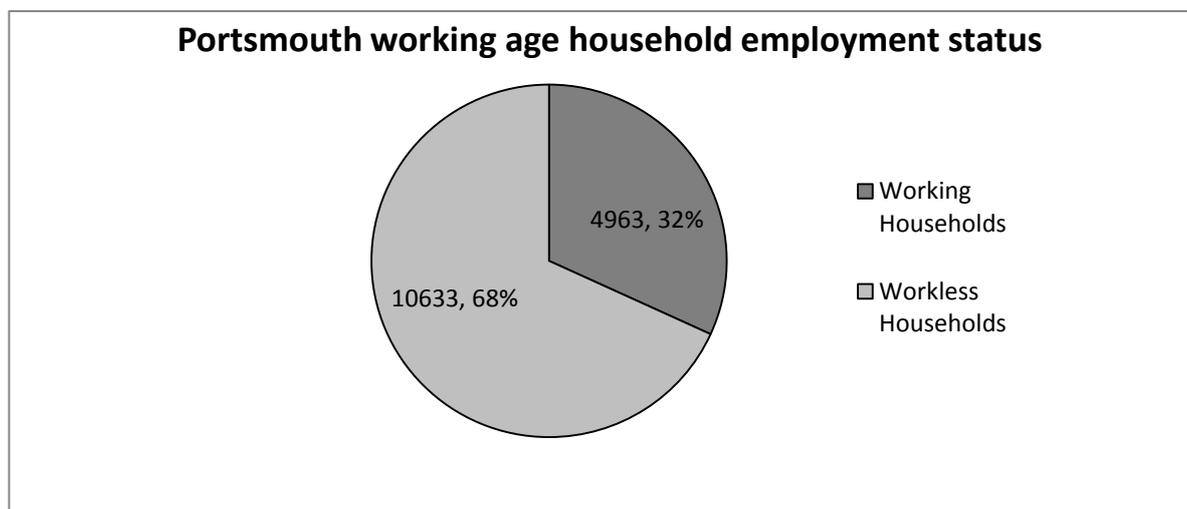
Given the dated nature of the IMD data, Housing Benefit (HB) and Council Tax Support (CTS) records were also analysed as of the 21st July 2014 to provide data that might assist with the analysis of working age people across the city.

There are 19,052 households claiming HB, or HB and CTS in Portsmouth wards, and a further 3452 Households claiming CTS only, totalling 22,504 households, which represents 25.23% of the 89,205 properties on the valuation list for Council Tax.

HB and CTS can be claimed by people whether they are in work or not, and CTS can be claimed by owner occupiers, as well as people who pay rent. As HB and CTS are means tested, people who are better off are excluded from this data. As a consequence, the HB/CTS data might be considered a significant sample of lower income households in the city.

Working age households claiming HB/CTS

Our HB/CTS data identifies 15,596 working age households. This includes 10,633 households where the claimant and/or partner are workless.



Households: Income Analysis

We have used the HB and CTS data to calculate the average weekly income by household type for working and workless households.

Average Incomes: Working Households claiming HB/CTS

Average Income Including HB & CTS	Average Income Excluding HB & CTS

£338.00	£250.00
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Average Incomes: Workless Households claiming HB/CTS

Average Income Including HB & CTS	Average Income Excluding HB & CTS
£253.19	£165.35

Working Age households claiming HB/CTS including a disabled person

HB/CTS data has no comprehensive data about the incidence of disability; we can however confirm the number of households where a part of their income includes Disability Living Allowance (DLA), or Personal Independence Payments (PIP). It should be noted however, that for households in receipt of out of work benefits, our records about DLA/PIP could be understated.

HB/CTS records held however identify 3315 households where the benefit claimant and/or their partner or child receive DLA/PIP.

This data suggests

- 20.15% of households claiming HB/CTS have at least one adult with a long-term illness or disability.
- 21.25% of households claiming HB/CTS have a family member with a disability

Location of households claiming HB/CTS

The following table details the location of households by ward

	NUMBER OF HOUSEHOLDS
BAFFINS	793
CENTRAL SOUTHSEA	897
CHARLES DICKENS	2998
COPNOR	537
COSHAM	883
DRAYTON AND FARLINGTON	214
EASTNEY AND CRANESWATER	853
FRATTON	1601
HILSEA	780
MILTON	828
NELSON	1627

PAULSGROVE	1312
ST JUDE	906
ST THOMAS	1367
TOTAL	15596

HB/CTS data indicates that:

- The greatest number of workless households claiming HB/CTS are in Charles Dickens ward
- 40.59% of workless households claiming HB/CTS are located in Charles Dickens, Nelson and Fratton wards

Summary: extent of poverty for working age adults in Portsmouth – how much and where?

National Households Below Average Income (HBAI) data shows that there has been little change in the percentage of working age adults in low-income households in 2012/13. 15 per cent of working-age adults were in relative low income.

Unfortunately only very limited up-to-date local data is available for the adult population. Housing Benefit (HB) and Council Tax Support (CTS) records show that of the 22,504 working age households claiming either HB or CTS in Portsmouth, 32% were working households. 40.59% of workless households claiming HB/CTS are located in Charles Dickens, Nelson and Fratton wards (the most deprived wards).

20.15% of households claiming HB/CTS had at least one adult with a long-term illness or disability, and 21.25% of households claiming HB/CTS had a family member with a disability.

Adults most at risk from poverty

(For adults who have children, this section should be read in conjunction with the ‘children and families most at risk of poverty’ section)

Establishing who might be at most risk of poverty in the city has usually fallen into two distinct categories; geography (i.e. where people live) and vulnerable groups (i.e. groups of people within the community who might be at a higher risk statistically of experiencing poverty).

Groups identified by HBAI data

The HBAI 2013 data⁶² gives us some useful information around increased levels of risk for particular groups in the adult population as follows:

Single working age adults

Being a single household increases the risk of poverty. The table below details household type for adults (excluding pensioners) related to risk of poverty:

Percentage of individuals living in households with less than 60% of contemporary median income, by family type, gender and adulthood, UK HBAI 2011/12⁶³

⁶² Source: Households Below Average Income - - An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

⁶³ Source: Households Below Average Income - - An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

(NB: in order to capture the working age population only, pensioners have been excluded).		
Household type	Before Housing Costs	After Housing Costs
Couple with children	15%	21%
Couple without children	11%	13%
Single with children	22%	43%
Single male without children	20%	28%
Single female without children	19%	28%

As stated previously, 15% of all working age people are living in relative low income households in the UK. On this basis, even at the more conservative figures taken before housing costs, being single – either with or without children – increases the risk of poverty. This become even more noticeable after housing costs - being single with children shows the starkest effect – with a 43% risk. However being a single male, or single female without children also runs a 28% risk, which is significantly higher than the overall average of 15% after housing costs for the working age population, and also higher than couples with or without children.

Workless households

Within this HBAI data set, working age adults in workless families continued to be much more likely to live in low-income households than those in families with at least one adult in work. However, because the majority of working age adults, around 85%, lived in households where at least one adult was in work in 2011/12, 60% of working age adults in relative low income were living in households where at least one adult worked.

The table below demonstrates the difference being in work makes to the risk of poverty (remembering that the national average for the working age population is a 15% risk of poverty):

Percentage of working age adults in low income groups by various family and household characteristics living in households, UK HBAI 2011/12⁶⁴ (Income <60% median income)		
Economic status of family	Before Housing Costs	After Housing Costs
Single or couple all in full time work	3%	6%
No-one F/T, one or more in P/T work	24%	34%
Workless, one or more unemployed	54%	71%
Workless, other inactive	37%	53%
Single male workless	40%	53%
Single female workless	36%	58%

⁶⁴ Source: Households Below Average Income - – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

It is clear that the risk of poverty significantly reduces if working full time, dropping to a mere 3% risk before housing costs, or 6% after housing costs.

Working age adults with no reported educational qualification

Another risk identified by the HBAI Survey is around educational attainment. Working age adults with no reported educational qualification were almost twice as likely to live in low income households as those who reported a qualification below degree level. Those who reported a qualification of degree level or above had the lowest rates of low income. Given that under half of all children in 2012/13 gained 5 A-C grade GCSEs including English and Maths, and given that, whilst there has been some improvement since the last needs assessment in 2011, there is still some way to go in relation to having a strong skills and qualifications set in the adult workforce, so this remains a concern for the city.

Working age adults living in a household with a head from an ethnic minority

The table below demonstrates clearly that Black and Minority Ethnic (BME) communities are at a significantly higher risk of poverty than the national average.

Percentage of working age adults in low income groups by various family and household characteristics living in households, UK HBAI 2011/12⁶⁵ (Income <60% median income)		
Ethnic group of head (3 year average)	Before Housing Costs	After Housing Costs
White	14%	19%
Mixed/multiple ethnic groups	20%	36%
Asian/Asian British	27%	38%
-Indian	19%	26%
-Pakistani	43%	52%
-Bangladeshi	39%	50%
-Chinese	26%	40%
-Any other Asian background	21%	40%
Black/African/Caribbean/Black British	24%	37%
Other Ethnic Group	29%	42%

With the national average of 15% of all working age people living in a relative low income household these figures are stark for the BME community, particularly the Pakistani and Bangladeshi groups. The same potential issues apply here as in the children and families section. The Bangladeshi community is one of the largest BME communities in Portsmouth, and there are significant Indian and Chinese

⁶⁵ Source: Households Below Average Income - - An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

communities too, so it is important to recognise this increased risk of poverty for these communities in order to try and redress the balance.

In a report for Runnymede entitled “Financial Inclusion and Ethnicity”⁶⁶, Omar Khan says that “It is difficult to disentangle poverty-related and ethnicity-related reasons for financial exclusion” and suggests that this is an area that would benefit from further research, concluding that “Analysis of BME financial exclusion...should distinguish more clearly the different reasons why BME groups have poorer access.” The report raises a number of issues which should be addressed as part of the new tackling poverty strategy for the city, including:

The need for a targeted approach to increasing financial inclusion and capability, which may vary by ethnic group;

- Educational attainment amongst BME groups;
- Labour market participation rates amongst BME groups – some groups are disproportionately represented in certain sectors of the labour market;
- Some BME groups (e.g. Bangladeshi and Chinese – both large communities in Portsmouth) are far more likely to work in the restaurant, catering and transport industries and are likely to be disproportionately self-employed in these areas. These areas are more likely to be part of the informal economy, all of which combined may increase vulnerability to financial exclusion and the risk of experiencing in-work poverty;
- Some BME groups are much more likely to be social renters, live in low-quality housing and be homeless. Almost all BME groups are less likely to own homes, which is the greatest source of assets for the vast majority of people in the UK;
- Banking – branch closures and fee-charging cash machines (both more likely in deprived areas) and access to basic bank accounts and Post Office Card Accounts;
- Savings – BME groups have lower rates of savings, less diverse savings and lower amounts of savings;
- Pensions – particularly an issue for the self-employed (i.e. no employer contribution), which disproportionate numbers of certain BME groups are;
- Advice – the report says that “While evidence suggests that people access advice differently, we don’t know how this impacts on ethnicity, though we do know that all BME groups are more willing to pay for financial advice than White groups.”
- Risk – risk scoring by financial institutions; differences in risk aversion by ethnicity;
- Consequences of Right to Buy.

This was an area under the previous tackling poverty strategy which, due to impacts such as the welfare reforms and work across the population at large to mitigate these impacts, did not get the targeted approach it required and should therefore be a priority in the new strategy going forward. The Joseph Rowntree Foundation has released a useful report looking at the relationship between ethnicity and poverty and it details a range of questions Local Authorities should be posing to themselves in order to

⁶⁶ Runnymede “Financial Inclusion and Ethnicity”⁶⁶, Omar Khan

develop effective action plans to address these inequalities. The following key points are cited directly from the report as follows⁶⁷:

- *Relationships between poverty and ethnicity are complex. They differ across and within ethnic groups and vary considerably according to place. Local authorities will need to reflect this in policies and practice.*
- *'Softer' issues – such as workplace culture, social networks and how we care for loved ones – are surprisingly important in addressing poverty. Without understanding these, even the best policies can fail.*
- *Despite good policies, some local authorities are perceived as poor employers among ethnic minority groups, something supported by workforce statistics. Changing workplace culture and creating better opportunities for career progression could address this.*
- *People's relationships with services impact on their outcomes. These differ within and across ethnic groups. Social networks can help or hinder people's effective use of services and influence the key outcomes sought by authorities. Understanding these relationships better has the potential to improve outcomes with little or less cost.*
- *Local authorities can use procurement of goods and services to promote practices that reduce poverty. This could involve a wide range of practices from a living wage for all workers to clear career ladders for low-paid staff.*
- *The UK has a high proportion of workers trapped in cycles of low-paid and no-pay jobs. This could be reduced by increasing demand for skills. Local authorities can promote this through their strategic role, their own workplace practices and encouraging suppliers and local employers to reflect it in their practices.*
- *Voluntary, community and faith groups play an important role in facilitating social networks. They are also spaces where people are already actively addressing poverty. Working together with these groups will help authorities to achieve more with limited resources.*
- *Actions that address the links between poverty and ethnicity will help address poverty among all ethnicities. They should be part of mainstream policy and practice.*

There are a range of practical actions detailed in the report that Local Authorities can take which can form a useful part of Portsmouth's Tackling Poverty Strategy and Action Plan resulting from this needs assessment.

Younger working age adults, especially younger working age adults with children

There is also a heightened level of risk for younger working age adults as follows: for those with children and where the age of the head of the household is between 16 – 24 years, there is a 34% risk before

⁶⁷ Joseph Rowntree Foundation 'Why ethnicity matters for local authority action on poverty' (October 2014) http://www.jrf.org.uk/sites/files/jrf/ethnicity_local_authority_summary.pdf

housing costs and a 53% risk after housing costs. For the 25 – 29 age bracket, with children, there is a 19% risk before housing costs a 33% risk after housing costs.

For those without children, in the 16 – 19 age range, there is a 23% risk before housing costs and a 35% risk after housing costs. For the 20 – 24 age range, there is a 17% risk before housing costs and a 26% risk after housing costs.

Working age adults in households with at least one disabled member

The HBAI data also demonstrates clearly that having one or more disabled adult in a household gives a 19% risk of relative low income before housing costs, and a 31% risk after housing costs. Where a household is not in receipt of disability benefits, this risk is 22% before housing costs and 28% after housing costs. This highlights the need to ensure people are claiming all of their entitlements and also perhaps highlights why the current problems with benefits such as Employment Support Allowance (ESA), Disability Living Allowance (DLA) and Personal Independence Payment (PIP), both in terms of delays in receiving payments, and also with problems around medical assessments and 'fit for work' judgements, are particularly problematic financially for people living with disabilities.

This list of vulnerable groups within the adult population is taken from HBAI data only, and as such can only demonstrate groups of people at a higher risk of poverty that are identified by the data sets collected. There are alternative evidence sources which highlight other groups who are also more vulnerable to poverty.

Summary: Adults most at risk of poverty
National Households Below Average Income data highlights single working age adults, workless households, adults with no reported educational qualification, adults living in a household with a head from an ethnic minority, younger adults (especially those with children) and adults in households with at least one disabled member as more vulnerable to poverty.

People with learning disabilities

In the previous Tackling Poverty Needs Assessment in 2011, people with learning disabilities were identified as a vulnerable group in relation to poverty. *Valuing People*, the 2001 White Paper on the health and social care of people with a learning disability, gave the following definition for learning disability, which is broadly consistent with the World Health Organisation's IQ-based definition:

'Learning disability includes the presence of:

- a significantly reduced ability to understand new or complex information, to learn new skills (impaired intelligence)*
- with a reduced ability to cope independently (impaired social functioning)*
- which started before adulthood, with a lasting effect on development'*

Nationally about 20 people in every thousand will have a learning disability. In 2012/13, Portsmouth GPs recorded that they were aware of 752 adults aged 18+ years with a learning disability (0.44% of the registered population aged 18+ years).⁶⁸ However there may be better indication of people with Learning Disabilities in Portsmouth if General Practitioners were able to be more proactive in recording patients who have a Learning Disability. This might involve training requirements in order to embed this into every day practice.

During the same period, Adult Social Care provided a service to 564 people aged 18+ years relating to learning disability (a decrease of 14 clients compared to 2011/12).

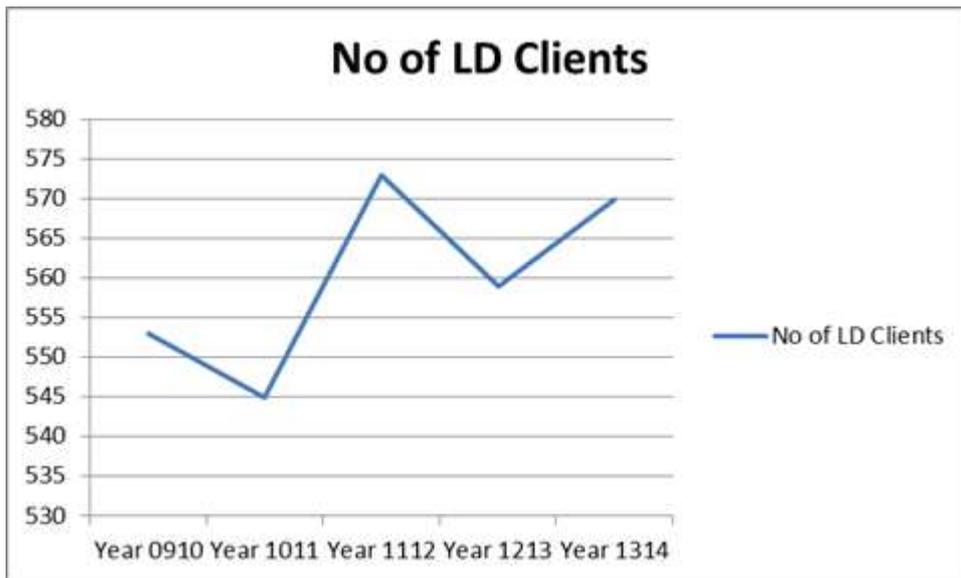
They also provided a service in the community for 441 people with a learning disability aged 18+ years (2.8 per 1,000 residents aged 18+ years). The highest number and rate of clients receiving services in the community were in Hilsea (6.2 clients per 1,000 resident population aged 18+ years) followed by Fratton (4.1 clients per 1,000 resident population aged 18+ years) and Charles Dickens (3.7 clients per 1,000 resident population aged 18+ years)⁶⁹. These are three of the most deprived wards in Portsmouth.

The figures below have been extracted from the Council's Adult Social Care System (AIS) to include any client with a Learning Disability category set, regardless of whether it is the main category or not.

Financial Year	No of LD Clients
Year 0910	553
Year 1011	545
Year 1112	573
Year 1213	559
Year 1314	570

⁶⁸ Source: JSNA 08.09.14, extracted from: QOF, Quality and Outcomes Framework, 2012/13 QMAS database - 2012/13 data as at end of July 2013 via Health and Social Care Information Centre (HSCIC) . © Crown Copyright <http://www.hscic.gov.uk/catalogue/PUB12262> Accessed 04/11/2013.

⁶⁹ Portsmouth JSNA Briefing Note - accessed 08.09.14



The needs of carers are intrinsically linked to work with people with learning disabilities. In 2012/13, 290 carers (96 in 2011/12) received a needs assessment or review and a specific carers' service or advice and information from Adult Social Care in relation to learning disability.

With both people with learning disabilities and their carers, there are those who will not be known to adult social care and who will not be receiving services. The Carers Strategy has previously identified the need to find more of the 'hidden' carers in the city in order to ensure that they receive the support they require.

Another issue related to carers is that many of those who care for people with learning disabilities are becoming aged. For example, Mencap estimates that over 29,000 adults with a learning disability live with a parent over the age of 70 years. Locally, the average age of the carers is 58 years, and that of the cared for person is 35 years, with the statistics showing a large percentage of carers being related family members. Where the carer's age is known, 60% of people with a learning disability (n=151) receive care from someone who is aged 55+ years, 78 people receive care from someone who is aged 65+ years and 38 people from someone who is aged 75+ years⁷⁰.

People with learning disabilities are at increased risk of social exclusion, and work around employment and settled accommodation are key in trying to reduce this social exclusion. There has been more emphasis on finding supported living homes for people with learning disabilities in the city, moving away from residential accommodation where possible. However moving people into settled accommodation and work longer term can be challenging. In Portsmouth, 69% (68% in 2011/12) of adults aged 18+ years with a learning disability known to Adult Social Care were in settled accommodation, and only 9% (9% in 2011/12) were in employment. The Portsmouth Learning Disabilities Partnership Board is responsible for the development and delivery of 3 key areas that relate to this - health, housing and employment.

⁷⁰ Health and wellbeing of adults with a learning disability - Portsmouth's profile 2012-13

The table below demonstrates how these percentages have remained fairly static between 2010/11 and 2012/13⁷¹:

Adults aged 18+ with learning disabilities and known to Adult Social Care in settled accommodation or employment, Portsmouth, 2008/09 onwards

National Indicator number	Indicator	2008/09	2009/10	2010/11	2011/12	2012/13
NI 145	Adults with learning disabilities in settled accommodation	14.9 (*)	56.1	71.2	68.4	68.7
NI 146	Adults with learning disabilities in employment	(*)	6.1	9.9	9.0	9.2

Source: Combined Activity Return, Portsmouth City Council

(*) Data unreliable because: 1) Data collected for 6 months and aggregated to 12 months

ASCOF Indicator number	Indicator	2008/09	2009/10	2010/11	2011/12	2012/13
1G	The proportion of adults with learning disabilities who live in their own home or with family, expressed as a percentage	14.9 (*)	56.1	71.2	68.4	68.7
1E	The proportion of adults with learning disabilities in paid employment, expressed as a percentage	(*)	6.1	9.9	9.0	9.2

Source: Combined Activity Return, Portsmouth City Council

(*) Data unreliable because: 1) Data collected for 6 months and aggregated to 12 months

Health and wellbeing of adults with a learning disability (Portsmouth's profile 2012-13)

People with a learning disability have a shorter life expectancy and increased risk of early death compared to the general population - although this is improving, particularly for people with Down's Syndrome. The estimated prevalence of adults with Down syndrome is 5.9 per 10,000 population aged 16+ years. Applying this prevalence estimate to Portsmouth population, indicates that about 96 adults aged 16+ years have Down syndrome. Primary care registers for adults with a learning disability have recorded 43 people with Down syndrome (but this excludes people who may have been included on the thyroid register instead of the learning disability register)⁷².

IQ-based prevalence estimates were used in both the Learning Disabilities Observatory and POPPI/PANSI estimates, with the Office for National Statistics mid-year population estimates of the resident population as the denominator in their prevalence calculations. However, ONS projections of the resident population include students. Applying this standard methodology gives an estimated 4,100 people of all ages with a learning disability living in Portsmouth⁷³.

⁷¹ Portsmouth JSNA - Settled Accommodation and Employment Outcomes for People with Learning Disabilities (accessed 08.09.14)

⁷² Health and wellbeing of adults with a learning disability - Portsmouth's profile 2012-13

⁷³ These figures should however be treated with caution. For example, where the projections include students, Portsmouth has a higher than average rate of students and the average student population is likely to be lower than average in terms of % with learning disabilities.

Ethnicity

Compared to other ethnic groups, there is a higher prevalence of “learning difficulties” in South Asian communities. This has been linked to high levels of material and social deprivation. These may combine with other factors such as poor access to maternal health care, misclassification and higher rates of environmental or genetic risk factors.

Nationally, it is estimated that about 25% of new entrants to services for people with learning disabilities provided by adult social care will belong to minority ethnic communities.

Local primary care data is incomplete for 40% of adults with a learning disability. ‘British or mixed British’ is the largest single category (330 adults, 49% of adults on registers for adults with a learning disability)⁷⁴.

Financial impacts for people with learning disabilities

The Learning Disability Observatory has identified income, housing status, employment and integration/discrimination as key social determinants of health for people with a learning disability. Data from the Advocacy Service (SEAP) obtained in early 2012 suggested that the main presenting problems for people with learning disabilities were care/treatment (30%) and housing (35%) – but financial issues were also significant if the categories of debt, benefits and legal advice were combined.

Locally there has been much work as part of the Tackling Poverty Needs Assessment and Strategy to understand the needs of the general population who are suffering from financial hardship in the city. However there is still little information around the specific needs of people with learning disabilities. This is partly due to the partly hidden nature of the learning disabilities population (i.e. only a small number use adult social care, and with services not always identifying when someone has a learning disability).

Portsmouth's Profile 2012-13 for the Health and wellbeing of adults with a learning disability states that

'For Adult Social care service users, the proportion of people who are assessed financially to make no contribution to their care costs could be an indirect (proxy) indicator of low income, as contributions are assessed on a sliding scale. From figures as at 31 January 2013, 39% of those assessed as "nil" contributors were adults with a learning disability. This compares to 29% for people with other (primarily physical) disabilities. The figures do need to be interpreted with caution, as other reasons for a "nil" assessment could include greater care related costs as opposed to lower income, though this in itself could equally be seen as disadvantageous.

⁷⁴ Health and wellbeing of adults with a learning disability - Portsmouth's profile 2012-13

Further analysis is required to understand how people with learning disabilities in the city are impacted upon by economic deprivation. Given the difficulties of identifying people with learning disabilities as noted earlier, it will be important to link this work with that of the Tackling Poverty Strategy, to explore possible new sources of knowledge and data'. This intelligence gap could be met by a study going forward, involving organisations like the Beneficial Foundation and supported living providers.

Given the knowledge gaps identified around the needs of people with learning disabilities in this section, in addition to any gaps in data, there is a need for more consultation with people with learning disabilities in order to alleviate poverty successfully going forward (for example through commissioned organisations establishing the relevant discussion forums).

As stated previously, only about 9% of Adult Social Care users who have learning disabilities work. As work is a key route out of poverty, this by its very nature will disadvantage people with learning disabilities financially. Some of the challenges around work include finding the right work experience placements, and also the workplaces that can offer the level of support required. The Portsmouth Profile states that:

'Employment is a key issue in reducing poverty and social isolation (or enhancing social connectedness). Various approaches and schemes are being tried, but intervention can be very labour/cost intensive. Current support to assist people with learning disabilities to gain employment could be enhanced by considering the creation of a social enterprise to enhance employment opportunities, supported by the activities of schools, colleges, voluntary organisations, DWP, day services etc'.

In order to overcome some of these obstacles around employment, there is a need for all public bodies in Portsmouth to set an example to the private sector in employing many more people with Learning Disabilities.

The Portsmouth profile also states that a serious and so far under-reported aspect of the health and associated socio-economic inequalities faced by adults with learning disabilities is homelessness. Homeless people are significantly more likely to have an intellectual disability than the general population. Further work is therefore required to explore the experience of homeless people with intellectual disability in Portsmouth.

A need that becomes quite clear throughout the profile is the need to explore other ways of identifying and reaching the potentially large numbers of people with a learning disability who are not known to health and social care services. This will be important in relation to the specific financial and employment needs of people with learning disabilities, if poverty is to be reduced for this group.

Summary: People with learning disabilities

It is unknown as to how many people in Portsmouth have a learning disability overall. This is

partly due to the partly 'hidden' nature of the learning disabilities population. Some GP and Office for National Statistics data is available but these figures are likely to be under-estimates. Identifying hidden carers is a need going forward.
Where the carer's age is known, 60% of people with a learning disability receive care from someone who is aged 55+ years.
In Portsmouth, 69% of adults aged 18+ years with a learning disability known to Adult Social Care were in settled accommodation, and only 9% were in employment, highlighting the need for both settled accommodation and employment for this group.
National data from 2012 suggests that, alongside care/treatment, and housing, financial issues were also significant to people.
Intelligence Gap: Further analysis and consultation is required to understand how people with learning disabilities in the city are impacted upon by economic deprivation.

People with mental health issues

In 2012/13, Adult Social Care provided services for mental health problems to 1,115 clients aged 18+ years (1,545 clients in 2011/12), and provided services in the community for mental health problems to 499 clients aged 18-64 years (4.0 clients per 1,000 residents aged 18-64 years) and to 254 clients aged 65+ years (7.8 clients per 1,000 residents aged 65+ years)⁷⁵. In total, Adult Social Care provided services in the community for mental health problems to 753 adults aged 18+ years⁷⁶.

Where rates could be calculated, the highest crude rates were in Charles Dickens (112 clients, 8.0 clients per 1,000 population) and Fratton (74 clients, 6.7 clients per 1,000 population). These are two of the most deprived wards in the city.

Financial hardship has an association with mental health on a number of different levels. For example, debt has an association with mental health issues; research on the Royal College of Psychiatrists website looks at the relationship between debt and mental health problems and cites that:

- One in four people has a mental health problem
- One in four people with a mental health problem is in debt
- One in two people in debt have a mental health problem
- Debt may be a cause and a consequence of mental health problems

The 2014 MoneySavingExpert.com survey also found that some 36% of people who have or have had mental health problems have severe or crisis debts, and just 6% of people who have never had mental health problems have severe or crisis debts. A 2013 survey by debt counsellors Christians Against

⁷⁵ It should be noted that prevalence of mental health issues can be high as, for example, in addition to conditions such as dementia, some people with physical disabilities may also have mental health issues such as depression. Similarly substance misuse clients can also have mental health issues. In addition ASC clients are only likely to be a small proportion of the general population with mental health issues.

⁷⁶ Portsmouth JSNA Briefing Note - Accessed 09.09.14

Poverty found that 42% of those seeking debt help had been prescribed medication by their GP to help them cope, 76% of those in a couple said debt affected their relationship and 36% had considered or attempted suicide⁷⁷.

The Community Mental Health Profile 2013⁷⁸ shows that Portsmouth has significantly higher rates of risk factors for mental ill health, such as:

- percentage of 16-18 year olds not in employment, education or training;
- rate of episodes of violent crime;
- percentage of relevant population living in 20% most deprived areas of England;
- working age adults who are unemployed, rate per 1,000 population;
- rate of statutorily homeless households; and
- percentage of adults with dementia (although Portsmouth also has a significantly higher rate than England of the ratio between expected and recorded levels of dementia).

People with mental health problems are at increased risk of social exclusion. Two national priorities aim to reduce this risk by improving their access to stable accommodation and paid employment as these are recognised as positive factors in terms of reducing social exclusion. Paid employment is also likely to reduce poverty and decrease the risk of debt, subject to other variables.

A problem cited across a number of advice services across Portsmouth, Hampshire and Southampton as part of some research carried out by the Bill Sargent Trust⁷⁹ is that of people with mental health issues who are claiming Employment Support Allowance. The summary report states that:

'More than half of relevant advice providers have experienced a significant increase in demand for welfare benefits advice. The largest single increase has been related to Employment Support Allowance (ESA). There is widespread concern that something is amiss with the assessment system and many respondents, particularly those with mental health problems are being pushed into employment when they are genuinely unfit. Often, clients don't know that they are able to appeal and end up with no income'.

Similar issues have also been reported locally in relation to people being sanctioned. If someone assessed as fit and ready for work when they are not, they are then subject to the increased conditionality to claim Jobseekers allowance; and then are at risk of sanctions if they do not meet the conditionality requirements.

⁷⁷ 'Mental Health and Debt 2014 - Help, info, guidance and support for individuals and carers' by Martin Lewis, Jenny Keefe & Marianne Curphey.

⁷⁸ ⁷⁸ Portsmouth JSNA - Community Mental Health Profile, 2013. North East Public Health Observatory. www.apho.org.uk/default.aspx?RID=49802 Accessed 28 May 2014.

⁷⁹ "Counting the Cost : Advice Services and Public Spending Reductions" Bill Sargent Trust Sep 2013

Other work by one of the key advice agencies in the city has seen the trialling of an advice surgery based in St James Hospital, for people with mental health issues who may not be able to access mainstream advice services due to their illness. There is a need therefore to ensure that people with mental health issues can access services in a way that meets their needs.

Summary: People with mental health issues

In 2012/13, in total, Adult Social Care provided services in the community for mental health problems to 753 adults aged 18+ years, with the highest crude rates (where calculable) in two of the most deprived wards in the city, Charles Dickens and Fratton.

Nationally one in four people with a mental health problem is in debt, and one in two people in debt have a mental health problem.

Portsmouth has significantly higher rates of risk factors for mental ill health, such as % of 16-18 year olds not in employment, education or training.

People with mental health problems are at increased risk of social exclusion so national priorities suggest improving access to stable accommodation and paid employment.

People with alcohol and substance abuse issues

Alcohol and substance abuse has a potential relationship with poverty in that people may be more likely to use alcohol or other substances in times of stress in their lives; and financial stress can be commonplace for those who struggle on a daily basis to get by. Addiction may also cause or exacerbate poverty - i.e. funding the addiction reduces household income, and may mean choices between the addiction and food on the table or paying the bills. Addiction can also have an impact on people's ability to work. Or people may turn to alcohol or substances when they feel they are in financial destitution, and/or have no hope for the future - so associations may exist with wider areas such as low educational attainment, expectations and aspirations, and unemployment.

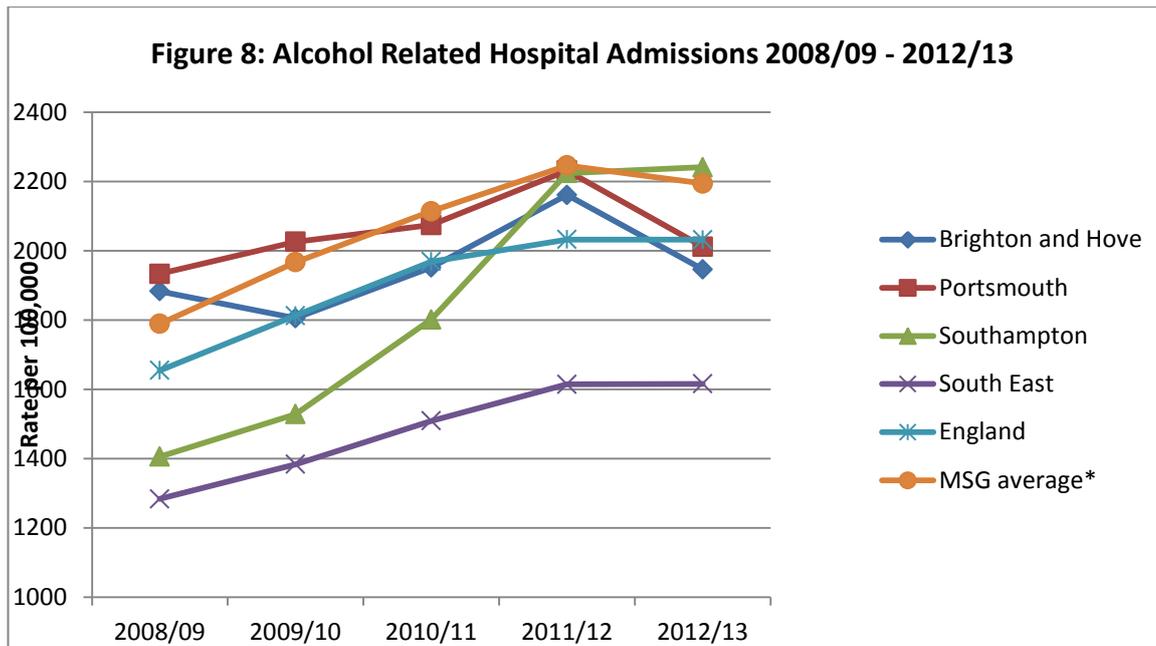
It is useful therefore to consider the extent to which there is a problem in the city in terms of alcohol and substance misuse; and if so, to reflect on its relationships with poverty.

Alcohol misuse

Portsmouth has been above both the South East and England averages for alcohol-related hospital admissions for a number of years. However during this time there have been smaller increases in Portsmouth than other areas and the gap has narrowed. The rate is now slightly less than the national average, at 2012 compared with 2,032 per 100,000 nationally⁸⁰ and is less than the average for similar areas.⁸¹ However with concern about alcohol related hospital admissions nationally, this remains a problem for both the individuals involved, and for the wider costs associated with hospital admissions in an environment of cuts and cost saving across public services; and therefore is of concern in the city.

⁸⁰ This data is from 2012/13

⁸¹ Draft Strategic Assessment - Safer Portsmouth Partnership 2014. N.B. The SPP similar areas / most similar group (MSG) are: Brighton & Hove, Bristol, Bournemouth, Plymouth, Portsmouth, Southend-On-Sea, Sheffield and Southampton.



Both males and females in Portsmouth have a higher rate of alcohol related deaths (both wholly and partially attributable to alcohol) and chronic liver disease than England, the South East Region and the SPP MSG.⁸² Portsmouth falls in the ten worst performing local authorities nationally for *alcohol specific mortality in females*, with a rate of 13 deaths per 100,000. This represents a 4% (n0.57), increase on the previous period.

The Local Alcohol Profiles for England rank Portsmouth as having the 4th highest level of alcohol related violent crime out of 326 local authority areas in 2012/13, with a rate of 7.52 per 1,000.⁸³ This compares to a rate of 3.93 per 1,000 nationally, 3.60 per 1,000 for the South East and an MSG average of 5.79 per 1,000.

The proportion of people (aged over 16) engaging in binge drinking in Portsmouth is also higher than it is nationally and higher than it is for the Safer Portsmouth Partnership similar areas (average). (It should be noted that this is a synthetic estimate based on 2007/08 data and more up-to-date data is not currently available).

Both of these issues reflect why there is concern on this issue in the city. In terms of its associations with poverty, Portsmouth's Joint Strategic Needs Assessment evidences that alcohol-specific hospital admissions were significantly higher than the City rate for people from Charles Dickens, St Thomas, Nelson, Eastney & Craneswater, and Fratton electoral wards (2007-11, pooled)⁸⁴. These are some of the most deprived wards in the city. Charles Dickens, as the most deprived ward in the city, has the highest alcohol-specific admission rate for both males and females. There is a similar association between the

⁸² Local Alcohol Profiles for England (Public Health England, Knowledge and Intelligence Team, North West) accessed 25/04/2014. Due to small sample sizes this arte is calculated over 3 years (2010-12).

⁸³ Local Alcohol Profiles for England (Public Health England, Knowledge and Intelligence Team, North West) accessed 25/04/2014

⁸⁴ Portsmouth's Joint Strategic Needs Assessment - accessed 15.10.14

most deprived wards and alcohol-related admissions. It would appear therefore that alcohol misuse is most prevalent in deprived areas. This opens up the debate as to whether poverty might exacerbate alcohol use or vice versa - i.e. whether alcohol use causes the poverty (for example through cost and impact on employment), or whether poverty causes the alcohol misuse.

A similar argument could be made for the associations between alcohol abuse, poverty and mental health. The Safer Portsmouth Partnership's (draft) Strategic Assessment states that:

'The latest data shows that 1,032 individuals were in treatment for alcohol misuse in 2013/14.⁸⁵ Of those individuals who started new treatment journeys in 2013/14 (n657), the majority (56%, n365) had not received treatment previously. Looking at this same group, 14% (n91) were recorded as having a dual diagnosis and were receiving care from mental health services for reasons other than substance misuse. However, the number of people with mental health issues accessing these services could actually be much higher as this information was not recorded in 26% (n172) of cases. Further, some individuals may have a mental health issue that has not yet been diagnosed. A study on mental health centres and substance misuse services in the UK showed that 85% of alcohol service users had mental health problems, mostly affective disorders and anxiety disorders.⁸⁶ Nationally, 20% (n198,600) of the estimated 1,008,850 alcohol related hospital admissions in 2012/13 were for mental and behavioural disorders due to alcohol'.⁸⁷

Of course there are many other variables that also interact with poverty, alcohol abuse and mental health, and cause and effect is therefore difficult to evidence. However it is probably fair to conclude that these issues at least have an association with each other; and that getting to the root cause of people's problems, whatever that root cause might ultimately be, is likely to produce positive outcomes in relation to alleviating poverty in the longer term.

Summary: People with alcohol issues
People may be more likely to use alcohol or other substances in times of stress in their lives; and financial stress can contribute to this. Funding an addiction can also reduce household income and have an impact on employment.
Portsmouth has been above both the South East and England averages for alcohol-related hospital admissions for a number of years. However as of 2012/13 Portsmouth is now below the England average.
Alcohol-specific hospital admissions were significantly higher than the City rate for people from some of the most deprived wards in the city. There is a similar association between the most deprived wards and alcohol-related admissions.

⁸⁵ National Drug Treatment Monitoring System, accessed 20/05/2014 - taken from the Draft Strategic Assessment, Safer Portsmouth Partnership

⁸⁶ Weaver et al (2003) *Comorbidity of substance misuse and mental illness in community mental health and substance misuse services*, The British journal of psychiatry, 183 (4), pp. 304-313.

⁸⁷ Statistics on Alcohol Misuse: England 2014, Health & Social Care Information Centre, May 2014. It should be noted that this does not capture mental health problems exclusively and can include conditions such as acute intoxication or may be used as a catch-all.

Substance misuse

A drug is a chemical substance that acts on the brain and nervous system, changing a person's mood, emotion or state of consciousness. They usually fall into the following three categories: stimulants (e.g. cocaine), depressants or sedatives (e.g. heroin) and hallucinogens (e.g. LSD). Drug misuse is when a person regularly takes one or more drugs to change their mood, emotion or state of consciousness, and it can lead to drug addiction.

The latest estimate for the number of opiate and crack cocaine users (OCU's) is 1,549 (10.90 per 1,000 members of the 15 to 64 year old population).⁸⁸ This is a 24.9% increase on the 2010/11 rate and is in comparison to reductions in the rate both nationally (3.1%) and in the south east (1.9%). The rate in Portsmouth is higher than the national and South East rates but lower than the average for Portsmouth's most similar group (MSG), where Portsmouth ranks 4th out of 8⁸⁹. Portsmouth has seen a rise in the rate of opiate users, which increased by 28.6% compared to the previous estimate - although this data should be treated with caution⁹⁰.

Data would suggest that there are differences in drug use between young people and older people. Nationally, the Crime Survey for England and Wales 2013/14 estimated that 8.8% of 16 to 59 year olds had taken an illicit drug in the last year, up from 8.1% in 2012/13. This figure more than doubled when looking specifically at 16 to 24 year olds (18.9%).⁹¹ This is in contrast to the finding from the Children's Society Survey 2013/14, that drug use amongst school age children in Portsmouth has remained broadly the same.

Similarly to the associations raised between alcohol misuse and mental health, of the 852 individuals in treatment in 2013, 408 were starting a new treatment journey; and of these, 18% (n74) were considered to have a dual diagnosis and were receiving care from mental health services for reasons other than substance misuse⁹². These figures are actually likely to be higher due to under-recording, and/or lack of diagnosis or meeting the threshold. This is supported by a study on mental health centres and substance misuse services in the UK, which showed that three quarters of drug service users had mental health problems (mostly affective disorders and anxiety disorders) and that nearly 40% of drug users had not received help for their mental health problems.⁹³ This supports the earlier statements in the alcohol misuse section which discussed how these different variables (including the wider variable of

⁸⁸ Hay et al (2014), Estimates of the prevalence of opiate and/or crack cocaine use (2011/12)' - taken from the draft Strategic Assessment, Safer Portsmouth Partnership

⁸⁹ The SPP similar areas / most similar group (MSG) are: Brighton & Hove, Bristol, Bournemouth, Plymouth, Portsmouth, Southend-On-Sea, Sheffield and Southampton.

⁹⁰ It should be noted that this is a modelled estimate which uses a number of data sources (drug treatment, police, probation and prison) as well as the relationship between indicators to 'identify' the hidden population, therefore this statistic should be treated with caution.

⁹¹ Home Office. *Drug Misuse: Findings from the 2013 to 2014 Crime Survey for England and Wales*. Taken from the Draft Strategic Assessment, Safer Portsmouth Partnership 2013/14.

⁹² Draft Strategic Assessment, Safer Portsmouth Partnership, 2013/14

⁹³ Weaver et al (2003) *Comorbidity of substance misuse and mental illness in community mental health and substance misuse services*, The British journal of psychiatry, 183 (4), pp. 304-313. - taken from the draft Strategic Assessment, Safer Portsmouth Partnership 2013/14.

poverty and its cause and effect) might relate to each other; and that ultimately cause and effect is hard to determine.

It stands to reason then that getting to the root cause of people's problems and providing a holistic response to them is likely to achieve better outcomes. The (draft) Strategic Assessment from the Safer Portsmouth Partnership states that *'The Drug Treatment Outcomes Research Study⁹⁴ evaluated the long-term effectiveness and cost effectiveness of drug treatment and concluded that drug treatment: reduces the harm caused to communities from drug addiction, is effective in improving the physical and mental health of the individual seeking treatment and has around an 80% chance of being cost-effective for that individual. Further, that it reduces crime, in particular acquisitive crime.⁹⁵ The latest national estimate is that every £1 spent in drug treatment saves £2.50⁹⁶ in costs to society'*. Alongside these kinds of interventions, therefore, it is important to address the wider determinants in people's lives, such as poverty, housing and employment, in order to sustain change in the long term.

Summary: People with substance abuse issues
There is a 24.9% increase on the 2010/11 rate for the number of opiate and crack cocaine users (OCU's) in Portsmouth, which is in comparison to reductions in the rate both nationally (3.1%) and in the south east (1.9%).
In contrast to the national picture where it has risen, findings from the Children's Society Survey 2013/14 indicate that drug use amongst school age children in Portsmouth has remained broadly the same.
National studies have shown that three quarters of drug service users had mental health problems (mostly affective disorders and anxiety disorders).

Domestic Abuse

It is important to consider the relationship between poverty and domestic abuse, because domestic abuse remains a significant issue in Portsmouth, and tackling it is a priority for the Safer Portsmouth Partnership (SPP). This is because it is the most common driver for violent assaults in Portsmouth (32%, n1,047). It causes immediate emotional and physical harm to the victim and wider consequences such as loss of opportunity, isolation from friends, poor physical and mental health.

All of these issues may be likely to impact on people's ability to hold down employment in terms of financial stability. The SPP cites evidence from a previous British Crime Survey (2001) which suggest that

⁹⁴ http://www.dtors.org.uk/reports/DTORS_CostEffect_Main.pdfNTA/NHS

⁹⁵ National Treatment Agency (2012) *Estimating the crime reduction benefits of drug treatment and recovery*

⁹⁶ It is of note that this is a reduction on the previous NTA estimate. As per the 2006/07 Strategic Assessment, "It is estimated that for every £1 spent on treatment, £4 is saved by the criminal justice system. When other associated health and social costs are included £1 spent on treatment saves £9." This reduction is, at least in part, the result of a revision of the costs included in the estimate in order to make it robust enough to withstand scrutiny. The estimate now includes only those costs that are clearly attributable to the consequences of drug use.

domestic abuse may have a detrimental impact on employment,⁹⁷ and it also has an impact on housing, with domestic abuse being a commonly quoted reason for homelessness in women.⁹⁸

Many children are exposed to domestic abuse and violence at home and are denied a safe and stable home environment. These children are more likely to become victims of abuse themselves and may experience personality or behavioural problems and are more likely to go on to offend. The single biggest predictor for children becoming either perpetrators or victims of domestic abuse as an adult is whether they grew up in a home with domestic violence.⁹⁹ The impact of domestic abuse on very young children is often underestimated and the impact on school age children could affect their ability to achieve.¹⁰⁰ Again, this is likely to have a longer term impact on employment as when children grow up, if they have no or low qualifications, are more likely to go into low paid work.

Women's Aid are investigating financial abuse in relation to domestic abuse. Their website is currently looking for people to share their knowledge and/or experiences about financial arrangements within couples and how money is involved in domestic abuse. Women's Aid would like to find out what affect financial abuse can have on survivors and their children, and what more could be done to help. They are asking these questions now because the government's welfare reform programme includes Universal Credit, which brings together previously separate benefits, and which will be paid to only one member of a couple. Concerns have been raised by campaigners that this money may more easily fall into the hands of abusive partners, and that it will be difficult for partners to speak out against this if they are in an oppressive relationship.

Financial dependency and/or hardship can also prevent people from leaving abusive relationships. So it is important to be able to address financial issues with people who are trying to escape abuse. Survivors also face financial hardship after leaving an abusive relationship, having to 'start again' often with no more than the clothes they escaped in. Universal Credit has made adjustments for people coming out of domestic abuse situations in relation to work-related requirements, and certain exemptions can be applied for a certain period of time to give people the opportunity to deal with the consequences of violence without having to take steps to find work. But this aside, the financial implications of leaving a relationship with nothing can be severe. There is evidence of this within the Portsmouth Local Welfare Assistance Scheme, where applications are received from people escaping abusive situations and where they have nothing to set up home with - hence applications for furniture and white goods, with nearly 10% of all paid applications to the scheme in 13/14 relating to domestic abuse (see Learning from Local Welfare Assistance Scheme section).

⁹⁷ 21% of women who reported domestic abuse in the self-completion module of the 2001 British Crime Survey took time off work because of the abuse and 2% lost their jobs (Walby & Allen, 2004).

⁹⁸ 40% of homeless women stated domestic violence was a contributor to their homelessness (Cramer & Carter, 2002).

⁹⁹ Unicef 2006 *Behind Closed Doors: The impact of domestic violence on children*.

¹⁰⁰ Byrne & Taylor (2007) *Children at risk from domestic violence and their educational attainment: Perspectives of education welfare officers, social workers and teachers*.

People escaping ‘Honour’ based violence also have to escape with little or no possessions and maybe fearful of registering for any benefits in case they are found, or if English is not their first language be unaware of which benefits they could access.

There is currently a gap in the city where, if a person does not qualify for public funds (e.g. where their immigration application is not successful), they can only access the refuge if their costs (rent personal charge & living expenses) are met by either themselves or, if they do not have funds, another source, usually a voluntary organisation.

There is a critical need therefore for the appropriate levels of support to be available to those experiencing domestic abuse, and to explore further the relationship between domestic abuse and financial stresses.

Summary: Domestic abuse
Domestic abuse remains a significant issue in Portsmouth, and can have a detrimental impact on employment, as well as housing, with domestic abuse being a commonly quoted reason for homelessness in women.
The impact of domestic abuse on very young children is often under estimated and the impact on school age children could affect their ability to achieve, thereby potentially affecting their education and employment in the longer term.
Financial dependency and/or hardship can prevent people from leaving abusive relationships. The relationship between poverty and domestic abuse requires further exploration in the city.
There is currently a gap in the city where, if a person does not qualify for public funds (e.g. where their immigration application is not successful), they can only access the refuge if they can find their costs from elsewhere (e.g. a voluntary organisation).

Detailed research and analysis - Older People (65+)

In the following section the needs of older people aged 65+ experiencing poverty in Portsmouth are examined. However this section should be read in conjunction with the ‘Factors that have a strong relationship with poverty for all residents’ section, which examines themes based on the needs of the population as a whole (for example health and lifestyle, transport and financial inclusion). Similarly, there will be needs and vulnerable groups identified in both the children and families and adult sections of this needs assessment which will apply to older people, and so this should also be referenced.

The health section of this needs assessment will be particularly pertinent to older people, highlighting the health inequalities that exist within the city and their links with poverty. The Council's Public Health Annual Report makes this point by stating that:

'Health inequalities can be described as preventable and unjust differences in health experienced by certain population groups. People in lower socio-economic and other groups are more likely to experience health inequalities and therefore experience a higher degree of chronic ill-health and die

earlier than those who are more advantaged. This is starkly highlighted in Portsmouth by the fact that...men from the most deprived areas live 9.7 years less than men from the least deprived areas.

The Marmot Review into health inequalities in England, Fair Society, Healthy Lives, demonstrated that social determinants of health such as local environment, housing, transport and employment, and their social relationships, are significantly influenced by local authorities. With the return of responsibility for public health to local authorities, we have the opportunity to bring a renewed focus to tackling health inequalities, bringing together the breadth of planning and support from across the city to tackle the social determinants of poor health¹⁰¹.

Portsmouth demographics

The 2012-based Sub-national Population Projections estimate that in 2013 there are 208,889 people living in Portsmouth. Of these, 28,500 are aged 65+¹⁰². This section will focus on residents who are aged 65+, who account for approximately 14% of the population. Breakdown within the age groups is as follows:

Working age population by age band 2012 & 2022			
Age group	2012	2022	% change
15 - 19	14,725	14,507	-1.5%
20 - 24	24,344	24,007	-1.4%
25 - 64	103,595	109,939	6.1%
65 - 74	14,786	16,573	12.1%
75 - 84	9,357	11,459	22.5%
85+	4,337	5,068	16.9%

Whilst there is very little change forecast in either overall numbers or distribution over the next ten years for the 15 - 24 year old population, there is then an upward trajectory in numbers as ages rise, with a 22% increase in the numbers of 75 - 84 year olds by 2022, and a 16% increase in the % of 85+, as people live longer.

In terms of ethnicity, the size and make-up of Portsmouth's Black and Minority Ethnic (BME) community for the population as a whole has changed significantly since the last census. Having grown by only 4.4% between 2001 and 2011, the White British population now accounts for 84% of the usual resident population compared to 92% in 2001.

The following table demonstrates that 2.3% of the population aged 65+ are from the BME community, which is significantly lower than the BME population as a whole in Portsmouth. However given the rise

¹⁰¹ Portsmouth City Council 'Public Health Annual Report 2013'

¹⁰² Source: 2012-based Sub-national Population Projections (ONS)

in BME residents as a whole, it is fair to assume that, as these other BME residents get older, the older BME community will increase over time, and services will need to reflect the changing makeup of the older community.

	0 - 15	Working age (16 - 64)	Retirement age (65+)	All persons	%
White British	29,984	116,151	26,178	172,313	84.0%
White non-British	1,196	7,069	604	8,869	4.3%
Mixed	2,592	2,756	119	5,467	2.7%
Asian/Asian British	2,692	9,387	395	12,474	6.1%
Black/Black British	932	2,784	61	3,777	1.8%
Arab or other ethnic group	404	1,697	55	2,156	1.1%
All Persons	37,800	139,844	27,412	205,056	100

Source: ONS Census 2011

Figures may not sum exactly due to rounding

Additional information on ethnicity – which will also apply to older people depending on their circumstances – can be found in the ‘Portsmouth demographics’ and ‘children, families and adults most at risk from poverty’ sections of this needs assessment. However local intelligence on the particular issues affecting BME groups experiencing poverty, including older people, is limited and more work in this area is a priority action if we are to understand the needs of our BME communities as a whole.

Having examined age and ethnicity, it is useful to establish where older people in Portsmouth live. The following table demonstrates that the highest % of the older population 65+ live in Drayton and Farlington (22.4%), Cosham (16.8%), Baffins (16.3%), and Hilsea (16.1%):

Table: Over 65s by ward, from Hants Small Area Population Forecasts 2013

Ward	Total	65+ total	% 65+ of total
Baffins	15118	2461	16.28
Central Southsea	16332	1598	9.78
Charles Dickens	19066	2334	12.24
Copnor	13125	1795	13.68
Cosham	14019	2356	16.81
Drayton and Farlington	13223	2966	22.43
Eastney and Craneswater	13527	2142	15.83
Fratton	15347	1463	9.53
Hilsea	13509	2168	16.05
Milton - Portsmouth	14357	2082	14.50
Nelson	14428	1796	12.45

Paulsgrove	13935	1894	13.59
St. Jude	12734	1805	14.17
St. Thomas	16602	2208	13.30

All of the data above is useful in terms of quantifying the scale of work required around the preventative approach to tackling poverty.

Summary of key points: Portsmouth demographics, older people
The 2012-based Sub-national Population Projections estimate that in 2013 there are 208,889 people living in Portsmouth. Of these, 28,500 are aged 65+, accounting for approximately 14% of the population.
There is an upward trajectory in numbers as ages rise, with a 22% increase in the numbers of 75 - 84 year olds by 2022, and a 16% increase in the % of 85+, as people live longer.
2.3% of the population aged 65+ are from the BME community, which is significantly lower than the BME population as a whole in Portsmouth. However given the rise in BME residents as a whole, the older BME community is likely to increase over time. Local intelligence on the particular issues affecting BME groups experiencing poverty is limited and more work in this area is required.
The highest % of the older population 65+ live in Drayton and Farlington (22.4%), Cosham (16.8%), Baffins (16.3%), and Halsea (16.1%).

Extent of poverty for older people aged 65+ in Portsmouth – how much and where?

Unfortunately, as with the adult population, the same level of up-to-date data, which is currently available to analyse child poverty all the way down to lower super output area level locally, is not available for the older population. The Households Below Average Income (HBAI) data is available at a national level only. There is Indices of Multiple Deprivation (IMD) data available at a local level, as demonstrated later in this section, but the last release – IMD 2010 – draws from data sets primarily from 2008, meaning that this data is very dated and does not reflect the economic downturn and other changes such as the welfare reforms program. Unfortunately the new IMD 2014 data release is not due until Summer 2015.

In order then to undertake some kind of analysis of poverty within the older persons population, as with the working age population there are a number of sources that can be examined to at least give indicators as to the extent of poverty for older people in the city as follows:

National picture - Households Below Average Income (HBAI) data

Whilst HBAI data is available at a national level only, it is a useful data source to draw upon to make inferences about poverty at a local level. In particular it can indicate the characteristics of households which might be at most risk of poverty.

In 2011/12, 16% of pensioners (1.9 million) in the UK were in households with incomes below 60% of contemporary median net disposable household income below housing costs, and 14% (1.6 million) after housing costs¹⁰³, and pensioners were less likely to be in relative low income than the population as a whole, after housing costs. The HBAI report stated that these reductions were driven primarily by incomes for pensioners at the lower end of the income distribution falling less than incomes around the median. For 2012/13 poverty has fallen again for pensioners and is now at an all-time low, with 13% living in low-income households, compared to 21% of working age adults and 27% of children¹⁰⁴. Ten years ago, pensioners were much more likely to be in poverty than working age adults, and in 1992 as likely to be in poverty as children; but over the last 20 years, pensioner poverty has fallen sharply, while child poverty has fallen slowly and unevenly and working-age poverty has risen, particularly in the last decade.

In terms of absolute low income indicators, in 2011/12, 18% of pensioners (2.1 million) were in households in the UK with incomes below 60% of 2010/11 median net disposable household income before housing costs, and 15% (1.8 million) after housing costs. The percentage of pensioners in absolute low income before housing costs remained at 2010/11 levels⁶. After housing costs, there was a 1 percentage point increase⁴ in the proportion of pensioners in absolute low income between 2010/11 and 2011/12, measured against the 2010/11 baseline⁵, as low income households containing pensioners saw their *income* fall in real terms, leading to an increase of 100,000 pensioners. Compared to 1998/99, this represents a fall of 21 percentage points (1.9 million) on a before housing costs basis and a fall of 24 percentage points (2.2 million) after housing costs.

There has been a small decrease in the proportion of pensioners aged 65 and over in material deprivation, down from 9% in 2010/11 to 8% in 2011/12.

It is positive that rates of relative and absolute poverty have fallen for older people over the last 15 years. Certainly within the recent welfare reforms program, pensioners were mostly protected against key cuts to benefits. However there are still a significant number of older people in the city who fall underneath the relative and absolute poverty lines. In addition, older people face their own challenges around areas such as the cost of care, and/or being 'asset rich but cash poor', which might mean that whilst they are not technically defined as living in poverty, they can face severe financial hardship which impacts on their quality of life. This section therefore examines these specific needs in relation to the data and learning that is available.

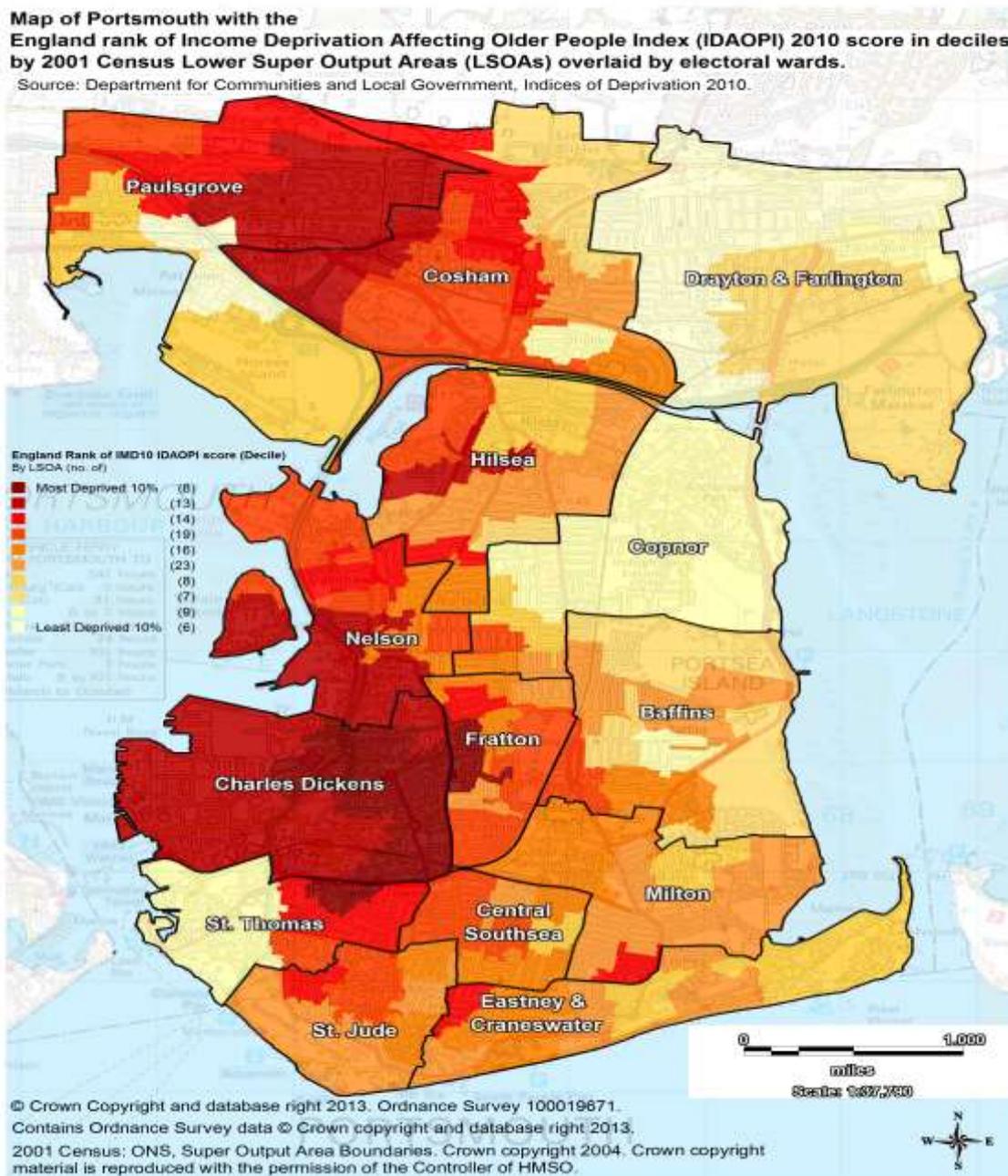
Local picture

¹⁰³ Source: Households Below Average Income - – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

¹⁰⁴ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014:
<http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

As stated previously, there is less data available at a local level for older people who are living in poverty than there are for other groups such as children. The Indices of Multiple Deprivation 2010 data does give specific data for older people in the city, but as also stated previously was drawn from 2008 data sets; and so is out-dated and of limited use.

However it can still give a flavour of where older people in poverty in the city are living, as demonstrated by the following map:



The map demonstrates that the highest levels of poverty centre around the city centre and Charles Dickens ward area, but also with significant levels in the north of the city in the Paulsgrove/Cosham areas. 37.7% of all older people living in the Charles Dickens ward are living in poverty, followed by

Nelson (24.5%) and Paulsgrove (24.3%). Drayton and Farlington has the least, with 5.6%. The following table gives this breakdown by numbers and percentages across the electoral wards¹⁰⁵:

**Number and percentage of persons aged 60 years and over, living in income deprivation
Portsmouth City, by electoral ward**

Electoral ward	Number of persons 60+ yrs living in income deprivation (IDAOP1)	Number of persons 60+ yrs (2008)	Percentage of persons aged 60+ yrs living in income deprivation
Baffins	410	3326	12.3
Central Southsea	390	2274	17.2
Charles Dickens	1380	3662	37.7
Copnor	235	2384	9.9
Cosham	540	3138	17.2
Drayton & Farlington	215	3870	5.6
Eastney & Craneswater	410	2849	14.4
Fratton	480	2366	20.3
Hilsea	485	2581	18.8
Milton	415	2853	14.5
Nelson	645	2635	24.5
Paulsgrove	645	2659	24.3
St Jude	465	2672	17.4
St Thomas	610	3211	19.0
Portsmouth total	7325	40480	18.1

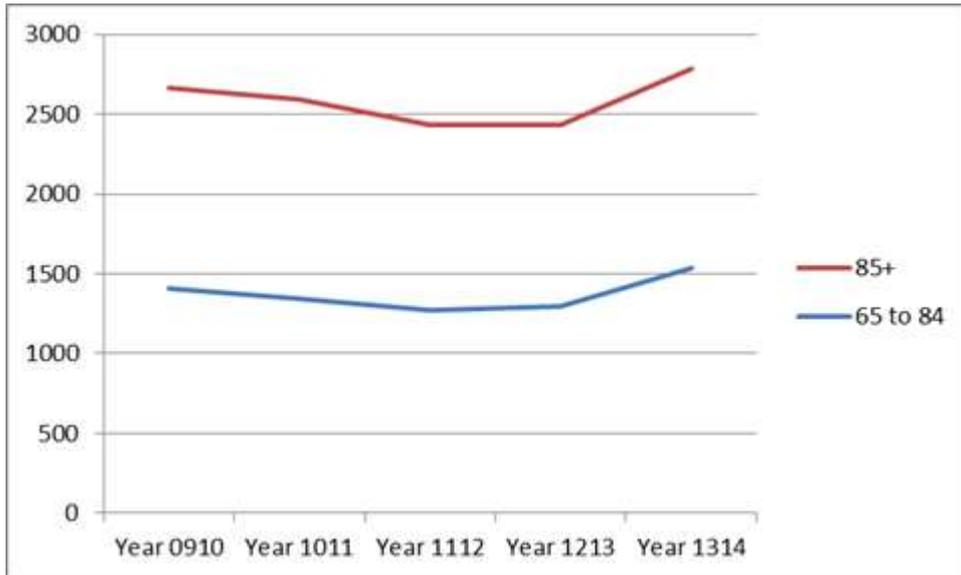
Source: ID 2010 - Department of Communities and Local Government; Hampshire County Environment Department's 2008 based Small Area Population Forecast for 2008.

In terms of Council Adult Social Care users, the following table gives numbers and trend information as follows:

All Clients by Age Group:

Financial Year	65 to 84	85+	Grand Total (65+)
Year 0910	1,410	1,258	2,668
Year 1011	1,342	1,252	2,594
Year 1112	1,269	1,165	2,434
Year 1213	1,294	1,136	2,430
Year 1314	1,533	1,254	2,787

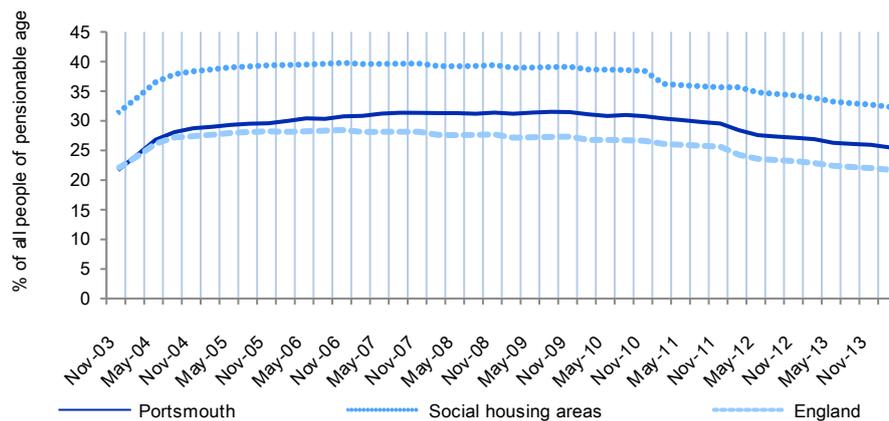
¹⁰⁵ Accessed from Portsmouth JSNA 09.09.14



The following table gives numbers of pension credit claimants in the city¹⁰⁶:

Pension Credit claimants

Increase from 2010 due to new definition of pensionable age (all people aged 65+)



Source: Pension Credit claimants – Department for Work and Pensions (Feb-14), Pensioner household characteristics - Census 2001

So about a quarter of older people in Portsmouth were on pension credit in 2013 - this has declined gradually over the last few years, as it has in England as a whole. However older people often do not claim the benefits they are entitled to. A recent report on the BBC website¹⁰⁷ found that:

- 1.6m pensioners are missing out on Pension Credit, worth £33 a week
- 2.2m pensioners are missing out on Council Tax Support, worth an average £728 a year
- 390,000 pensioners could have claimed Housing Benefit, worth £48 a week

¹⁰⁶ From Community Insight profile for 'Portsmouth' area: Report for Illegal Money Lending Team, created 4 November 2014

¹⁰⁷ <http://www.bbc.co.uk/news/business-29647781>

Age UK said that 'many people do not know that they are entitled to the extra income. Others feel too proud or embarrassed to claim'.

Older people claiming the benefits they need is a key priority for work going forward, as it is known nationally that claim rates around benefits such as pension credit and council tax support are poor.

Summary: Extent of poverty for older people - how much and where
National Households Below Average Income (HBAI) data in 2012/13 showed that poverty had fallen again for pensioners and was now at an all-time low, with 13% living in low-income households, compared to 21% of working age adults and 27% of children.
However there are still a significant number of older people in the city who fall underneath the relative and absolute poverty lines, or who may not meet the definition but are struggling financially (e.g. 'asset rich/cash poor').
Only very limited data is available for the older population at a local level. The old Indices of Multiple Deprivation (2010) data showed that 37.7% of all older people living in the Charles Dickens ward were living in poverty, followed by Nelson (24.5%) and Paulsgrove (24.3%). Drayton and Farlington had the least, with 5.6%.
About a quarter of older people in Portsmouth were on pension credit in 2013 - this has declined gradually over the last few years. Work is required to ensure older people are claiming all of the benefits they are entitled to.

Older people most at risk from poverty

Establishing who might be at most risk of poverty in the city has usually fallen into two distinct categories; geography (i.e. where people live) and vulnerable groups (i.e. groups of people within the community who might be at a higher risk statistically of experiencing poverty).

Groups identified by HBAI data

The HBAI 2013 data¹⁰⁸ gives us some useful information around increased levels of risk for particular groups in the older people's population as follows:

(Please note: all of the following comparisons against national rates of poverty have been taken from individuals living in households with less than 70% of contemporary median income, rather than the 60% used for the children and families and adult sections of this needs assessment. This is because, for pensioners, the differences for households at the 60% poverty line are much less marked than at the 70% line. The 70% poverty line therefore enables better identification of older people most at risk of poverty).

Living alone

¹⁰⁸ Source: Households Below Average Income - – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

Living alone significantly increases the risk of poverty for older people, as demonstrated by the table below:

Percentage of pensioners in low-income groups by various family and household characteristics, UK HBAI 2011/12¹⁰⁹ (Income <70% median income ¹¹⁰)		
Family type	Before Housing Costs	After Housing Costs
Couple living with others	13%	14%
Couple living alone	24%	20%
Single living with others	23%	23%
Single living alone	35%	30%

This may also impact upon, or be impacted upon, social isolation and loneliness, which are known issues in society for older people; i.e. not having the money to go out causes social isolation, and social isolation can in turn make money worries worse, and/or can mean not knowing about financial sources of assistance that may be available for older people (e.g. pension credit and other benefits).

Living in families with disabled members not in receipt of disability benefits

As with the wider adult population, disability in the household can mean a higher risk of poverty. As demonstrated below, not being in receipt of disability benefits has a significant impact on household income. Unfortunately older people can often be the worst offenders in terms of not claiming all they are entitled to – with millions going unclaimed in the country every year. This highlights why there is a need around income maximisation, particularly for the older generation.

Percentage of pensioners in low-income groups by various family and household characteristics, UK HBAI 2011/12¹¹¹ (Income <70% median income ¹¹²)		
Disability and receipt of disability benefits	Before Housing Costs	After Housing Costs
Those living in families where no-one is disabled	28%	24%
Those living in families where someone is disabled	27%	23%

¹⁰⁹ Source: Households Below Average Income – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

¹¹⁰ 70% of contemporary median income has been used here, rather than the 60% used for the children and families and adult sections of this needs assessment. This is because, for pensioners, the differences for households at the 60% poverty line are much less marked than at the 70% line. The 70% poverty line therefore enables better identification of older people most at risk of poverty.

¹¹¹ Source: Households Below Average Income – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

¹¹² 70% of contemporary median income has been used here, rather than the 60% used for the children and families and adult sections of this needs assessment. This is because, for pensioners, the differences for households at the 60% poverty line are much less marked than at the 70% line. The 70% poverty line therefore enables better identification of older people most at risk of poverty.

-1 or more disabled adults	27%	23%
- In receipt of disability benefits	14%	11%
- Not in receipt of disability benefits	35%	31%

Living in a household with a head from an ethnic minority

As with children and families, and the wider adult population, the table below demonstrates clearly that older people in households headed up by someone from a Black and Minority Ethnic (BME) background are at a significantly higher risk of poverty than the national average. The highest level of risk is for the Pakistani community – who are at a 57% (before housing costs) and 59% (after housing costs) risk compared to 27% and 23% nationally.

Percentage of pensioners in low income groups by various family and household characteristics living in households, UK HBAI 2011/12¹¹³ (Income <70% median income ¹¹⁴)		
Ethnic group of head (3 year average)	Before Housing Costs	After Housing Costs
White	27%	24%
Mixed/multiple ethnic groups	-	-
Asian/Asian British	44%	44%
-Indian	41%	39%
-Pakistani	57%	59%
-Bangladeshi	-	-
-Chinese	-	-
-Any other Asian background	-	-
Black/African/Caribbean/Black British	33%	36%
Other Ethnic Group	35%	37%
All pensioners	27%	23%

Summary: Older people most at risk of poverty

National Households Below Average Income data highlights single older people who live alone, Living in families with disabled members not in receipt of disability benefits, Living in a household with a head from an ethnic minority as more vulnerable to poverty. However some older people might not technically meet this definition of poverty and yet be 'asset rich, cash poor' and thus in financial hardship

¹¹³ Source: Households Below Average Income – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013) <https://www.gov.uk/government/collections/households-below-average-income-hbai-2>

¹¹⁴ 70% of contemporary median income has been used here, rather than the 60% used for the children and families and adult sections of this needs assessment. This is because, for pensioners, the differences for households at the 60% poverty line are much less marked than at the 70% line. The 70% poverty line therefore enables better identification of older people most at risk of poverty.

Factors that have a strong relationship with poverty for all residents

Welfare Reforms

Background

The Coalition Government's Welfare Reform Act was passed in 2012, containing the most significant and extensive program of welfare reforms since the welfare state was brought into existence, after the Second World War, by Health Minister Aneurin Bevan.

Research published in August 2013 by the Centre for Social and Economic Inclusion has assessed the combined impacts of housing benefit reforms across the country. Overall, allowing for overlaps between the impacts of the benefit cap and the Local Housing Allowance measure, they estimated that 1.71 million households - or around one in ten of all working age households - will be impacted by one of more of the Housing Benefit reforms set out in the report (social sector size criteria, Benefit Cap, Local Housing Allowance), with an average impact of £1,215 per year (or £23 per week). They also estimated that 1.18 million of these households (70 per cent in total) will be households where no one works.

Portsmouth is above the Non-London average as follows:

Non-London Local Authorities where impacts from key housing benefit reforms 2015/16 are above average¹¹⁵:

Local Authority	Average loss (£ per year)	Proportion of all households impacted
Portsmouth	976	12.5%
Southampton	1090	11.2%
Brighton and Hove	1506	13.9%
Bristol, city of	1056	11.4%
Non-London Average	940	10.2%

The report reflects on how, whilst areas with above average losses and above average proportions of losers are more likely to be in the south of England, what stands out is the large number of coastal towns from around the country; two thirds of all local authorities. The report stresses how different parts of the country will face different challenges; for example, in large parts of the north of England, large proportions of households will see significant changes in income. In the south of England, generally fewer households will see proportionately larger losses from welfare reforms. However some places will see both large losses and large numbers affected, especially London.

In Portsmouth a city-wide risk assessment has been carried out in respect of the changes, containing data and other relevant information around the impacts of the changes and subsequent mitigating

¹¹⁵ Centre for Economic and Social Inclusion, 'The local impacts of welfare reform; An assessment of cumulative impacts and mitigations' LGA August 2013

actions. This has been used on a multi-agency basis to plan for the changes, and to work pro-actively with residents to reduce the risk of financial hardship. The following is a summary of the key changes. (Please note - these are the key changes only - there are many other changes which are not detailed here due to volume).

Key changes

Social sector size criteria (sometimes known as 'the bedroom tax')

This change was implemented from April 2013 and affected people in social housing who were deemed to be 'under-occupying' their property, with reductions to their housing benefit. Pensioners were exempt from the changes.

It currently affects approximately 1,400 tenants in total across Portsmouth City Council (PCC) and Registered Social Landlord (RSL) housing stock. It involves a 14% cut of the total eligible rent if the claimant is under-occupying by one bedroom (average deduction £13.50 a week); or a 25% cut in Housing Benefit if they are under-occupying by two or more bedrooms (average deduction £25.00 a week). As of January 2015, approximately 1,000 PCC tenants were affected. Of these, 44% were not in rent arrears, 27% were in arrears of £200 or less, and 29% were more than £200 in arrears.

All affected PCC residents were contacted to look at their options, and similar work was carried out across the RSLs. Options included downsizing, gaining employment and/or more hours employment, better budgeting, taking in lodgers etc.

As pensioners are not affected by the bedroom tax, the irony for Portsmouth is that there are a significant number of under-occupiers in the city are in fact pensioners who are exempt from the changes. This highlights a need to work on this, for example by ensuring there is appropriate accommodation available for them in the city, as part of the city's housing strategy.

Household Benefit Cap

An overall cap on benefits received per household was implemented in Portsmouth from the 15th July 2013 onwards. The cap is set at £26,000 (£500 per week) for a couple or single parent, and £18,200 (£350 per week) for a single person and applies to working age people only. There are some other exemptions from the cap such as for those claiming Disability Living Allowance or working tax credits.

As of December 2014 it affected 107 households in Portsmouth. Most of these have tended to be families with 3 or more children. Over half were in private accommodation (where the rents are higher than in the social housing sector). The average deduction was £48 per week.

Targeted work was carried out with those in the original tranche, helping people to resolve their situations by either gaining employment, down-sizing to cheaper accommodation or through help with budgeting. Some households were granted Discretionary Housing Payment in the short term whilst they

were exploring their longer term solutions to their shortfall. Of this original tranche, 24 households found employment and as a result 112 more children are now living in working households.

Council Tax Support

From April 2013, Council Tax Benefit was replaced with local council tax support schemes. Some people of working age have faced cuts in council tax support of 20% meaning that if they were not paying council tax previously, they may have from April 2013. People of pension credit age are unaffected.

Changes to the Social Fund

In April 2013, the government abolished the Department of Work and Pensions (DWP)'s Social Fund Community Care Grants and Crisis Loans, and funding was given to Local Authorities instead to provide support according to local need. The funding was not ring fenced and there was not a prescribed way to spend the funds other than it should involve supporting people in financial hardship. PCC therefore established its own Local Welfare Assistance Scheme, which provides similar support to the previous DWP provision - i.e. support for people in crisis or emergency situations, or help with re-settlement/establishment of people with complex needs in the community. Help tends to be targeted towards vulnerable groups such as those fleeing domestic violence, people leaving hostels, hospitals or institutions etc.

From April 2013 to March 2014 a total of 697 awards have been made, evidencing a high level of need locally for this kind of support. No allocated funding is being made available by the government from April 2015 and this is potentially therefore an unmet need going forward.

Disability Living Allowance (DLA)

Disability Living Allowance provides support for the costs associated with disability, both in terms of care and mobility. From 8 April 2013 the government introduced a new benefit called **Personal Independence Payment (PIP)** to replace Disability Living Allowance for eligible working age people aged 16 to 64.

All new claims are now made for PIP instead of DLA. PIP is being phased in over a period of time for existing claims, although the original timetable for this has slipped significantly due to claim processing backlogs.

PIP has a new assessment process with new criteria. As the government has stated its intention to reduce funding in this area it is likely that there are some people who are currently getting DLA at present who will either not be eligible for PIP in future, or who will receive a reduced rate. Research by Bill Sargent Trust estimated that 2,900 people in Portsmouth would be adversely affected by the transition from DLA to PIP, and that collectively they would lose £5m per year¹¹⁶.

Employment Support Allowance

There have been on-going issues in Portsmouth from the previous abolition of Incapacity Benefit, and transitions onto either Jobseekers Allowance or Employment Support Allowance. These issues have involved either problems and delays with processes, or incorrect 'fit for work' assessments.

¹¹⁶ The Impact of Welfare Reform in Hampshire, Bill Sargent Trust, 2013

As stated elsewhere in this needs assessment, problems with sickness benefits locally have been evidenced by a recent piece of research by the Bill Sargent Trust¹¹⁷ with advice services across Portsmouth, Southampton and Hampshire. It showed that the single biggest demand across all advice services involved problems with either applying for or on-going issues with Employment Support Allowance. Research by Bill Sargent Trust estimated that 3,500 people in Portsmouth would be adversely affected by the move from IB to ESA and between them would lose an estimated £13m per year¹¹⁸. During the period October 2008 and May 2011, of ESA claimants judged fit for work in an initial functional assessment, 38% of DWP decisions nationally, and 47% in the South East, were overturned on appeal¹¹⁹, suggesting that the process isn't working for people at present. Anecdotally, agencies are reporting serious delays in processing people's claims (ditto with Personal Independence Payment) and the foodbanks are seeing cases such as this on a daily basis where people literally have no food or funds while they are waiting for their benefits to be sorted out.

As these issues are likely to have a knock on impact on people's health (for example through worry/stress), there is a need to try and work together across agencies to minimise these problems and to influence government policy in this area.

Changes to the sanctions regime

If claimants do not undertake the actions required in relation to their Claimant Commitment related to their Jobseekers Allowance, they are subject to a range of different sanctions ranging from 4 weeks to 3 years. This has been an increase on the previous sanctions regime and the maximum length of time someone can be subject to a sanction. Advice agencies¹²⁰ in the city have reported problems with the processes involved - e.g. poor communication of sanctions and requirements, and poor processes involved. A recent independent review into this has resulted in some changes being made to these processes and procedures. Data available from the Department for Work and Pensions in relation to numbers of people being sanctioned as a proportion of the overall caseload is currently not available.

Universal Credit (not yet implemented in Portsmouth)

Universal Credit is a new single benefit payment for people who are looking for work, or who are on a low income - it will replace six existing benefits with a simpler, single monthly payment. The aim of Universal Credit is to create a simpler benefits system that makes work pay, and makes transitions in and out of work easier in terms of the benefits process. Originally Universal Credit was due to start in October 2013 for new Jobseekers Allowance claims, but this only happened in 6 areas of the country due to delays and further testing. The government is stating that Universal Credit will be rolled out across the UK for all relevant claimants by 2019. It has recently been announced that Universal Credit will be implemented nationwide for all new single Jobseekers Allowance (JSA) claimants from February

¹¹⁷ Counting the Cost: Advice Services and the Public Spending Reductions, Bill Sargent Trust, 2013

¹¹⁸ The Impact of Welfare Reform in Hampshire, Bill Sargent Trust, 2013

¹¹⁹ Department for Work and Pensions; Employment and Support Allowance appeal outcomes; (part of) Ad hoc statistical analysis 2012 - quarter 3; published 12 September 2012

¹²⁰ As evidenced by the Portsmouth Advice Services Partnership response to the Matthew Oakley Review into Sanctions in 2014.

2015. Southampton Jobcentre will be in the first tranche of this roll out, and is expected to go live in March 2015. Eastleigh and Isle of Wight Jobcentres will be in the second tranche, and do not yet have an implementation date. Portsmouth and Cosham Jobcentres will be in later tranches. Other than that, no information is presently available about the timetable for other new claimants and existing claimants of JSA.

The majority of people will have a single monthly payment and will be responsible for paying their housing benefit element to their landlord themselves - i.e. they will not be able to request that the housing benefit element of their Universal Credit is paid directly to their landlord. There will be some exceptions for vulnerable groups as decided by the DWP decision maker, in consultation with the claimant and social landlords where applicable.

In terms of impact, research by Donald Hirsch for the Joseph Rowntree Foundation in 2013 compared incomes for households with different characteristics under both Universal Credit and the current benefits system, taking account of the most recent announcements on scheme design and uprating¹²¹. This demonstrated clearly that none of the household types looked at – single people, lone parents and couple parents – are always better off or always worse off under Universal Credit. This analysis also takes account of rent, Council Tax and childcare where applicable. The report stated that;

- Single people have the same entitlement out of work, are generally better off under Universal Credit compared with current system when working part-time, but no better or worse off at full-time hours.
- Lone parents are substantially better off compared with the current system working fewer than two days a week, but have broadly the same entitlements as now when working more than this.
- Couple parents are also better off working part-time, but will often find themselves worse off when working more than two days a week.

Research by Disability Rights UK, Citizens Advice and the Children's Society has also highlighted that disabled people in particular may see reductions in support under Universal Credit compared with the current system as follows:

- a reduction in the equivalent of the disability element of Child Tax Credit could lead to 100,000 households losing up to £28 a week
- changes to how the equivalent of the disability element in Working Tax Credit is calculated could impact up to 116,000 households by £40 a week
- the removal of the Severe Disability Premium could lead to losses for 230,000 households of £28 to £58 a week

¹²¹ Hirsch, D. and Hartfree, Y. (2013) Does Universal Credit enable households to reach a minimum income standard?, Joseph Rowntree Foundation

With all of these changes, no households will see their benefits reduced at point of transition to Universal Credit - rather it will be new claimants of Universal Credit who will be affected, or existing claimants with a significant change of circumstances.

To summarise: overall people will be somewhat better off under Universal Credit, but these impacts will be different for different groups. As a general rule of thumb, those working very short hours will generally see entitlements increased, many of those working longer hours will see no change to entitlements or a slight decrease, while for those out of work many households will see very little change, but some disabled households may see entitlements reduced.

Welfare Benefits Up-rating Act 2013

For three years from April 2013, all working age income benefits (and Housing Benefit Local Housing Allowance rates from 2014) will only increase by 1%, less than current inflation and not therefore linked to the cost of living. Child Benefit rates were frozen for three years from 2011, and only increased by 1% in 2014. However, the basic state pension was protected by the 'triple guarantee', whereby it will increase by the highest of three measures; average earnings, CPI inflation or 2.5%.

Benefit freezes and increases of 1% effectively equate to a cut in benefits. This has been the area of highest savings for the government within the welfare reforms, with households in Portsmouth losing an estimated £12m per year. It has a significant effect on people's incomes and will also have a knock on effect on the local economy in terms of people having less money to spend in their communities.

Summary: Welfare Reforms
The ongoing programme of welfare reforms has had a significant impact on working age households nationally. In Portsmouth, 12.5% of households have been affected by the key Housing Benefit reforms, losing an average of £976 per year, above the national average (excluding London).
The impact of welfare reforms has varied between households. 44% of PCC tenants subject to the size criteria reduction in Housing Benefit have maintained their full rental payments, while 29% are in arrears of more than £200.
The estimated combined adverse impact on households in Portsmouth of the changes from Incapacity Benefit to Employment and Support Allowance and from Disability Living Allowance to Personal Independence Payments is £18m per year. These changes have created significant additional demand on advice services in the city.
Universal Credit is being rolled out nationally for new, single jobseekers from February 2015, but may not be implemented in Portsmouth in 2015.
Reductions in annual up-ratings to means-tested working age benefits have reduced income in Portsmouth by an estimated £12m per year.

Housing

The 2014 South Hampshire Strategic Housing Market Assessment estimated that 43.7% of households in Portsmouth are unable to afford market housing without subsidy¹²². Unaffordable housing costs

¹²² South Hampshire Strategic Housing Market Assessment, Partnership for Urban South Hampshire, 2014

contribute to poverty by reducing disposable income, but also act as a barrier to poor households securing housing that is suitable for their needs, in terms of size, location, condition etc.

Tenure

The Joseph Rowntree Foundation conducted research into the levels of income required to meet their Minimum Income Standard (MIS), based on household needs and costs. It found that 48.9% of social tenants and 43.7% of private tenants had incomes below the MIS, compared to 12.9% of homeowners with a mortgage and 10.5% of those owning outright¹²³. In the last decade the number of people in poverty in private rented housing nationally has doubled from 2.1m to 4.1m (2002/3 - 2012/13)¹²⁴. The ratio of social housing to all private sector housing in Portsmouth has remained stable since 2001, but there has been a dramatic shift in tenure in the private sector, away from owner occupation and into the private rented sector. Comparing Census data with PCC's Private Sector House Condition Survey (2008) demonstrates that this shift has taken place since the global financial crisis in 2008.

Housing Tenure	Percentage of Total Stock 2011 Source: ONS Census 2011	Percentage of Total Stock 2008 Source: Private Sector House Condition Survey 2008	Percentage of Total Stock 2001 Source: ONS Census 2001
Owner occupied	55.8%	62.6%	64.8%
Privately rented	25.9%	18.0%	16.7%
All Private Sector	81.7%	80.6%	81.5%
Local Authority	11.7%	13.2%	13.3%
Housing Association	6.6%	6.2%	5.2%
All Social Housing	18.3%	19.4%	18.5%
All Tenures	100.0%	100.0%	100.0%

It is useful to look in more detail at Charles Dickens and Paulsgrove wards, which had the highest proportion of social housing, in both 2001 and 2011. In Charles Dickens there has been a 27.2% increase (n = 285) in the number of owner occupying households, but there has been a 25.1% increase (n = 1547) in the number of households living in this ward, so the proportion of owner occupied households has not changed (17.3%). The number of private rented households has increased by 84.1% (n = 550), while social rented households have increased by 16.0% (n = 712), so although the greatest number of new

¹²³ Joseph Rowntree Foundation 'Households below a minimum income standard: 2008/09 to 2012/13' - January 2015: <http://www.jrf.org.uk/sites/files/jrf/Households-below-MIS-Full.pdf>

¹²⁴ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014: <http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

households in this ward have been social tenants, the proportion of social tenants is decreasing in relation to the private rented sector in this ward.

In Paulsgrove there has been very little growth in the number of households during this decade (1.4%, n = 76), but the number of social rented households has reduced by 155, while 227 private rented households have been added. In 2001, 2 in 10 households renting in this ward had a private landlord; by 2011 this had increased to 2 in every 7 households.

Overall, new households in the most deprived wards in Portsmouth are more likely to be living in the private rented sector than in social housing. While the private rented sector can increase the choice and supply of homes, for some low income households it will mean higher rents, worse housing conditions, unreliable maintenance, and low security of tenure, compared to the social rented sector.

The costs of renting privately can exacerbate poverty, through borrowing for rent deposits, rent in advance and lettings fees, increased outgoings to pay for rents not covered by Local Housing Allowance and higher fuel bills for inefficient homes. Private sector tenants have very little security of tenure outside of any fixed term tenancy, and are therefore much more likely to be required to move, and to be at risk of homelessness, than social sector tenants. This is closely linked to causes and indicators of poverty, including the additional costs of moving, difficulty in maintaining links with family and community networks, and disruptions to children's schooling.

96.4% of owner occupier heads of household are either in employment or retired, that is, in the groups least affected by recent welfare reform. The most vulnerable working age tenants, those who are unemployed, long term sick or disabled and full time parents or carers, make up 27.0% of social housing heads of household, and 13.7% in the private rented sector, compared to just 2.5% of owner occupiers¹²⁵. Therefore the social housing sector has a key role in supporting tenants at risk of poverty, but significant numbers of private rented sector tenants will also require support.

Housing Benefit and Local Housing Allowance

From April 2011, the formula for Local Housing Allowance (LHA) rates was changed from the median to the 30th percentile of rents for properties with the same number of bedrooms. This change meant that 7 out of 10 properties in Portsmouth had rents that would not be met in full by the LHA rate for that property size.

With effect from April 2012, LHA rates no longer increase in line with 30th percentile rents. They are uprated by the lower of the 30th percentile of rents, or the previous LHA rate plus 1%. This formula ensures that, over time, LHA levels will fall below the 30th percentile of rents, and therefore less than 3 in every ten rents will be within the LHA rate for the property size. Many households claiming LHA (or Universal Credit with housing costs, which will use the same LHA rates), will be faced with the option of

¹²⁵ ONS Census 2011

paying a top-up to live in accommodation that is large enough for their needs, or living in overcrowded accommodation where the rent is within their LHA rate.

In April 2014, there were 7,620 private sector Housing Benefit claims in Portsmouth, of which 978 preceded the LHA regulations¹²⁶. Of the 6,642 LHA claims, 64.5% (n = 4,283) were for properties where the rent exceeded the LHA rate, and the average shortfall was £18.04 per week. Very few of these claimants receive Discretionary Housing Payments (DHP) to cover the shortfall between the rent and the LHA; in Dec 2014, 193 households were receiving DHP due to a top-up on their rent.

The forecast for DHP awards in 2014/15 is £546,807. Of the 863 DHP awards made from Apr - Dec 14, 595 (69%) were made to households suffering a shortfall due to the reduction in Housing Benefit for social tenants treated as under-occupying (often referred to as the 'bedroom tax') (see further information below). 15 households were receiving DHP due to the Household Benefit Cap. On 1st Dec 2014, 107 families living in Portsmouth were affected by the cap, with deductions ranging from under £5 to £86.52 per week, the average deduction being £48.15 per week, compared to 119 households with an average deduction of £71.00 when the cap was first implemented.

In May 2014, there were 1488 households claiming Housing Benefit whose entitlement had been reduced due to under-occupying social housing; 1257 with a 14% deduction for one additional room, 231 with a 25% reduction for two or more additional rooms. 313 of these 1488 tenants (21.0%) were receiving DHP to assist with this shortfall, including 122 living in properties adapted for their needs. DHP is never awarded permanently and many of the DHP awards mentioned in this section will be short term only, and therefore provide an opportunity to seek alternative affordable housing rather than resolving the affordability issue.

Homelessness

All housing authorities are required to provide details of the number of households that receive a decision under the homelessness legislation, or that are provided with formal assistance to prevent homelessness. These statistics are published nationally. However, this is just a small part of the support, advice and assistance provided by the Housing Options team at Portsmouth City Council, and does not represent the total number of households at risk of homelessness in the area during a given period. It should also be noted that due to significant differences between local authorities in how they respond to homelessness and record activity, comparisons between areas may not accurately reflect differences in incidence of homelessness.

However, it is possible to look at differences over time, to understand trends in need and assistance. Portsmouth City Council's Housing Options team responded to a 5.9% increase (n = 46) in demand for assistance with homelessness prevention and statutory homelessness assistance from 2010/11 to

¹²⁶ Information provided by the Council's Revenues and Benefits Service.

2011/12, but the same period saw a 38.2% increase (n = 84) in demand from households losing private sector rented accommodation.

During the five years 2009 to 2014, 34.1% (n = 1367) of households receiving homelessness prevention and statutory homelessness assistance from Housing Options did so because of losing private rented sector accommodation. The reasons for losing accommodation include: unaffordability; rent arrears; landlords being repossessed for non-payment of mortgage; and Section 21 notices, where a tenant is served notice without grounds for eviction, and the landlord is entitled to mandatory possession of the property. The increase in households in private rented housing discussed previously places more households at risk of losing their home for these reasons, and could therefore lead to an increase in homelessness in the city.

The other most common reasons for homelessness over this five year period were family breakdown, including households living within a related host household (23.9%, n = 957) and violence and harassment, including domestic violence (16.7%, n = 670).

A future rise in interest rates is likely to increase homelessness among owner occupiers whose mortgages become unaffordable, and also among tenants in the private rented sector whose landlords are repossessed, or who raise rents to cover their increased mortgage costs.

Housing conditions

Portsmouth has double the regional and national averages for households with no central heating, at 5.4%. This aspect of the housing stock in Portsmouth has a direct link to fuel poverty (see separate section for further information). There is significant overcrowding in both the social and private rented sectors, where the levels are 19.8% (n = 3,091) and 20.4% (n = 4,523) respectively (under the Census rooms occupancy measure), compared to 3.5% among owner occupiers, and 10.9% of all households. As of August 2014, there were 1506 households on Portsmouth City Council's housing waiting list, meeting the criteria to be considered for more suitable housing due to their housing need. Of these, 732 households were in need of larger accommodation, of which 351 were currently living in social housing, and 381 in the private sector.

Housing related support

Portsmouth City Council commissions accommodation-based support services. There are services for families, young people aged 16 to 25, single people aged 18 to 65, sheltered housing for older people, and Refuge accommodation for women escaping domestic abuse. Across all of these services, in 2013-2014, 77.7% of service users were identified as needing support to maximise their income, with 82.2% of these achieving a successful outcome. 76.6% were identified as needing to reduce their overall debt, with 61.1% achieving this outcome. Accommodation based support enables service users to maintain settled accommodation, and gain the skills to live independently and prevent future risk of homelessness.

Summary: Housing
In recent years there has been a significant drop in owner occupation, and rise in private sector renting in Portsmouth. New households in the most deprived wards in Portsmouth are more likely to be living in the private rented sector than in social housing.
Some low income households renting in the private sector have higher rents, worse housing conditions, unreliable maintenance, and low security of tenure, compared to the social rented sector.
27.0% of heads of household in the social rented sector, and 13.7% in the private rented sector are among the working age groups most affected by welfare reform and at risk of poverty.
64.5% of Local Housing Allowance claims are for properties where the rent exceeds the maximum Housing Benefit entitlement for the occupying household, with the average top up being £18.04 per week, reducing the income available to meet those households' needs.
Between 2009 and 2014, 34.1% of households receiving statutory homelessness assistance from Housing Options were in need due to losing private rented sector housing, and the growth of the private rented sector is likely to increase this demand.
Portsmouth has significant levels of homes that are overcrowded, and homes that do not have central heating.

Food poverty

Please see the earlier section entitled 'The 'Heat or Eat' Dilemma – Fuel and Food Poverty experienced by families'. Whilst much of this section focuses on the food poverty experienced by families, there is also data and learning included that is related to the needs of the general population.

Financial inclusion

'Financial Inclusion' is generally defined as '*access for individuals to appropriate financial products and services...this includes people having the skills, knowledge and understanding to make best use of those products and services*'. Financial exclusion – when people are not financially included – is often a symptom of poverty as well as a cause.

In real terms, what this means is that:

- Many people do not have the basic skills and knowledge they need to manage their money effectively
- They may have passed from childhood into adulthood without this basic knowledge e.g. the benefits of having a bank account or what to consider when borrowing money
- Not having this knowledge can mean paying more for things unnecessarily when already on a low income
- Helping children and adults to gain this knowledge and understanding can therefore help them to make their income go further
- This help may include advice around bank accounts, debt, interest rates on loans, the importance of saving and of insurance and general money management and budgeting

In order therefore to assess need around financial exclusion in the city, the following areas will be examined as follows:

- Addressing the 'poverty premium' for people in financial hardship
- Knowledge of and access to financial products
- Debt
- Fuel poverty
- Digital Exclusion
- Wider knowledge and understanding around money management

Addressing the 'Poverty Premium' for people in financial hardship

Being poor costs people more. In 2010, Save the Children produced a report on the Poverty Premium¹²⁷, the additional costs to low income households for everyday essentials. This showed that people in poverty paid an average of £253 per year more for their gas and electricity. Most of this additional cost was caused by the higher tariffs charged to households with pre-payment meters. Since 2010 there have been some reductions in tariffs for meters, but they remain more expensive than direct debit and quarterly billing tariffs. The Guardian reported in 2013¹²⁸ that Confused.com estimated the additional costs to be as high as £300 per year, while Moneysupermarket's estimate was just over £200 and uSwitch put the figure at about £163. Low income households continue to pay a premium for pre-payment meters, either because they previously fallen into debt, or because they have chosen pre-payment for better control, to avoid the risk of unmanageable bills.

Save the Children's 2014 re-modelling of the 'poverty premium' from 2010 shows that the additional cost of services and goods for poorer families has risen from £1,280 in 2010 to £1,639 a year in 2014 – around 8% of income for families around the poverty line¹²⁹. Poor families pay more for goods because they are poor – for example through high cost credit due to poor credit ratings, and higher insurance through living in areas of higher crime and deprivation. Lack of access to the internet can also mean a lack of access to cheaper deals on line (see also the digital exclusion section). It can also mean people paying more for fuel when they don't have the opportunity to 'shop around' online or when they can't access online discounts for on-line services and bills. The report found, through polling of 4,000 parents, that more families on low and modest incomes have seen their income going down rather than increasing over the past five years; it's only among wealthier families that more have seen a rise.

¹²⁷ <http://www.savethechildren.org.uk/resources/online-library/uk-poverty-rip-poverty-premium-2010>

¹²⁸ <http://www.theguardian.com/money/2013/apr/20/energy-bills-prepay-meters-cost-poorer-households>

¹²⁹ Source: 'A Fair Start for Every Child', Save the Children 2014

TABLE 1 ILLUSTRATION OF POVERTY PREMIUM, 2013–14

Category	Typical costs	Costs to low-income families	Difference
Loan of £500	£500.00	£929.51	£429.51
Basic household item: cooker	£249.00	£858.00	£609.00
Cost to cash three £200 cheques	£0.00	£39.00	£39.00
Annual electricity and gas bill combined	£1,136.00	£1,377.00	£241.00
Home contents insurance	£64.33	£67.10	£2.77
Car insurance	£454.77	£772.74	£317.97
Total	£2,404.10	£4,043.35	£1,639.25

There is a need therefore to counteract the effects of the poverty premium for people households in the city, through:

- Education around high cost credit and alternatives
- Education around how to reduce fuel bills and how to access deals (e.g. discounts for direct debits, the benefits of switching to cheaper suppliers)
- Access to affordable basic household items
- Work around increasing people's income so that they don't fall into poverty and therefore the poverty premium trap
- Work around ensuring people are able to access affordable insurance even when they live in areas of deprivation (see also next section for reference to insurance).

Summary: Financial inclusion - addressing the 'poverty premium' for people in financial hardship

Poor families pay more for goods because they are poor. Save the Children's 'poverty premium' shows that the additional cost of services and goods for poorer families has risen from £1,280 in 2010 to £1,639 a year in 2014 (e.g. through paying more for gas and electric, insurance, credit etc).

There is a need therefore to counteract the effects of the poverty premium for people households in the city, both through education and also through provision of access to affordable goods and services (such as affordable credit and home contents insurance).

Knowledge of and access to financial products

To date, as part of the research around this needs assessment, very little has been found in the way of data relating to how many people in the city have the necessary financial products such as bank accounts and insurance.

Detailed local data is available through the Experian organisation's Financial Strategy Segments product, but at present the Council does not have access to it (there is a cost attached to having this data base, which is not funded at present).

Mosaic data provided by Experian synthesises a wide range of data in order to classify individuals and households into 15 groups and 66 detailed types with common characteristics. It includes data on financial stress and holding current accounts, using indices to show the prevalence of these characteristics for each group and type. It uses a four point scale for managing on current income: comfortable; coping; difficult; very difficult, based on data on missed payments. It also identifies the probability among each group of individuals of holding a current account with a bank or building society, excluding credit union and post office accounts.

By applying the indices for each group at ward level, the incidence of these characteristics has been modelled. This shows that the wards with the highest prevalence of adults finding it very difficult to manage on current income are: Charles Dickens (17.8%); Fratton (15.3%); Paulsgrove (14.6%). In three wards, around two in five adults are finding it either difficult or very difficult to manage on current income: Charles Dickens (45.9%); Fratton (40.4%); Nelson (39.8%).

The wards with the highest proportion of adult residents with no current account are: Charles Dickens (10.8%); Paulsgrove (8.5%); Nelson (7.7%). Across these three wards this equates to 3,183 adults without a current account and 10,011 across the whole city (6.2% of the adult population).

Other (limited) local data is available. For example, the Council's Finance and Benefits Team, which completes financial assessments for residents applying to Adult Social Care (ASC) for services, reported that - whilst formal data is not held in this area - it was thought that about 1/4 of their appointeeship clients (n 60) did not have bank accounts, and for the finance and benefit assessments, around 1/6 (n 500). It was thought that most clients without bank accounts - but not all - tended to hold post office accounts instead. (N.B. Payments from ASC which are Direct Payments are paid onto a pre-paid card, so there is no need to have a bank account. Under the old system for Direct Payments, a bank account was required and the client was supported in opening an account for their ASC Direct Payments).

The Council's Money Advisors who are attached to Housing Area Offices, and who support Housing Officers to provide money and budgeting advice to Council housing tenants - whilst again not having specific data in this area - have reported that they do not work with many people who do not have bank accounts. They do however see a few young people who still live at home with their parents (i.e. non dependents, over 18) who do not have their own bank account but have their benefits paid into their parents' accounts instead. Whilst this has not presented many issues at the time, this may of course present issues later for the young person if they have not gained the money management skills they require to lead an independent life.

The Portsmouth Residents' Survey was conducted in 2007¹³⁰, with the results based on 1,001 interviews carried out face to face, in people's homes. The data is several years old now (and pre-recession/cuts);

¹³⁰ Fieldwork was carried out between 6th October to 14th December 2007. Data are weighted by age, gender and working status to reflect the known population profile of the area according to 2001 census data. All figures are percentages based on

and whilst the survey was repeated in 2009, unfortunately it did not ask these same questions of households and so no data from that period is available. However it is still useful to look at the findings from 2007 as follows:

- 21% of households in Portsmouth did not have home contents insurance (5% did not know/comment)
- 25% of households did not contain anyone with a savings account (3% did not know/answer)
- 7% of households had been refused credit in the last 12 months (4% did not know/comment/refused to answer)
- 4% had used the services of doorstep lenders (2% did not know/answer)

The fact that 21% - i.e. a fifth - of homes did not have contents insurance is a concern. If a crisis such as a flooding, a fire or a burglary happens, people who are living in financial hardship often have no safety net to be able to respond to the situation; and often end up not being able to meet their very basic needs (e.g. damaged household items such as cookers, fridges etc through flooding). In addition The Runnymede report "Financial Inclusion and Ethnicity"¹³¹ suggests that low take-up of home contents insurance is a particular issue for BME groups.

Further work is therefore required in this area to establish whether the location of uninsured homes puts them at greater risk of flooding or crimes such as burglary and arson, such that their exposure to the potentially detrimental effects of being uninsured is greater than the general population. This might then inform targeted work to increase the uptake of affordable insurance.

Other evidence around bank accounts - and specifically access to basic bank accounts - which again is quite old, but still contains useful learning, comes from a piece of research from the Citizens Advice Bureau in 2010. Apart from the benefits of a bank account in terms of savings such as reductions on bills for paying by direct debit, there are other areas which can impact upon the vulnerable (for example people in debt) which are not so obvious:

People who are trying to manage their debts often need to open a new basic account even though they have an existing bank account; if they are in debt to their existing bank, any income they receive into their account may be taken by the bank towards paying off the debt, resulting in serious financial hardship (this is known as the bank exercising its 'right of set off'.¹³²

the total sample except where stated. An asterisk (*) denoted a figure of less than 0.5 but greater than 0. Where the base is less than 50 people, numbers (N) rather than percentages have been used

¹³¹ Financial Inclusion and Ethnicity; Omar Khan, Runnymede (2008)

¹³² Citizens Advice website, 25 November 2010.

In Portsmouth, there is evidence to suggest that access to basic bank accounts (BBAs) can be a difficult process for people with particular needs and/or vulnerabilities. A study was carried out in Portsmouth between August 2008 and September 2009 by Portsmouth CAB, after it became clear from assessments within Probation that offenders were experiencing financial difficulty due to having no bank account. Being able to provide relevant ID to open a bank account was a particular issue for this group. Evaluation showed that, overall, the researcher's experiences with the banks varied quite considerably.

'Some customers wouldn't be able to open an account in branch, they would have to go away and fill in an application form (this could be very challenging for someone who has literacy problems or who lacks in financial confidence) and some banks wouldn't let the customers of a BBA use in-branch facilities or if they were permitted the same access as fee paying customers, strict stipulations would be put in place to limit their access...'

..certain banks seemed to treat their BBA customers differently. For example, when opening a BBA with Barclays, your nationality decided what type of ID you needed, and what the account was needed for decided how it was that you needed to apply (either in branch or sending off an application form.)

In conclusion this report highlighted that, in 2010, there were no fixed guidelines that banks were following in relation to BBAs, and that there were many hurdles and red tape for clients to tackle in order to gain the most basic of banking services. There is a need therefore within Portsmouth to explore with the banks whether this has improved at all over the last 4 years; and how this process could be made easier for vulnerable people.

In December 2014, nine high street banks signed an agreement with the Government to develop 'charge-free' basic bank accounts, to protect vulnerable customers from the risk of charges for unpaid direct debits or unauthorised overdrafts¹³³. These accounts should be available before the end of 2015, and there will be a role for advice and support agencies to ensure that those who would benefit are aware of the accounts when they become available, and are able to access them.

Summary: Financial inclusion - knowledge of and access to financial products
Intelligence Gap: The Council currently has no access to detailed local data on how many residents have the necessary financial products such as bank accounts and insurance.
However modelled data provides a very rough estimate and indicates that the wards with the highest proportion of adult residents with no current account are Charles Dickens, Paulsgrove and Nelson. This equates to 6.2% of the adult population.
Targeted work is therefore required to increase the uptake of relevant financial products, such as the new 'charge free' basic bank accounts being developed by 9 high street banks, and also including affordable insurance.

Debt

¹³³ <https://www.gov.uk/government/news/new-basic-fee-free-bank-accounts-to-help-millions-manage-their-money>

At present the extent of different types of debt in Portsmouth is unknown. Whilst some data is generally available about average debt per household, it includes mortgage debt on properties; and so this does not give a sense of how much debt people have separate to their mortgage debt. More detailed data at a local level is available but on a cost basis; and at present the Council does not purchase this database.

However there is still useful information that can inform the needs assessment around issues of debt for people in Portsmouth; for example national data, and also local data and knowledge from money advice services in the city as follows:

The National Picture

After a double dip recession and significant cuts to public spending and the welfare benefits bill, growing levels of debt are of national concern. Outstanding consumer credit lending was £160.4 billion at the end of June 2014, which is up from £156.4 billion at the end of June 2013, and is an increase of £78.93 for every adult in the UK¹³⁴. Per household, that's an average consumer credit debt of £6,071 in June. It also means the average consumer credit borrowing was £3,175 per UK adult in May. Total credit card debt in June 2014 was £56.9bn. Per household this is £2,154 – for a credit card bearing the average interest, it would cost £54 a month to clear the debt in five years, and £38 a month to clear it in ten years.

There can be no doubt that, since the introduction of electronic money (credit cards, online banking etc), getting into debt can happen at the touch of a button. In many respects this electronic money era may have diminished levels of budgeting skills that were more overt in the 'jam jar' days of money - i.e. when people physically put their rent money in a jam jar, their gas and electric money in another and so on; and this was how they budgeted for their day to day living. How people get into debt and the products available to them has also changed significantly; for example, the number of people struggling with payday loans has risen by 42% in the past year, according to debt charity StepChange¹³⁵.

It is also of concern that debt has an association with mental health issues; research on the Royal College of Psychiatrists website looks at the relationship between debt and mental health problems and cites that:

- One in four people has a mental health problem
- One in four people with a mental health problem is in debt
- One in two people in debt have a mental health problem
- Debt may be a cause and a consequence of mental health problems

The 2014 MoneySavingExpert.com survey also found that some 36% of people who have or have had mental health problems have severe or crisis debts, and just 6% of people who have never had mental health problems have severe or crisis debts. A 2013 survey by debt counsellors Christians Against

¹³⁴ MoneyCharity.Org.Uk August 2014

¹³⁵ Source: <http://www.bbc.co.uk/news/business-29014633> BBC News 02 Sep 14 website

Poverty found that 42% of those seeking debt help had been prescribed medication by their GP to help them cope, 76% of those in a couple said debt affected their relationship and 36% had considered or attempted suicide¹³⁶.

In the previous 2011 Tackling Poverty Needs Assessment, crude calculations suggested that Portsmouth as a city was losing 3 million pounds per year from its economy through one form of debt known as doorstep lending. It was calculated by looking at the difference between borrowing at the interest rate set by a Credit Union, compared to the average doorstep lender interest rate. Therefore doorstep lending doesn't only affect the individual, it affects the overall economy of the city.

Debt can therefore not only have a significant impact on people's lives and their health; but is also likely to increase costs across both public services and wider voluntary and community sector support services as a result.

The Local Picture

Some data is available from several key money advice and support services in the city, which may give some insight into the prevalence and type of the problem locally, as follows:

A sample was carried out at United Savings and Loans (USAL) Credit Union between the 1st July and the 15th August 14. The sample included all payments made out of credit union accounts to various creditors. Although these transactions included payments for people living in other areas (e.g. wider Hampshire), Portsmouth represents a significant percentage of all USAL customers and so this is likely to be a reasonable representation of Portsmouth customers.

The table below has picked out, from the 1999 transactions made to numerous different organisations, the organisations with the highest numbers of transactions. It should be noted that high numbers of transactions does not necessarily equate to the highest amount of money, as some transactions can involve smaller amounts (e.g. sometimes this is where customers have agreed smaller re-payment schedules with organisations).

Please also note that the information below is a rough guide only - it is hard to establish the definitive list of organisations and numbers, as some of the approximately 135 listed organisations may be several versions of the same company.

Table: Organisations with most frequent transactions (from a total of 1999 transactions)

Transaction to:	Number of transactions (with average monthly payment)
Brighthouse CCA	298 - approx. £27.00 a month
Brighthouse Portsmouth	117 - approx. £40.00 a month

¹³⁶ 'Mental Health and Debt 2014 - Help, info, guidance and support for individuals and carers' by Martin Lewis, Jenny Keefe & Marianne Curphey.

(NB - Other Brighthouses listed in areas outside of Portsmouth, not counted)	
Short Term Finance	172 - approx. £33.00 a month
Speedy Cash	141 - approx. £28.00 a month
Vanquis/Vanquis Bank	135 - approx. £78.36 a month
Cash Converters	123 - approx. £48.00 a month
LP1 Collections	67 - approx. £13.00 a month
Capital One Europe	47 - approx. £47.00 a month
Capital One	35 - approx. £63.00 a month
Aqua Credit Card/Master Card/Pay	32 - approx. £52.00 a month
Provident Personal	26 - approx. £55.00 a month
Amigo/Amigo Loans/Amigos	19 - approx. £19.00 a month
Wonga	7 (noted here, as lower than expected) - approx. £99.00 a month

What is striking is that Brighthouse was the most prevalent in terms of transactions, accounting for 20% of all payments out (noting also that the non-Portsmouth Brighthouse store transactions have been removed from the numbers, so the numbers are likely to be quite Portsmouth-specific). Brighthouse record their APR rates as approximately 67% online and people often end up paying back far more than they would for a 'normal'-priced item through other means. Anecdotally the evidence from advice services also supports a culture of use of pay weekly stores in poor communities in the city. Addressing this use is clearly therefore a need in terms of alleviating poverty going forward.

Although Speedy Cash account for 7% of all transactions there were other organisations listed who offer similar services (such as Pound 2 Pocket and Quick Quid) so the proportion of payments made to payday loan-type companies is likely to be higher. Again, addressing this kind of borrowing (which again is evidenced in advice services in the city) is clearly a need.

Of note is also that transactions to The Provident (home collected credit company and arguably the most well-known door step lender) were not as prevalent as expected in the Credit Union transactions; but bearing in mind that many people make these payments in cash on the doorstep. The payments were however higher payments than most (approx. £55.00 a month), apart from the 'credit card-type' organisations such as Vanquis and Aqua, which would understandably be higher due to their credit card nature; and also payday loan company Wonga. This may be due to the differing nature of customers for different services - e.g. these were credit union customers - whereas the prevalence of the Provident for CAB customers was high (see below).

Door step lending has anecdotally been prevalent in poor communities in Portsmouth for a number of years. Because the agents come to people's homes to lend and collect money, agents tend to build up a relationship with the household and arguably 'befriend' the family, for example by knowing key information such as children's birthdays, and by offering more credit linked to this information (e.g. 'I

see its Johnnie's birthday coming up'...etc). It can also cause problems in that, when people have debt such as rent and council tax arrears, which can have severe consequences if not paid, but home collected credit companies come to the door for payment, who is most likely to be paid - the home collected credit company or the landlord?.. The attraction of home collected credit for residents is its simplicity and speed; its disadvantage is its cost and how this can lead to over-commitment and debt.

The following example was taken from the Provident website and demonstrates the cost of borrowing in this manner (APR rates tend to range from between 270% to 400%):

'£200 loan repayable over 32 weeks; 32 weekly payments of £10.00;

Rate of interest 97.5% p.a. fixed; Representative 399.7%APR;

Total Amount Payable is £320'

(taken from Provident Personal Finance website 22.10.14)

The 'hook' for people is that it is £10 a week which may seem manageable at the time, and would be a way of for example replacing a worn out cooker when they have no other means of finding the money up front. This demonstrates the trap of high cost credit for poor households.

The money, debt and benefits advice services also have evidence around the problems caused by debt in the city. Portsmouth CAB stats from 2013 - 2014¹³⁷ show that:

- 38% of their debt clients (n 205) came from just 3 wards; Charles Dickens, Fratton and St Thomas, which are 3 of the most deprived wards in the city.
- 80% of these (n 428) had 3 or more debts.
- It should be noted that whilst only 2% of these clients (n 10) were recorded as having a debt to Brighthouse, this is because they are generally recorded by CAB as weekly outgoings against hire purchase rather than debt.
- Charles Dickens had the highest number of clients receiving help from CAB (16% - n 67), some of the highest levels of clients with 3 or more payday loans (11% - n 10), and the highest prevalence of Provident home-collected credit (30% - n 26). Provident home-collected credit was also common amongst clients from Fratton (27% - n 16) and Paulsgrove (26% - n 9).
- St Thomas had the highest prevalence of payday loans (34% - n 20), noticeably higher than the next highest concentrations, in Charles Dickens and Hilsea (each 28% - n 24 and n 8).
- Those seeking help with debt were most likely to be single people, who represented 33% (n 176) of all clients.
- Single parents and couples with children, those employed for more than 30 hours per week, social housing tenants and clients with long-term health conditions were all over-represented amongst those with payday loan debt.
- Owner occupiers with a mortgage and unemployed people seeking work were less likely to have payday loans compared to other types of debt. Even so, 18% (n 22) of households with payday loan debt were unemployed seeking work, a group whose fixed low income should make payday loans unsuitable.

Portsmouth CAB also commented that the 'debt spiral' in relation to fines can also be a large cause of income being drained from poor communities. For example, someone being fined for lack of a TV licence will end up with a criminal fine via the magistrates court, after which their car can be taken/entry can be forced to seize goods etc. Similarly with parking enforcement, costs can easily escalate to £600 if there is non-payment. Cars or goods can be seized. Anecdotally the CAB reports that previously, clients were likely to pay these sorts of costs on credit card if they had no other funds; but now with credit less readily available, they often turn to payday lenders instead.

¹³⁷ Portsmouth CAB statistics based on 537 clients given debt casework support at the Bureaux between 18/08/13 and 20/08/14.

Other evidence of problems with debt in the city comes from Portsmouth's Local Welfare Assistance Scheme. In April 2013 the government abolished the Department for Work and Pensions (DWP)'s Community Care Grants and Crisis Loans. These are both of particular relevance to levels of debt in the city as, in the past, people on low incomes and on certain benefits at a high level of vulnerability had been able to access a crisis loan or community care grant from this provision to fund certain financial crises and/or key household goods such as fridges or cookers. This meant that people were able to avoid using high cost credit (such as doorstep lenders and payday loan companies) to fund these items.

Portsmouth has been running its own Local Welfare Assistance Scheme with identified funding from the government since April 13. It should be noted that this identified government funding will no longer be available after the end of March 2015, and so options for very limited future provision in the city are currently being explored. Reduced funding will inevitably mean that there are less options available to people in the city who are in financial destitution and who need emergency funds or items; and so may be more likely to turn to high cost credit. However there is some useful data from the scheme's provision to date as follows:

- From 02 April 2013 to 31 March 2014, 2,271 applications were received. In total 697 cases were paid. 200 cookers and 257 fridge/freezer/fridge freezers were awarded. For those who were successful in their applications, these people had no means to buy their own white goods; either due to very low income, or due to not being able to access credit (for example due to poor credit histories or already having significant debts).
- There is therefore a need for provision of local welfare assistance, including affordable white goods and affordable credit, for people who are already struggling financially and demonstrate a high level of vulnerability. This is an important diversionary resource therefore from pay weekly stores or pay day loan companies.
- Two of the questions asked as part of the scheme's application process centre around debt. A sample was taken from when the scheme commenced (02.04.13), to recently (26.08.14). Of the 2972 customers making applications during this period, 940 (32%) responded 'yes' to the 'do you have debt' question. 120 people answered the follow up question of 'have you tried to get help with your debt issues?' to which 57% said no.
- This highlights that even when people are struggling financially and accessing a provision such as the local welfare assistance scheme, a significant proportion of people have not accessed debt advice. This corresponds with a survey by StepChange debt advice charity, which found that half of those surveyed had waited over a year between realising their debts were a problem and seeking help¹³⁸.

As stated previously, if funding for the current provision does not continue beyond 2015 (at present there is only £90,000 available for 2015/16), some very vulnerable groups may have no alternatives

¹³⁸ StepChange Statistics Yearbook - Personal Debt 2013

other than to turn to expensive pay-weekly organisations such as Brighthouse, or payday loan companies, or doorstep lenders such as the Provident.

This evidence around debt in the city and some of the organisations who seem to be prevalent in poor communities suggests that further exploration is required in relation to any planning or licensing powers the Council may have to control or limit the numbers of organisations in the city who provide high cost credit.

In addition there is little information or data at present around levels of problem gambling in the city which can result in debt (which includes bingo, slot machine arcades, lottery, scratchcards, betting shops and online gambling). There is a need to assess the level of this problem; and if significant, to develop a co-ordinated approach to addressing it through education and related activities. Planning and/or licensing powers held by the Council may be able to assist in some way in relation to establishments such as betting shops. Further exploration of these possible controls is required (for example looking at work in Westminster in this area).

Finally, little is known about the prevalence of illegal money lending in the city (sometimes referred to as 'loan sharks'), which operate outside of any regulations in relation to lending money and are known for exorbitantly high costs attached to this kind of credit. Generally people are very reluctant to come forward about loan sharks, and this may be partly due to threats of (or actual) violence and intimidation, which are known risks with this kind of lending. The England Illegal Money Lending Team states that it relies on partner agencies and the public for intelligence, because if it's not reported they cannot act. However the national picture gives a bit of insight as follows¹³⁹:

- Victims assisted - 24,907
- Number of prosecutions – 321
- Amount of debt written off - over £62 million
- Prison sentences – over 205 years.

This highlights the need for further awareness-raising in this area. In addition, locally, case studies have been provided by the Illegal Money Lending Team around two prosecutions in the Portsmouth areas as follows:

Portsmouth Case 1:

A taxi driver who was also joint owner of a large private hire company lent to borrowers within his community – mainly other drivers. He charged interest ranging from 800% up to 11,455%. He was found guilty and got a suspended sentence but also had to pay back £337,000 under the Proceeds Of Crime Act (POCA) and £25,000 court costs. He had to sell his half of the private hire company and his home in order to pay back the POCA. If he hadn't paid within six months, he would have faced five years in jail. He also lost his taxi licence.

Portsmouth case 2:

A Manager of a care home “befriended” new employees and gave them a little money to tide them over before their first pay check, thus gaining their trust. He then offered loans to staff. Alice* got involved as she worked at the same care home. By the time she started to receive support from the Illegal Money Lending Team she had large amounts of debt owing to various legal companies including door-step lenders, catalogues and store card companies as well as trying to pay the illegal lender.

The IMLT Liaise Officer referred her to Step Change - a free national debt advice service - and advised her to destroy existing credit cards to stop temptation. Alice* signed up to a debt management plan with Step Change and stated that she “felt a lot more optimistic knowing that she would be completely debt free within three years”.

She also opened up a savings account - now she’s no longer paying the loan shark she hopes to avoid borrowing ever again! Alice adds “For the first time in years I’m in control of my finances and have even taken out employment insurance to cover sickness after discussion with the Liaise Officer and Step Change”.

The Illegal lender was removed from his post in the care home after a guilty verdict at court.

Summary: Financial inclusion - debt

Debt has an association with mental health. One in four people with a mental health problem is in debt, and one in two people in debt have a mental health problem.

A sample by Portsmouth's Credit Union in 2014 showed that Brighthouse Pay Weekly Store (APR approx. 67% online) was the most prevalent of transactions, accounting for 20% of all payments out. Pay-day loan-type companies also featured significantly.

Door step lending has also anecdotally been prevalent in poor communities in Portsmouth for a number of years. APR rates tend to range from between 270% to 400%.

High cost credit is causing levels of debt in the city through this use of expensive forms of credit. Public education and awareness-raising with frontline staff will continue to be required in order to address some of these issues. Further exploration is required in relation to any planning or licensing powers the Council may have to control or limit the numbers of organisations in the city who provide high cost credit.

Lack of ongoing local welfare assistance provision for furniture and white goods for people in crisis is likely to escalate debt and use of high cost credit, as will a lack of affordable white goods and affordable credit for people on low incomes in the wider population.

Nationally half of those in a recent StepChange survey had waited over a year between realising their debts were a problem and seeking help. Work on getting people to seek earlier is therefore a need.

Intelligence Gap: There is little information or data at present around levels of problem gambling in the city which can result in debt. Again, planning and/or licensing powers held

by the Council may be able to assist in some way with this.

Fuel Poverty

A household has previously said to have been in fuel poverty when it needed to spend more than 10% of its income on fuel to maintain a satisfactory heating regime. This is usually 21° Celsius for the main living area, and 18° Celsius for other occupied rooms.

The measure was based on energy needs (i.e. required household energy consumption, modelled for space heating, lights and appliance usage, water heating and cooking) and an average tariff for that household. But this previous measure was felt to be not as effective as required (e.g. people with big properties but also with high incomes could be classed as living in fuel poverty).

Consequently a new measure was developed in 2013 which calculates the overlap between low income in a household, and higher than usual energy costs. This is called the Low Income High Cost (LIHC) Indicator. It effectively measures the extent of fuel poverty, when people have fuel costs above average & which take them below the poverty line. It also measures the depth of the problem (how far people's energy needs exceed reasonable costs) – known as the fuel poverty gap. It counts the number of individuals as well as households.

The data used for the calculations comes from the Annual English Housing Survey (EHS), compiled by the Dept for Communities and Local Government (DCLG). It covers all tenures (private and social). It involves an interview survey with people in each dwelling used and also involves a physical survey of the dwelling itself by professional surveyors.

In 2012, around 13,600 households took part in the interview survey which was carried out between April 2012 and March 2013¹⁴⁰. Of these households, around half were selected for the follow-up physical survey element, which involves a physical inspection of the property by qualified surveyors.

Latest data (Department for Energy and Climate Change (DECC) 2012):

Under the old 10% spend measure, 10.4% of households across all tenures in Portsmouth are deemed to be in fuel poverty (DECC 2012). The UK-wide average is 17%. Note that under the old measure, Portsmouth is at significantly lower risk of fuel poverty than average. This isn't significantly different to the previous year (DECC 2011) where 10.3% in Portsmouth were in fuel poverty. Southampton is slightly lower at 9.3%. East Hants is also lower at 8.9%, and Fareham is even lower at 6.0%.

¹⁴⁰ To boost the sample size of the physical survey, two years' worth of EHS data (from the physical element) are combined. For the 2012 data, this covers the period between April 2011 and March 2013, and comprises around 12,250 households. Therefore the annual fuel poverty data is a combination of two consecutive years' worth of data – 2011/12 and 2012/13. From this information, a detailed picture of household energy requirements can be modelled.

Under the new LIHC measure, 10.7% of households in Portsmouth across all tenures are deemed to be in fuel poverty (DECC 2012). The England average is 10.4%. Note that the new measure covers England only, and not the wider UK. Also note that, under the new measure, Portsmouth is much closer to the average than under the old measure. This is a significantly drop to the previous year (DECC 2011) when 14.4% in Portsmouth were in fuel poverty. Southampton is significantly lower at 10.1%. East Hants is also significantly lower at 6.6%, and Fareham is even lower at 5.2%.

The drop in Portsmouth under the LIHC measure from 14.4% in 2011 to 10.7% in 2012 is echoed nationally. In its Annual Fuel Poverty Statistics Report for 2014, DECC states that:

'In 2012, the number of households in fuel poverty in England was estimated at around 2.28 million, representing approximately 10.4 per cent of all English households. This is a fall from 2.39 million households in 2011 (a reduction of almost 5%). In line with this, the aggregate fuel poverty gap (in real terms) also dropped by around five per cent, from £1.06 billion in 2011 to £1.01 billion in 2012, as did the average fuel poverty gap over this period, from £445 to £443.

Due to the relative nature of the LIHC measure, it is difficult to accurately isolate absolute reasons for changes. However, in summary, changes in income, fuel costs and energy efficiency levels amongst fuel poor households are broadly consistent with the changes seen for the population as a whole. Hence the overall change in the number of households in fuel poverty was relatively small – with the reduction happening mainly due to income increases for higher income fuel poor households'.

The following table demonstrates fuel poverty, using the LIHC measure (DECC 2012) by ward level in Portsmouth as follows (provided by Public Health Portsmouth Oct 14):

The proportion of households in the corresponding *ward that were fuel poor (by the Low Income High Cost definition) in 2012, Portsmouth.
LSOA data aggregated to electoral wards

Ward	Sum of Estimated number of households (LSOA data aggregated)	Sum of Estimated number of Fuel Poor Households (LSOA data aggregated)	Proportion of households fuel poor (%)
Baffins	6095	518	8.5
Central Southsea	6366	1241	19.5
Charles Dickens	7690	568	7.4
Copnor	5296	470	8.9
Cosham	5601	530	9.5
Drayton and Farlington	5256	384	7.3
Eastney and Craneswater	6058	615	10.2
Fratton	6503	871	13.4
Hilsea	5617	463	8.2
Milton	5896	623	10.6
Nelson	6132	685	11.2
Paulsgrove	5580	583	10.4
St Jude	6225	817	13.1
St Thomas	7085	746	10.5
Portsmouth	85400	9114	10.7

Source: © Department of Energy & Climate Change (DECC).

The above table demonstrates that, when disaggregating to smaller areas, the percentages of households in fuel poverty can range widely. This is also evident in the even smaller LSOA areas.

In terms of what works to reduce fuel poverty, research shows that policies that improve thermal efficiency of housing stock tend to be most cost-effective. (They reduce both fuel poverty and greenhouse gas emissions). However these policies take time to have an effect and some short-term interventions are still required in the interim.

Tackling fuel poverty gives wider societal benefits which can address the priorities of a number of services. For example, work on fuel poverty can prevent excess winter deaths and other public health issues; it can alleviate wider poverty and other poorer outcomes for people around areas such as housing and education; and it can decrease carbon emissions. This can be around simple work such as increasing insulation of homes, reducing draughts, reducing energy wastage (e.g. things left on standby) and moving to low carbon options e.g. more efficient boilers, gas instead of electric heaters etc.

Whilst older people tend to be the group at highest risk of fuel poverty, it is important to note that children and families are the second most prevalent group to feature in terms of vulnerability. Many families in the city are suffering financial hardship with approximately a quarter of all children in the city classified as living in poverty. In addition children and families have been hit particularly hard by the welfare reforms. Low incomes have meant less money for food and fuel, creating a 'heat or eat' dilemma for some families. This can have an effect not only on diet but on children's homework and education, and on parental mental health through worry/anxiety etc. Work to identify families who may be suffering from fuel poverty in order to offer advice, support and access to any relevant resources is therefore an important role for frontline staff, who have often built up relationships with families of this nature.

Health effects of the cold

A combination of factors put older people and those who have chronic health conditions more at risk in the cold: as people age their ability to maintain a normal body temperature often declines, sensitivity to registering the cold can also decrease, and it can take longer to get warm again when the body has become cold.

In cold conditions there is a greater risk of heart attack and stroke, for as the body temperature falls the blood thickens to keep core organs such as the heart and lungs warm and does not circulate so well. The body will also move blood from the extremities e.g. hands, feet and outer skin to the core of the body. This causes blood pressure to rise, the blood vessels narrow and as a consequence the risk of heart attacks and strokes rises. Circulatory and respiratory diseases are the major risks to health.

The Department of Health (DH) commissioned an independent evaluation of the CWP from the Policy Innovation Research Unit, London School of Hygiene and Tropical Medicine (PIRU LSHTM) in 2012. Preliminary findings indicated that negative health effects start at relatively moderate outdoor temperatures of around 5-8°C. They state *that 'Although the risk of death increases as temperatures fall, the higher frequency of days at moderate temperatures mean that the greatest health burden in absolute numbers of deaths, occurs at these moderate temperatures'....and that 'This means that action*

*to prevent excess winter morbidity and mortality should not be restricted to the very cold days, but should be carried out throughout the winter period*¹⁴¹.

In fact death due to hypothermia (re exposure to extreme weather) is not the main cause of cold related illness and death. It is diseases of the circulation - including heart attacks and strokes - that account for 40% of excess winter deaths. Another 1/3rd of deaths are caused by respiratory illness. The report states that '*Weather-related deaths from heart disease increase almost immediately with the onset of cold weather, reaching their highest levels after two days. Increased incidences of stroke takes place approximately five days after the onset of cold weather periods and deaths from respiratory illnesses peak at 12 days*'.

These are the most serious health conditions that are induced by the cold and each winter in Portsmouth and which can result in preventable deaths which are known as Excess Winter Deaths, or Excess Winter Mortality (see also next section). In addition people living in homes at temperatures between 12° and 15° Celsius have an increased tendency to suffer from colds, flu and chest infections, as the cold lowers resistance to respiratory infections and impairs lung function. Cold conditions in the home can also contribute to condensation, dampness and mould growth, which in turn can lead to allergies and can cause problems for people with respiratory illnesses such as asthma.

Excess Winter Mortality (EWM)

The number of Excess Winter Deaths (or Mortality) refers to additional deaths occurring in winter months. The most common causes are increases in deaths from respiratory and circulatory diseases. A link is often made with influenza in that it can cause complications such as pneumonia and bronchitis, especially in older people. But the relationship between temperature, influenza and excess winter deaths has become less clear in recent years according to the Office for National Statistics (ONS). For example a very cold winter does not always equate with higher levels of influenza, and the relatively mild winter of 1999/2000 produced the epidemic levels of influenza and the highest levels of excess winter mortality in recent years¹⁴².

In Portsmouth, respiratory conditions are the main cause of most EWM, especially Influenza, Pneumonia and Chronic Obstructive Pulmonary Disease (COPD). EWM for Influenza and Pneumonia is significantly higher in the under 65's, but EWM due to circulatory diseases mostly affects those aged 65+. Whilst it is higher in the least deprived areas (and for those who die in their own homes), these areas could have a higher proportion of over 65s; and also more residential and nursing homes for frail older people¹⁴³.

¹⁴¹ From 'Cold Weather Plan for England'; Public Health England 2014

¹⁴² Portsmouth JSNA - Excess Winter Deaths - accessed 22.10.14

¹⁴³

Taken from 'Excess Winter Deaths in Portsmouth' - Public Health Portsmouth (on JSNA Portsmouth) uploaded Aug 13 - http://www.hants.gov.uk/pccjsna/API_STR_JSNA_MORT_WINT_Insights_2013.pdf
<http://protohub.net/jsna/portsmouth-jsna/mortality/>

So Portsmouth is slightly different to the national picture for EWM in that nationally, heart attacks and strokes are the main cause of EWM (at 40%) followed by respiratory conditions (at 30%). In Portsmouth, as stated above, respiratory conditions are the main cause of most EWM; it appears less likely that there is a seasonal difference with circulatory diseases such as heart attacks and strokes in recent years. However the Portsmouth data is based on a much smaller number of deaths than the national picture, so it may be limited in its significance. But, as mentioned elsewhere, stroke is linked to fuel poverty in the Portsmouth analysis, so the impact of circulatory disease remains evident in Portsmouth; especially since certain circulatory diseases remain the leading causes of deaths all year round (CHD and Stroke - both of which had higher numbers of deaths in the winter than COPD and flu respectively).

There is strong evidence nationally that the cold is associated with higher EWM, primarily due to its impact on circulatory and respiratory disease. Locally, for older people, those living in the 20% highest areas most likely to have central heating had the lowest EWD Index. However, the data shows a strange stepped pattern with older people living in areas least likely to have central heating having lower EWD than areas more likely (up to the most likely 20% level) to have central heating. This poses the question - can people afford to use their central heating? Locally, even though there has not been a clear link between fuel poverty and EWM, there have been many caveats with the data such as relatively small numbers and gaps in data in some years, and so having to make assumptions from more recent data and apply it across many years.

There are also caveats in general with the EWD methodology as sometimes there can be excess deaths in months outside of the traditional winter period (e.g. flu in April) and possibly warm summers, but there is little evidence of the hot summers having an impact in Portsmouth.

So returning to fuel poverty, and its links with EWM - Public Health Portsmouth's analysis of the most recent 6 year period shows no significant difference in EWD between the most and least fuel poor. For people aged 65+, EWD due to circulatory disease is highest in the least fuel poor areas. However EWD from stroke is higher for older people living in areas most likely to have no central heating so it would appear that there is however a link between EWD via deaths from stroke, and fuel poverty.

Public Health Portsmouth's analysis also found that, in line with national findings, local areas with the highest proportions of private rented housing have the highest EWD - especially for deaths due to influenza and pneumonia, CHD and stroke; and there is evidence from Portsmouth's Joint Strategic Needs Assessment to suggest a link between private rented properties and fuel poverty in more recent years. However, the exact impact of housing tenure and fuel poverty on each individual death is unknown - it can only be assumed from the aggregated higher geographies such as LSOA where statistics can be generalised. It's possible that individual households within an area might not represent the aggregated statistic of the higher geography (e.g. LSOA or Ward). Subject to certain data caveats,

Public Health Portsmouth also found that EWD are higher for deaths occurring in 'residential homes', 'mental health communal establishments' and 'elsewhere'.

As stated earlier, recent cold winters did not see exceptional increases in deaths due to circulatory and respiratory diseases. For people aged 75+ there is an increase in deaths due to circulatory and respiratory diseases, but sharp increases in deaths due to these conditions have declined over the years.

**Excess Winter Mortality Index (%), by electoral ward
Portsmouth residents: Persons, all ages (excluding neonatal deaths), 2006/07 to 2010/11 (pooled)**

	Average winter deaths (Dec-Mar)	Average deaths in rest of year	Excess Winter Mortality (%)
Baffins	51	45	14
Central Southsea	46	30	53
Charles Dickens	78	63	24
Copnor	36	32	11
Cosham	65	54	20
Drayton and Farlington	64	49	31
Eastney and Craneswater	62	54	15
Fratton	45	36	25
Hilsea	54	43	24
Milton	53	38	42
Nelson	58	48	19
Paulsgrove	56	44	26
St. Jude	70	50	39
St. Thomas	58	47	25
Portsmouth City	794	632	26

Source: ONS Public Health Mortality file

Work to identify households who may be suffering from fuel poverty in order to offer advice, support and access to any relevant resources is therefore an important role for frontline staff, as is continued public education.

Summary: Fuel poverty
Under the old 10% measure, 10.4% of households across all tenures in Portsmouth are deemed to be in fuel poverty, compared to 17% for the UK. Under the new Low Income High Cost (LIHC) measure, 10.7% of households in Portsmouth across all tenures are deemed to be in fuel poverty, compared to 10.4% for England.
Research shows that policies that improve thermal efficiency of housing stock tend to be most cost-effective in alleviating fuel poverty.
Whilst older people tend to be at highest risk of fuel poverty, children and families are the second most prevalent group to feature in terms of vulnerability.
The main cause of cold related illness and death is circulatory diseases, including heart attacks and strokes, accounting for 40% of excess winter deaths nationally. Another 1/3rd of deaths are caused by respiratory illness. The cold is associated with higher Excess Winter Deaths (EWD) - also sometimes known as Excess Winter Mortality (EWM).
Work to identify households who may be suffering from fuel poverty in order to offer advice, support and access to any relevant resources is therefore an important role for frontline staff, as is continued public education.

Digital Exclusion

The internet is a fact of life for most people in Britain; in 2013, 73% of the population accessed the internet daily (Office for National Statistics 2013). The internet offers information, employment, communication, entertainment, shopping; the range and capability of web-based content is constantly expanding. But 17% of the population does not have access to the internet, and around 12% of the UK population has never used the internet (ONS 2014). The Tinder Foundation found that 60% of those who do not use the internet have no qualifications, and 42% earn less than £12,500, so digital exclusion disproportionately affects those in poverty or at risk of poverty. As the internet becomes increasingly central to economic, cultural and social life, those not using the internet are at increasing risk of exclusion and poverty.

In Portsmouth multi-agency meetings have identified that:

- Internet access is available at a number of community locations throughout the city
- Support available varies across these locations, and is often insufficient to meet demand
- Demand for access and support is increasing, as more services move online
- Some client groups will require additional support, including some people with disabilities and those with lower literacy or English language skills
- Digital exclusion can be the result of a lack of skills, access or motivation, or a combination of these factors as follows:

Skills

Without a basic level of computer capability and understanding, people are unable to use the internet and are excluded from independently accessing any web-based content. The 2011 Skills for Life Survey in England, of people aged 16 to 65, included 3 aspects of computing skills: email; word-processing; and spreadsheets at ward level in Portsmouth as follows:

Council Ward Name	Low Skills - Email	High Skills - Email
	Skills at Entry Level or below (highest 3 highlighted)	Skills at Level 2 or above (GCSE Grade C or above) (highest 3 italicised)
Baffins	34.3%	47.2%
<i>Central Southsea</i>	22.4%	<i>62.0%</i>
Charles Dickens	46.0%	36.5%
Copnor	33.3%	48.1%
Cosham	37.9%	43.7%
Drayton and Farlington	30.4%	51.2%
<i>Eastney and Craneswater</i>	27.1%	<i>55.5%</i>
Fratton	32.9%	49.0%

¹⁴⁴ Skills for Life Survey 2011

Hilsea	34.8%	46.7%
Milton	31.2%	51.3%
Nelson	38.3%	43.3%
Paulsgrove	45.5%	35.8%
<i>St Jude</i>	22.9%	60.7%
St Thomas	30.3%	52.8%

Central Southsea had almost twice the percentage of residents with high skills in email than Charles Dickens, and less than half the percentage of residents with low skills. However, even in Central Southsea where high skills in email are most common, over a fifth of residents did not have the skills to be able to use email independently.

Portsmouth Jobcentre Plus completed a survey of 2,897 customers¹⁴⁵ in April 2012. This found that 17.5% would require assistance in order to use the internet, which is particularly relevant because of the introduction of 'Digital Jobcentres' this summer. A triage service will assess service users' online skills, to better understand the needs of people claiming benefits, and target support to improve their skills.

Access

For those with online skills, the most significant barrier to getting online is access; to a suitable device, an internet connection, or both. Poverty is a significant barrier to access, in terms of the monthly cost of a connection, the cost of a device, and the cost to repair or replace devices when required.

Between 25th June and 1st August 2012, Portsmouth City Council conducted a survey of its customers¹⁴⁶. Whilst it is not possible to say whether this survey accurately represents those who are digitally excluded, 30% did not have internet access, significantly above the national average in 2012 of 20%.¹⁴⁷ Participants were asked about their internet usage. The survey found that, of those who were resident in Portsmouth, 70% had internet access. Of these, over 90% of 16 - 34 year olds had internet access. But only 50% of over 65s had internet access, and less than 20% of over 75s. The proportion of participants with internet access was significantly below the national average reported by the ONS in 2013. This may be due to the survey reaching a higher proportion of those digitally excluded, or due to internet access increasing between the two surveys, or a combination of these factors. The generation gap in this survey group is immediately apparent, with high levels of access amongst the under 35s, reducing through the age groups to the lowest level of access amongst those aged 75 and over.

Over 90% of those with internet access reported using the internet on a computer in their home, while 30% accessed the internet using a mobile phone and 20% accessed it at work. Less than 10% used

¹⁴⁵ Jobseekers Allowance, Employment Support Allowance and Income Support claimants

¹⁴⁶ The survey comprised of customers who contacted the council either in person at the Civic Offices Cashiers Desk (379 customers), or by telephone to the City Helpdesk (414 customers).

¹⁴⁷ ONS August 2013 Table 14.

wireless internet (Wi-Fi) hotspots away from their home, and less than 2% reported using libraries or similar community-based provision. However, the use of Wi-Fi hotspots is increasing rapidly, particularly among younger people. Nationally, 94% of 16-24 year olds have used a mobile phone or portable device to access the internet away from work or home, compared to only 17% of those 65 and above¹⁴⁸.

Motivation

People who have not used computers or the internet are more likely to want to learn if they feel it is relevant to their life and interests. A survey in Portsmouth¹⁴⁹ in 2012 found that whilst 51.9% used the internet at least once a fortnight, 41.5% never used the internet; and of these;

- 29% reported having no internet access
- 31% had no interest in using the internet
- 13% reported no need to use the internet

ONS research from 2013 also found that, of the 17% of British households with no internet access, 59% said they did not need it because it was not useful or interesting to them. In addition an ONS 2014 report found that in Portsmouth, between 17.8 and 31.9% of adults had never used the internet, above the UK average of 12.3 to 12.9%. But without understanding what the internet has to offer, people will not develop the skills to take advantage of opportunities that occur online, and will fall further behind.

To conclude, it is important to understand the range of tasks that people need to complete online; the devices they might use to access them; restrictions/time limits on particular sites; levels of motivation to engage, and what might engage them in order to reduce digital exclusion in Portsmouth. This will require a local approach that can work with people at home, in their communities and in their workplaces, in order to meet their needs.

Summary: Digital exclusion
The Tinder Foundation found that 60% of those who do not use the internet have no qualifications, and 42% earn less than £12,500, so digital exclusion disproportionately affects those in poverty or at risk of poverty.
The 2011 Skills for Life Survey in England identified that Central Southsea had almost twice the percentage of residents with high skills in email than Charles Dickens (the most deprived ward), and less than half the percentage of residents with low skills.
In 2012 a Portsmouth Jobcentre Plus survey found that 17.5% would require assistance in order to use the internet, which has implications for the new Digital Jobcentres and forthcoming roll out of Universal Credit (when claims will be mostly made online).
In 2012 Portsmouth City Council also conducted a survey of its customers. 30% did not have internet access, significantly above the national average in 2012 of 20%, with lower levels of access amongst older people. An ONS 2014 report found that in Portsmouth, between 17.8 and 31.9% of adults had never used the internet, above the UK average of 12.3 to 12.9%.
It is important therefore to understand the range of tasks people might be required to

¹⁴⁸ ONS August 2013

¹⁴⁹ The On The Buses survey of 270 Portsmouth residents was conducted between 27th February and 2nd March 2012,

undertake online, and to develop a local digital inclusion strategy to meeting these needs.

Wider knowledge and understanding around money management

In terms of financial inclusion, in addition to ensuring residents have access to the right financial products in order to maximise and manage their finances as effectively as possible, it is also important to understand need in the city in relation to residents' knowledge, skills and understanding around how to manage finances effectively.

Finances in the modern world are complicated. Gone are the 'jam jar' days when people put their rent in one jar, and their gas and electric in another; instead we live in an electronic environment where money is 'virtual' rather than real; it no longer always passes through our hands as cold cash but passes out of our accounts at the touch of a button, or onto the likes of credit cards when we do not have enough for our needs. By default therefore, managing finances and budgeting effectively has become much more complex. As part of the consultation process for this needs assessment, a range of different frontline staff and residents have been asked about areas such as seeking debt advice and budgeting. People have overwhelmingly agreed that everyone struggles with budgeting in today's complex financial environment, and that improving budgeting skill levels in the city could make a real difference to people's incomes.

Learning suggests that, in general, people do not like going to 'money advice classes'. This may be because people often think they are the only one struggling; that they have failed; or that it is stigmatising. Agencies have in the past reported problems in getting sufficient attendance at money advice classes (for example one housing association in the city reported a number of years ago leafleted several thousand households; and struggled to gain 6 attendees for the workshops).

Groupwork can sometimes work but this tends to be where the group is together for another reason, and then the money advice is brought into those group sessions as part of a wider agenda. For example the EC Roberts Centre has successfully run Made on Money courses for a number of years, which are adequately attended - but this may be because attendees are recruited from existing EC Roberts Centre services, and so a relationship has already been established with the attendee. Similarly, PCMI who offer part of the Work Program support in Portsmouth have also effectively delivered money advice sessions - but again, to a group already in being around wider employment support.

In general one of the most successful ways of working with people on budgeting skills appears to be through their current key worker (if they have one). For example, Housing Officers will work with people on budgeting skills as part of effective rent management. A key need that emerged around financial exclusion in the last needs assessment in 2011 was for frontline staff to be given increased training and levels of confidence around speaking to service users about money. Since then frontline training has been designed and delivered to cover not just how to work with residents around financial exclusion and wider financial hardship issues. The financial exclusion training itself has taken the shape of 'how to help residents with budgeting', as this is a very user-friendly version for upskilling staff in the necessary

areas. The need now therefore is to roll this training out more widely (and it is currently being assessed as a Making Every Contact Count 'bolt on' session).

This will become increasingly important as the roll out of Universal Credit in Portsmouth approaches - see section entitled 'Welfare Reforms'. Helping residents with budgeting and money management skills is therefore a key need as part of the Tackling Poverty Strategy going forward.

Summary: Wider knowledge and understanding around money management
During the local consultation process people have overwhelmingly agreed that everyone struggles with budgeting in today's complex financial environment, and that improving budgeting skill levels in the city could make a real difference to people's incomes.
Learning suggests that money classes per se are not well attended; however they can be successful if integrated into the sessions of an existing group that meets regularly.
A successful method for working on budgeting appears to be through people's key workers. There is a need therefore to roll budgeting training out to frontline staff more widely.

Employment and worklessness

(see also Low Pay and Underemployment sections)

As highlighted by the Joseph Rowntree Foundation's Annual Report on Poverty and Social Exclusion in 2014, national employment levels have been increasing over the last couple of years. Unemployment fell by 300,000 between mid-2013 and mid-2014 and - subject to some slight variations with the retirement age used for women - in general employment rates are or are at near historic highs. In particular, female employment rates are at an all-time high¹⁵⁰.

However in order to more fully understand the nature of the current labour market, it is important to examine other relevant data, for example data relating to areas such as low wages and under employment. Nationally, wages have fallen and 1.4 million adults are in part time work because they can't find full time employment. The report also highlights that 3/5ths of people who moved from unemployment into work in the last year are paid below the Living Wage. These subjects are examined further on in the Low Pay and Living Wage sections of this needs assessment.

In general, rates of unemployment in Portsmouth are slightly below the national average. From January 2013 - December 2013, 6.9% of people in Portsmouth were unemployed compared to 7.5% nationally. However Portsmouth was higher than the South East average of 5.7%.

Table: Labour Supply - Employment and Unemployment (Jan 2013 - Dec 2013)¹⁵¹

¹⁵⁰ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014:
<http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

¹⁵¹ Source: ONS annual population survey - taken from NOMIS Official Labour Market Statistics website

	Portsmouth (numbers)	Portsmouth (%)	South East (%)	Great Britain (%)
All people				
Economically active [†]	115,700	76.6	80.0	77.4
In employment [†]	108,900	72.0	75.4	71.5
Employees [†]	95,400	63.7	63.8	61.2
Self-employed [†]	12,900	7.9	11.1	9.7
Unemployed (model-based) [§]	8,100	6.9	5.7	7.5
Males				
Economically active [†]	60,900	80.3	85.9	83.3
In employment [†]	57,200	75.5	80.8	76.5
Employees [†]	48,700	65.3	65.5	62.6
Self-employed [†]	8,300	10.0	14.9	13.3
Unemployed [§]	3,700	6.0	5.7	8.0
Females				
Economically active [†]	54,900	72.9	74.3	71.5
In employment [†]	51,700	68.6	70.1	66.4
Employees [†]	46,600	62.1	62.2	59.9
Self-employed [†]	4,500	5.7	7.4	6.1
Unemployed [§]	3,200	5.8	5.6	7.0

[†]numbers are for those aged 16 and over, % are for those aged 16-64

[§]numbers and % are for those aged 16 and over. % is a proportion of economically active

As with levels of deprivation in the city, there are pockets of unemployment in the city that are significantly higher than the national average. For example, as of the last national Census Day 27th March 2011, in terms of the 'Economically active: unemployed' group, Charles Dickens ward was significantly higher than the national and Portsmouth average:

Portsmouth - 4.3%

South East - 3.4%

England - 4.4%

Portsmouth - Charles Dickens Ward - 7%

This has been a trend over a number of years. Charles Dickens ward is the ward with the highest levels of deprivation in the city. So although unemployment is relatively low overall, it is important not to lose sight of the areas in the city where unemployment is almost double the average rates; and so addressing unemployment is an important need to identify within this assessment.

Given the extent of the welfare reform program that has been implemented and continues to be implemented over the next few years, with many of the reforms either rewarding work or penalising those who don't work, helping people into work is critical and remains one of the key routes out of poverty. Whilst being in work does not necessarily equate to not being in poverty (e.g. with 2/3rds of people in the country who are in poverty, being in 'in work poverty'), it remains an essential tool for

raising levels of confidence and self-esteem; and can be a stepping stone into better paid work in the longer term.

Interestingly it is sometimes stated that there is a problem with inter-generational worklessness in this country. The Joseph Rowntree Foundation conducted research in this area and found little evidence of this¹⁵², concluding that 'even two generations of extensive or permanent worklessness in the same family is a rare phenomenon'.

Summary: Employment and worklessness
Nationally, unemployment fell by 300,000 between mid-2013 and mid-2014 and in general employment rates are or are at near historic highs.
However nationally, wages have fallen and 1.4 million adults are in part time work because they can't find full time employment. In addition 3/5ths of people who moved from unemployment into work in the last year are paid below the Living Wage.
In general, rates of unemployment in Portsmouth are slightly below the national average. In 2013 6.9% of people in Portsmouth were unemployed compared to 7.5% nationally. However Portsmouth was higher than the South East average of 5.7%.
As with levels of deprivation in the city, there are pockets of unemployment in the city that are significantly higher than the national average, for example in Charles Dickens ward.
Whilst in work poverty is an issue, work remains an essential tool for raising confidence and for accessing better paid work in the longer term, so addressing unemployment is a key.

Employment and Ethnicity

People from minority ethnic communities are at a much higher risk of poverty nationally than their white British counterparts. Significant differences can also be seen between ethnic groups in Portsmouth, by category of employment. The 2011 Census¹⁵³ sub-divided employment into 15 broad categories. The largest ethnic groups among usual residents aged 16 or over in employment in Portsmouth were: White British (83,686); Other White (4,372) (this would represent many European workers, including those from the 10 Eastern European Accession States); Indian (1,327); Bangladeshi (1,215); Other Asian (1,148); Black African (1,126); Chinese (904); Mixed White and Asian (514); White Irish (516). 2,196 workers came from nine other ethnic groups, with fewer than 500 workers in each.

Of a total of 97,004 usual residents aged 16 or over in employment, 47.1% (n = 45,735) were employed in four sectors: wholesale and retail trade and repair of motor vehicles and motor cycles; human health and social work activities; education; public administration and defence and compulsory social security.

47.6% (n = 39,858) of Portsmouth's White British working population were employed in these sectors, compared to just 31.9% of Bangladeshi workers (n = 388), 34.4% (n = 311) of Chinese workers, and

¹⁵² Joseph Rowntree Foundation: Are 'cultures of worklessness passed down through the generations? Dec 2012

¹⁵³ Source: ONS (Census 2011) - extracted from NOMIS 20 October 2014

36.1% (n = 1579) of Other White workers. This indicates that, unlike White British workers, these ethnic groups in Portsmouth were less likely to be employed in the sectors that employ the largest numbers of workers in the city.

Each of these groups has a much higher proportion of workers engaged in accommodation and food service activities; 32.6% (n = 295) of Chinese, 31.9% (n = 387) of Bangladeshi and 13.5% (n = 592) of Other White workers. Only 5.7% (n = 4,767) of White British workers are employed in this sector. Accommodation and food service activities were also common amongst Mixed White and Asian (12.1%, n = 62) and Other Asian (11.5%, n = 132) workers.

Black African and Other Asian workers are much more likely to be employed in human health and social work activities, with 367 (32.6%) and 354 (n = 30.8%) respectively employed in that sector, compared to 12.1% (n = 10,127) of White British workers. The proportion of Indian (22.1%, n = 293) and White Irish (18.8%, n = 97) workers is also above the average.

8.7% (n = 8,461) of all workers in Portsmouth were employed in manufacturing, but this rises to 14.5% (n = 633) among Other White workers.

Workers from some minority ethnic groups are less likely than White British workers to be employed in the largest sectors in Portsmouth. Working in more marginal sectors is likely to reduce the number of opportunities available for career development and pay progression. Some groups are concentrated in particular sectors, notably accommodation and food services activities for Chinese, Bangladeshi and Other White workers, and human health and social work activities for Black African, Other Asian, Indian and White Irish workers. Although these sectors include some well-paid, skilled and secure jobs, the majority of this employment is poorly paid, irregular and insecure, including restaurant and fast food work and personal care, and therefore increases the risk of in-work poverty among these employees.

This census data demonstrates that there are significant differences in the types of employment common among different ethnic groups in Portsmouth. Tackling the structural causes of these differences to overcome the barriers that prevent many workers from minority ethnic groups entering the largest sectors of employment in the city would reduce one cause of income inequality between ethnic groups in the city.

Summary: Employment and ethnicity
Significant differences can be seen nationally, and also in Portsmouth, between ethnic groups, by category of employment. Whilst 47.6% of Portsmouth's White British working population were employed in 4 key sectors, this compared to just 31.9% of Bangladeshi workers, 34.4% of Chinese workers, and 36.1% of Other White workers.
Working in more marginal sectors is likely to reduce the number of opportunities available for career development and pay progression.
Overcoming barriers that prevent workers from entering the largest sectors of employment in the city would reduce one cause of income inequality between ethnic groups in the city.

Income

In the 2011 Tackling Poverty Needs Assessment, resident earnings in Portsmouth had previously grown by 25% between 2002 and 2009, rising to an average of £475 per week, and whilst lower than the national average of £491 a week, had risen in similar proportions.

However for 2013 they were £474 per week - which is below the 2009 rates, even before the additional impact of inflation is added on. This reflects a real drop in earnings for Portsmouth residents. It appears to be worse than the national picture in that at least nationally, the average for 2013 of £518 is an increase on the 2009 rate of £474 and does account for some inflationary lift re the cost of living. This suggests that Portsmouth is experiencing real issues around low pay and has experienced a worse than average drop in residents' wages. See the table below:

Earnings by residence (2013)¹⁵⁴				
	Portsmouth (pounds)	South East (pounds)	Great Britain (pounds)	
Gross weekly pay				
Full-time workers	473.9	559.7	518.1	
Male full-time workers	504.0	619.5	558.8	
Female full-time workers	417.0	481.1	459.8	
Hourly pay - excluding overtime				
Full-time workers	12.26	14.31	13.08	
Male full-time workers	12.57	15.29	13.68	
Female full-time workers	11.34	12.87	12.26	
Source: ONS annual survey of hours and earnings - resident analysis				
Note: Median earnings in pounds for employees living in the area.				
From 15/04/2014 all the data in the hourly pay table (including time series data) has been amended to show "Hourly pay excluding overtime" instead of total hourly pay.				

However it is also useful to examine workplace wages - i.e. average workplace average, which would include all people working full time in Portsmouth, regardless of whether they live in Portsmouth or not.

In the 2011 Tackling Poverty Needs Assessment, workplace wages in Portsmouth, like resident wages, grew over the period 2002 to 2009 and at a faster rate (34%) than any of the city's comparator areas¹⁵⁵ with the exception of Bournemouth. As a consequence, Portsmouth had higher average weekly workplace wages than any of its comparator areas, with average workplace wages £44 a week higher

¹⁵⁴ NOMIS website - accessed 14.11.14

¹⁵⁵ These are SE Hampshire, PUSH area, SE region, GB/UK, Bournemouth, Brighton & Hove and Southampton

than the national average¹⁵⁶. So average workplace wages were £59 a week higher than average resident wages.

This has dropped to a difference of £35 in the 2013 data - i.e. average workplace wages are now only £35 higher than average resident wages - see the table below. This difference may still suggest, as previously, that the higher paid jobs that clearly exist in Portsmouth aren't filled by residents of the city, and may be a consequence of the relatively low skills level amongst the city's resident workforce. However what is really marked is the difference between average resident male wages - at £504, compared to male workplace wages - £574, and female resident wages - £417, compared to £440 female workplace earnings. This seems to suggest that:

Resident men in the city are earning £70 less a week than the workplace average, suggesting they are not getting the higher paid jobs in the city. Resident women are earning significantly less than their male resident counterparts - £87 a week less, suggesting either inequalities in pay, or women generally tending to take lower paid work (or both)

There is much less difference between resident women's wages and women's workplace wages with only a £23 difference. However resident women's wages of £417 are significantly below the overall average workplace wage of £508, and markedly below the average workplace wage for men of £574. So resident women in Portsmouth in general earn significantly less than both their male counterparts and the average workplace earnings.

Earnings by workplace (2013)				
	Portsmouth (pounds)	South East (pounds)	Great Britain (pounds)	
Gross weekly pay				
Full-time workers	508.3	536.6	517.8	
Male full-time workers	574.6	589.3	558.3	
Female full-time workers	440.6	465.6	459.6	
Hourly pay - excluding overtime				
Full-time workers	13.19	13.68	13.07	
Male full-time workers	14.02	14.54	13.66	
Female full-time workers	12.07	12.40	12.26	
Source: ONS annual survey of hours and earnings - workplace analysis				

¹⁵⁶ This could possibly be due to a data anomaly due to a small sample.

Note: Median earnings in pounds for employees working in the area.
 From 15/04/2014 all the data in the hourly pay table (including time series data) has been amended to show "Hourly pay excluding overtime" instead of total hourly pay.

Looking at the Indices of Deprivation 2010 income deprivation domain, seven of the 10 most income deprived areas were in Charles Dickens, with the remainder in St Thomas (ranked 6), Nelson (ranked 8) and Cosham (ranked 10). Their income score placed all of these areas in the worst 10% in England. A new IMD release is expected summer 2015.

Summary: Income
In the 2011 Tackling Poverty Needs Assessment, resident earnings in Portsmouth had previously grown by 25% in 2009, to an average of £475 per week.
However for 2013 they have dropped to £474 per week. This does not reflect any inflationary lift at all, unlike the national picture which has a small lift. This is a drop in real terms for Portsmouth residents.
For the period of 2002 to 2009, average workplace wages were £59 a week higher than average resident wages. This has dropped to a difference of £35 in the 2013 data - i.e. average workplace wages are now only £35 higher than average resident wages.
This difference may still suggest, as previously, that the higher paid jobs that clearly exist in Portsmouth aren't filled by residents of the city, possibly due to relatively low skills levels amongst the city's resident workforce.
The difference between average resident male wages - at £504, compared to male workplace wages of £574 is marked. Men who live in the city are earning £70 less a week than the workplace average, suggesting they are not getting the higher paid jobs in the city.
Resident women are earning significantly less than their male resident counterparts - £87 a week less, suggesting either inequalities in pay, or women generally tending to take lower paid work (or both).
There is a need therefore to link with the city's Business Skills and Growth Plan to ensure Portsmouth residents are able to access the skills they need.

Benefits

Housing & Council Tax Support

In 2013, there were just under 22,500 housing and/or council tax support claimants or 11% of Portsmouth's whole population¹⁵⁷.

Out of work benefits

In October 2014, 2% of the city's working age population were in receipt of Job Seekers Allowance (JSA), which is a fall since the last needs assessment when, in March 2011, 3.5% of the city's working age population were in receipt of JSA. In terms of gender, 63% of JSA claimants were male (or 2.5% of the male working age population. This proportion was 4.7% in March 2011. Female claimants accounted for 1.5% of the city's female working age population, down from 2.2% in March 2011.

¹⁵⁷ Information provided by the Council's Revenues and Benefits Service.

Total Jobseekers Allowance (JSA) Claimants (October 2014)				
<i>(The Jobseeker's Allowance (JSA) is payable to people under pensionable age who are available for, and actively seeking, work of at least 40 hours a week).</i>				
	Portsmouth (numbers)	Portsmouth (%)	South East (%)	Great Britain (%)
All people	2,815	2.0	1.2	2.1
Males	1,782	2.5	1.5	2.7
Females	1,033	1.5	1.0	1.6
Source: ONS claimant count with rates and proportions - downloaded from NOMIS 21.11.14				
Note: % is a proportion of claimant count + workforce jobs total				

Data on claimant rates for other benefits shows that in total 9.7% of Portsmouth's working age population were benefit claimants, compared to 13.5% in August 2010, so again a significant drop. The table below provides a breakdown by statistical group and comparative data for the South East region and Great Britain.

Working Age Client Group - Key Benefit Claimants (May 2014)				
	Portsmouth (numbers)	Portsmouth (%)	South East (%)	Great Britain (%)
Total claimants	16,930	12.1	9.4	12.9
By statistical group				
Job seekers	3,110	2.2	1.5	2.4
ESA and incapacity benefits	7,850	5.6	4.4	6.2
Lone parents	2,100	1.5	0.9	1.2
Carers	1,660	1.2	1.1	1.4
Others on income related benefits	500	0.4	0.2	0.3
Disabled	1,500	1.1	1.0	1.2
Bereaved	210	0.2	0.2	0.2
Key out of work benefits*	13,570	9.7	7.1	10.2
Source: DWP benefit claimants – working age client group (downloaded from NOMIS on 21.11.14)				
Key out-of-work benefit claimants includes the groups: job seekers, ESA and incapacity benefits, lone parents and others on income related benefits.				
Note:% is a proportion of resident population of area aged 16-64				

However it is important to consider that numbers of benefit claimants can be impacted upon by changes to benefits systems and people 'falling through the net'; and it also does not reflect issues that exist around unemployment and zero hour contracts (see 'Unemployment' section).

Summary: Benefits
In 2013, there were just under 22,500 housing and/or council tax support claimants or 11% of Portsmouth's whole population.
In Oct 2014, 2% of the city's working age population were in receipt of Job Seekers Allowance (JSA), which is a fall since the last needs assessment in March 2011 (at 3.5%).
9.7% of Portsmouth's working age population were benefit claimants, compared to 13.5% in August 2010, so again a significant drop.
However numbers of benefit claimants can be impacted upon by changes to benefits systems and people 'falling through the net', as well as underemployment issues.

Benefit take-up

According to research undertaken by the New Policy Institute for the Joseph Rowntree Foundation¹⁵⁸ *'almost a third of eligible people in the UK in 2009-10 were not claiming the means-tested benefits they were entitled to. Just over half of the estimated £10 billion unclaimed benefits could have been claimed by working age families. Despite service delivery reforms and the progress made in reducing pensioner and child poverty, take-up rates for most income-related benefits declined in the decade to 2009-10. Take-up of tax credits increased after 2003-04 but in 2011-12 H.M. Revenue & Customs still estimated that £3.29 billion in Working Tax Credit and £1.19 billion in Child Tax Credits went unclaimed'*.

The report states that improving take up of these key benefits could help to alleviate poverty and particularly recommends additional spending being targeted at poor families. This could also lead to wider improved outcomes e.g. health, employment, wellbeing.

For the financial year April 2013 to March 2014 Age UK Portsmouth helped older people in the city to get around £1,104,793 in benefits. These included Attendance Allowance, Pension Credit, Disability Living Allowance and an occasional PIP¹⁵⁹.

In the last needs assessment in 2009/10, Age UK Portsmouth had claimed nearly £514,000 in that year in unclaimed benefits for older people. From April 2013 to March 2014, this has doubled to £1,104,793. These benefits have included Attendance Allowance, Pension Credit, Disability Living Allowance and a few Personal Independence Payments. Age UK state that it has crept up each year since the last needs assessment; and also that the team has grown in size, enabling them to do even more of this valuable work.

In the previous 2011 needs assessment, in 2008/09 the FAB team secured an annualised total of £3.4M in pension credit, attendance allowance/disability living allowance, housing/council tax benefit and other benefits for its clients. Unfortunately the DWP no longer provides the FAB Team with data around this, and the information is not collated or recorded centrally as a team. Some limited data is available centrally for PCC's appointeeship clients, which represents approximately 10-12% of ASC clients. For

¹⁵⁸ Take-up of benefits and poverty: an evidence and policy review - Dan Finn and Jo Goodship 2014 - Centre for Economic and Social Inclusion

¹⁵⁹ Data supplied by Age UK Portsmouth 25.11.14

these the FAB Team have claimed £35,574.24 in backdated benefit awards since April 2014 (up until November 14).

These figures are just examples of income maximisation work in the city. Council services such as revenues and benefits, and the housing service make significant contributions through their work with residents. The money advice services in the city also make significant contributions to this through undertaking benefits checks with people and helping people to claim all of their entitlements. Similarly wider frontline staff play an important role in this and so ensuring people know about the benefits they are entitled to, and helping them to claim them, will remain a critical need going forward.

Summary: Benefit take up
Almost a third of eligible people in the UK in 2009-10 were not claiming the means-tested benefits they were entitled to. Agencies in Portsmouth help residents to claim millions of pounds worth of benefits every year that they are entitled to.
Improving take up of these key benefits and income maximisation could help to alleviate poverty and particularly recommends additional spending being targeted at poor families. This could also lead to wider improved outcomes e.g. health, employment, wellbeing.

Low pay

As stated in the income section, in the previous 2011 Tackling Poverty Needs Assessment, resident earnings in Portsmouth had grown by 25% between 2002 and 2009, rising to an average of £475 per week, and whilst lower than the national average of £491 a week, had risen in similar proportions. However for 2013 they were £474 per week - which is below the 2009 rates, even before the additional impact of inflation is added on. Portsmouth is experiencing real issues around low pay and has experienced a worse than average drop in residents' wages.

Nationally, the proportion of workers aged 21 to 30 who are now classed as low paid has more than tripled over the past four decades, according to new research that helps to explain why many young people are locked out of the housing market. Analysis by the independent thinktank the Resolution Foundation shows that among this age group almost three in 10 (29%) are now low paid – equating to almost 1.5 million young workers. Analysis from the Resolution Foundation shows the generational wage gap has widened significantly since 2002.¹⁶⁰

The prevalence of low pay has meant that in-work poverty has risen to an all-time high with 2/3rds of people in the country who are in poverty, in 'in work' poverty. The Centre for Cities Report¹⁶¹ states that employment characteristics (sector of work, occupational group, hours of work and hourly wage) are the strongest predictor of whether a person is likely to experience in-work poverty.

¹⁶⁰ Source: The Guardian: 'Pay gap widens with one in three young UK workers on low pay' Sat 30th Aug 14
<http://www.theguardian.com/society/2014/aug/30/low-pay-workers-one-in-three>

¹⁶¹ Centre for Cities Report: 'Unequal opportunity: how jobs are changing in cities' Sep 2014

The report also makes the point that there is no relationship between average wages and low quartile wages once housing costs are taken into account. It states that *'while those working in high paid occupations in London or other high cost cities are likely to earn more even taking housing costs into account, workers in low wage occupations are likely to be worse off. For instance, average monthly wages after housing costs are £2,124 in Crawley (1 out of 55 cities); while lower quartile wages are £560 per month after housing costs (38 out of 55 cities). Workers in the bottom 25 per cent in Portsmouth, Bournemouth and London have the lowest wages after housing costs'*. So in the country overall, Portsmouth workers in the low quartile wage group (along with Bournemouth and London) have the lowest wages after housing costs. It is important therefore to recognise this factor, in order to understand the true implications of low pay in the city.

A report by the Resolution Foundation¹⁶² also highlights the impact of low paid work nationally and how only one in four workers who were low paid in 2001 - and who have remained in employment for most of the subsequent decade - went on to escape poverty and move on to higher pay. This links in to social mobility and the notion that if people work hard, even if they come from poor circumstances, they can work their way up the ladder and progress out of poverty and into well paid work. This report seems to suggest that for most people on low pay this is very limited. However the report found that, for those who do escape, it can make a meaningful difference - for example they saw their wages grow by an average of 7.5% in real terms over the course of the decade, compared to those who were unable to escape low pay, who saw their pay grow by only 3.6%.

Factors that seemed to make a difference having or obtaining a degree, possessing a positive outlook for the future and working for a large employer (defined as 1000 plus employees). Barriers to progression included working part time, and/or other factors such as being older, a single parent or disabled. Workers in specific industries were also more vulnerable - such as sales or hospitality, where pay progression was poor. (The low-pay threshold is defined as two-thirds of median hourly earnings. In 2013, the threshold was £7.69). Other factors included that sometimes people did not seek progression due to not wanting the additional responsibilities for sometimes small pay rises - e.g. entry level work to supervisory only equating to 30-40p an hour extra: *'in many ways, progression is just one part of the wider low pay story, with small wage increases for perceived significant increases in responsibility discouraging many from moving off the first rung'*¹⁶³.

A need identified by the report is for employers to review their policies around progression within their organisations. The Council (a large employer in its own right) has strong relationships with large businesses in the city and so there is a need therefore, through these relationships, to look at how the business world in Portsmouth can help low paid workers in the city up the pay ladder. In particular, the report recommends both government and employers looking at how they can better support and target

¹⁶² Resolution Foundation: 'Escape Plan: Understanding who progresses from low pay and who gets stuck' (November 2014)

¹⁶³ Resolution Foundation: 'Escape Plan: Understanding who progresses from low pay and who gets stuck' (November 2014)

the disadvantaged groups cited earlier, helping to understand and remove the obstacles involved in their progression.

The Child Poverty and Social Mobility Commission also recently identified that career progression and earning more money are major contributors to an individual escaping economic hardship¹⁶⁴. The research was commented upon in the Guardian article entitled '2020 targets on child poverty likely to be missed without action from business' as follows:

'Employers have a real opportunity to make a difference in this area, reducing the number of people trapped in low-skilled and low-paid jobs. Our long-term economic sustainability is left vulnerable unless we improve diversity and cast the net wider in the search for talent...It goes beyond a matter of corporate social responsibility and is at the heart of businesses' sustainability. Are employers attracting talent from diverse backgrounds? Are there clear personal development paths and mentoring so employees can improve their skills and career prospects? Are there enough opportunities for the most disadvantaged to gain access to good quality jobs? These are questions employers should be asking themselves if they want to develop a truly sustainable business model'.

These would be useful questions to pose in Portsmouth, demonstrating a need to work together with business leaders in the city in order to provide better career progression opportunities for residents, which will ultimately start to combat the issue of low pay in the city.

The Joseph Rowntree Foundation's Annual Report into Poverty and Social Exclusion¹⁶⁵ also provides useful evidence in terms of understanding issues concerning low pay and its impact. The report highlights that whilst nationally, poverty amongst pensioners is at an all-time low, and unemployment fell by 300,000 between mid-2013 and mid-2014, wages have fallen, 1.4 million adults are in part time work because they can't find full time employment and only 1/5th of low-paid employees have left low paid work completely ten years later. The report also highlights that 3/5ths of people who moved from unemployment into work in the last year are paid below the Living Wage (the Living Wage is currently £7.85 at the UK rate, or £9.15 at the London rate, compared to the £6.50 national minimum wage rate - see the Living Wage section for further details). It is useful therefore to consider the possible impacts of underemployment in the next section.

Summary: Low pay
As stated in the income section, Portsmouth is experiencing real issues around low pay and has experienced a worse than average drop in residents' wages.
The prevalence of low pay has meant that in-work poverty has risen to an all-time high with

¹⁶⁴ '2020 targets on child poverty likely to be missed without action from business' Mark Boleat, Guardian website 27 October 2014

¹⁶⁵ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014:
<http://www.irf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

2/3rds of people in the country who are in poverty, in 'in work' poverty.
In the country overall, Portsmouth workers in the low quartile wage group (along with Bournemouth and London) have the lowest wages after housing costs. This reinforces the issue that low pay in Portsmouth is significantly worse than the national average.
National research evidences that only 1 in 4 workers who were low paid in 2001 - and who remained in employment for most of the subsequent decade - went on to escape poverty and move on to higher pay, suggesting an issue with social mobility and progression.
Barriers to progression included working part time, and/or other factors such as being older, a single parent or disabled. Workers in specific industries were also more vulnerable.
There is a need therefore to work with employers in the city to remove some of these barriers and to create progression opportunities for all sectors for the community.

Underemployment

The Joseph Rowntree Foundation's Annual Report into Poverty and Social Exclusion¹⁶⁶ states that, whilst the number of temporary employees who want a permanent contract is falling slowly, the overall number of temporary contracts is increasing, with a significant increase in the numbers of people in insecure work on zero-hours contracts, or in part-time or low-paid employment.

Whilst temporary contracts don't necessarily equate to low pay, contracts that do not guarantee a minimum number of hours are more heavily concentrated in low-paying sectors, including zero hour contracts and other casual work. These contracts tend to be more prevalent in accommodation and food services, and administrative and support services.

The level of underemployment in the UK, where workers are either seeking more hours in their current job, seeking an additional job, or seeking an alternative job with additional hours, increased rapidly from 2008¹⁶⁷. Comparing the full year averages, and the average for first two quarters of 2014 (the latest data available), the number of people underemployed in the UK increased from 2,069,000 in 2007, to a peak of 3,131,000 in 2013. The total of 3,059,000 in 2014 is a 2.3% reduction on the previous year, but remains almost 50% higher than the 2007 level. Although total underemployment decreased from 2013 to 2014, the number of self-employed people who were underemployed increased 2.2%, from an average of 453,000 in 2013 to 463,000 the following year.

The rate of underemployment in Great Britain has increased across all regions since 2007, but in the South East, the percentage of underemployed workers has increased from 6.3% (the second lowest region in the country after East of England, where it was 6.2%), to 9.7%. It is now 8th out of the 11 regions, which indicates that under-employment has increased faster in the South East than in some other regions.

This represents a significant number of workers seeking to increase their earnings, who are ready and willing to take on more work if it was available. Each of these workers is earning less than their

¹⁶⁶ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014: <http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

¹⁶⁷ Labour Market Statistics, ONS, 2014

potential. This shows the extent of just one aspect of the problem of people being unable to earn enough to meet their needs.

Summary: Underemployment

Nationally, the number of workers in temporary contracts is increasing. Temporary contracts are more prevalent in low paid employment sectors.
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An average of 3 million workers in the UK were under-employed in the UK in 2014, down 2.3% from the peak level in 2013, but almost 50% higher than the pre-recession level in 2007. Although total underemployment fell by 2.3% in 2014, the number of underemployed workers in self-employment increased by 2.2%

Underemployment has increased faster in the South East than in some other regions in GB.
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The Living Wage

Another way to potentially address issues of low pay in the city is to consider implementation of what is known as the 'Living Wage'. The Living Wage is an hourly rate of pay which is set independently from the minimum wage, and is up-rated annually. It is calculated annually by the Centre for Research in Social Policy at Loughborough University and as at November 2014 the Living Wage is calculated at £7.85 per hour at the national rate, and £9.15 at the London rate. It is higher than the minimum wage, which is £6.50. It is a voluntary scheme for employers.

The Living Wage was created to give the minimum pay rate required for a worker to provide their family with the "essentials of life". The information used to develop this rate is gathered via focus groups who agree a 'basket of goods' for a range of household sizes and age, to achieve a minimum acceptable standard of living in the UK. The cost of the basket of goods is updated annually so that the Living Wage calculation is relevant, up-to-date and based on public opinion.

The Living Wage does not replace in-work benefits – it assumes full take-up of Child Benefit, Tax Credits, Housing Benefit and Council Tax Support and Disability Benefits. A Living Wage was first introduced in London in 2003 following a campaign by London Citizens, who found that even though they were working two minimum wage jobs, they were struggling to make ends meet; and working long hours meant there was little time for family and community life. Their solution was to call for a Living Wage.

The Living Wage then began its journey in the early days through hospitals such as Bart's and the Royal London, where London Citizens made the case that low pay can lead to poor health and hospital bosses agreed. They then took the Living Wage to Canary Wharf and as a result, KPMG became one of the first private sector employers to pay the Living Wage, first to cleaners and then to all contracted staff.

Recent KPMG research¹⁶⁸ shows that nationally there are now £5.24 million workers who are paid less than the Living Wage, that's up from £4.82 million a year ago, and that 18 - 21 year olds, women and part time workers are disproportionately affected. This has primarily been because of the cost of living outstripping earnings growth. It also tends to be more prevalent in the private sector than the public sector. This suggests that, in order to really address the issue of low pay, much wider take up of the Living Wage initiative is required by employers.

The following KPMG charts summarise their research in terms of regional prevalence. Whilst data is not available for Portsmouth, the South East data shows that whilst proportionately, the South East is one of the areas with the lowest proportion of people not on the Living Wage, it has some of the highest numbers:

By proportion*	By number*
Northern Ireland – 26%	North West – 600,000
Wales – 25%	London – 586,000
East Midlands – 24%	South East – 567,000
Yorkshire & Humberside – 24%	West Midlands – 502,000
West Midlands – 23%	East – 497,000

*Source: Markit estimates, based on ONS data - cited from KPMG research, website Nov 2014

The following map from KPMG shows this variation across the country:

¹⁶⁸ Accessed from KPMG website www.kpmg.com 26.11.14
<http://www.kpmg.com/uk/en/issuesandinsights/articlespublications/newsreleases/pages/number-of-workers-paid-less-than-the-living-wage-passes-5-million.aspx>

The Living Wage across the UK

Highest

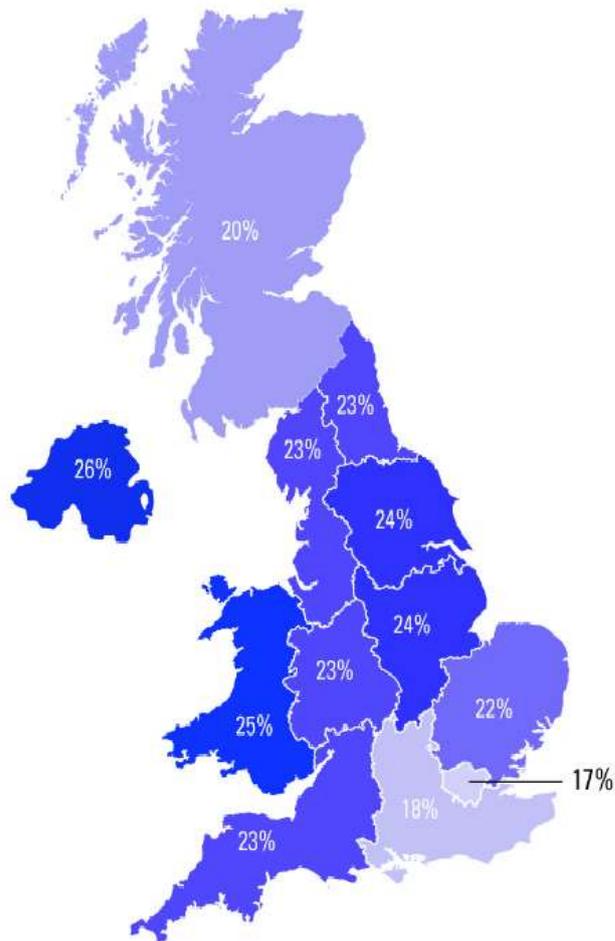
Northern Ireland has the highest proportion at 26%

Lowest

London has the lowest proportion at 17%

However

by number, the 3 most affected areas are the North West, London and the South East



Regional heatmap by proportion of earners below the Living Wage

And finally the following KPMG chart reflects both the proportions and numbers in terms of occupation:

By proportion*	By number*
Bar staff – 85%	Sales and retail assistants – 810,000
Waiters and waitresses – 85%	Cleaners and domestics – 450,000
Kitchen and catering assistants – 80%	Kitchen and catering assistants – 370,000
Vehicle valeters and cleaners – 75%	Care workers and home carers – 270,000
Launderers and dry cleaners – 70%	Storage/warehouse occupations – 170,000

*Source: Markit estimates, based on ONS data - - cited from KPMG research, website Nov 2014

As a long term strategy therefore, wider roll out of the Living Wage is required; as is ensuring that poor children who grow up in the city aren't channelled into low paid professions due to a lack of qualifications rather than being aware of the range of opportunities available to them, and having choice in relation to the profession they enter.

There are now 1036 fully accredited Living Wage employers in the UK. Accreditation is undertaken by the Living Wage Foundation, a charity which works with employers to help them implement the Living Wage. There are a number of business benefits to paying the Living Wage as follows:

- 80% of employers believe that the Living Wage had enhanced the quality of the work of their staff.
- Improved loyalty and customer service. Fewer complaints.
- Absenteeism down by 25%.
- Improved retention rates and reduced HR costs. PwC found turnover of contractors fell from 4% to 1%. When turnover of contractor staff halved KPMG saved £75,000 on one contract alone.
- 70% of employers feel that the Living Wage has increased consumer awareness of their organisation's commitment to be an ethical employer.
- Over 6 years the cost of KPMG's facilities operation has reduced.

However it is still early days in terms of the evidence base regarding the Living Wage. It would also be true to say that one of the main financial beneficiaries of the Living Wage - as a result of reduced take up of benefits - is the Treasury, which is estimated to see significant financial gains. There may be scope for making a case to government that these savings could be passed down at a more local level in the future. There are also significant challenges for smaller businesses in terms of affordability; and challenges in particular sectors for example for local authorities who commission out services related to adult social care, where low are reflected in the contracts and budgets available to local authorities. There are also implications re pay grades and the knock on effect when the bottom grades are lifted to meet the Living Wage hourly rate; and also inflationary impacts in that, for example, Council workers' pay is raised by less than the rate of inflation each year at present; which has a knock on effect if workers' pay is going to be raised in line with the Living Wage each year.

However there are wider gains to be had - for example not just the business benefits listed above but the wider benefits that would be brought to the local economy as well as raising aspirations and placing a sense of value upon low paid workers in the city.

The strongest argument for introducing the Living Wage may be the moral one - in that it is the right thing to do, and demonstrates ethical employment practice. Given that resident wages are below average in Portsmouth and that elementary occupations account for around 11% of the workforce, the Living Wage would clearly benefit lower paid workers in the city. Paying the Living Wage could

contribute significantly to breaking cultures of dependency through earning a decent 'stand alone' wage, rather than being paid poor wages and having to claim top up benefits and thus have the stigma and dependency associated with this. Portsmouth City Council has recently taken the first steps in agreeing to pay a Living Wage to Council employees, although at present this does not involve accreditation; and it does not include schools, as schools would need to make this decision as individual bodies. However with the many other organisations that have signed up to be Living Wage employers across the country, momentum may be gained on this issue over the forthcoming years.

Summary: The 'living wage'
The Living Wage was created to give the minimum pay rate required for a worker to provide their family with the "essentials of life" and is currently calculated at £7.85 per hour at the national rate, and £9.15 at the London rate. It is higher than the minimum wage, which is £6.50. (As at Nov 2014).
18 - 21 year olds, women and part time workers are disproportionately affected.
Whilst data is not available for Portsmouth, the South East data shows that whilst proportionately, the South East is one of the areas with the lowest proportion of people not on the Living Wage, it has some of the highest numbers.
There are a number of benefits to paying the Living Wage e.g. some evidence of improved sickness/retention rates, as well as wider benefits to the local economy. The strongest argument however may be the moral one, regarding ethical employment practice.
There are challenges involved in being a Living Wage employer such as affordability for smaller businesses; and challenges in particular sectors for example in adult social care.
The Council has recently committed to paying Council workers the Living Wage. Given the low resident wages in Portsmouth and elementary occupations accounting for around 11% of the workforce, further roll out of the Living Wage e.g. to schools staff and to wider businesses across the city, would help to reduce rates of in work poverty in the city.

In work poverty

The previous sections on low pay, underemployment and the Living Wage have highlighted why people who are working may still be classed as living in poverty, despite being in employment. No data is available at present concerning in work poverty in the Portsmouth Local Authority area. Given the issues around low pay in the city, and given that unemployment is not above the national average, it's probably fair to assume that Portsmouth would suffer from similar issues to the country as a whole in this area; it is therefore useful to look at the national data from 2012/13¹⁶⁹ to establish the depths of this problem.

- 13.3 million people are living in poverty
- 3.2 million working age adults in poverty are in paid work
- People in work make up almost 2/5ths (39%) of all working age people in poverty (8 million)

¹⁶⁹ Joseph Rowntree Foundation: Monitoring Poverty and Social Exclusion 2014:
<http://www.jrf.org.uk/publications/monitoring-poverty-and-social-exclusion-2014#>

- 1.1 million working age adults living in poverty are not in work but live with someone in work
- 6.6 million people in working families are living in poverty
- This means almost half of all poverty is found in working families
- This is because of a rise in poverty in working families, and a fall in poverty in workless households but especially in retired families
- 2.2 million children in poverty are in a working family
 - Of these, 850,000 are in families where all the adults are in paid work
 - The other 1.3 million are in families where one adult works and one does not
- The remaining 1.4 million children in poverty live in a workless household.
- This means that about 2/3rds of children in poverty live in households where someone works.

As the HBAI data¹⁷⁰ around groups at risk demonstrated in the children and families section, households where both parents are in full time work are at least risk of poverty (4%) or where one parent is in full time work and one parent is in part time work (6%). However an earlier report by the Joseph Rowntree Foundation¹⁷¹ goes on to reflect on the significant barriers potential second earners face in entering the workforce such as getting flexible, quality childcare, flexible, sustainable employment and low wages. working full time on the minimum wage will not necessarily lift a household above the relative poverty line; and the Joseph Rowntree Report above argues that *‘lifting the number of dual-earner families is a crucial part of a revived anti-poverty strategy focused on jobs and wages’*.

Summary of key points: in work poverty
No data is available at present concerning in work poverty in the Portsmouth Local Authority area.
Nationally almost half of all poverty is found in working families, and about 2/3rds of children in poverty live in households where someone works.
People in work make up almost 2/5ths (39%) of all working age people in poverty (8 million)
HBAI data suggests that households where both parents are in full time work are at least risk of poverty (4%) or where one parent is in full time work and one parent is in part time work (6%).
There are significant barriers that potential second earners face in entering the workforce such as getting flexible, quality childcare, flexible, sustainable employment and low wages.
Research suggests that ‘lifting the number of dual-earner families is a crucial part of a revived anti-poverty strategy focused on jobs and wages’.

Adult Skills, Qualifications, Education and Training

Portsmouth is above the South East average for 'no or low adult qualifications' (Portsmouth 20.95%, South East 18.34%). (N.B. The definition of 'low or no qualifications' can be seen in the table below). It is

¹⁷⁰ Source: Households Below Average Income - – An analysis of income distribution 1994/95 – 2011/2012 (HBAI 2013)

¹⁷¹ Source: ‘Tackling In-Work Poverty by Supporting Dual-Earning Families’, Kayte Lawton and Spencer Thompson, Joseph Rowntree Foundation (November 2013).

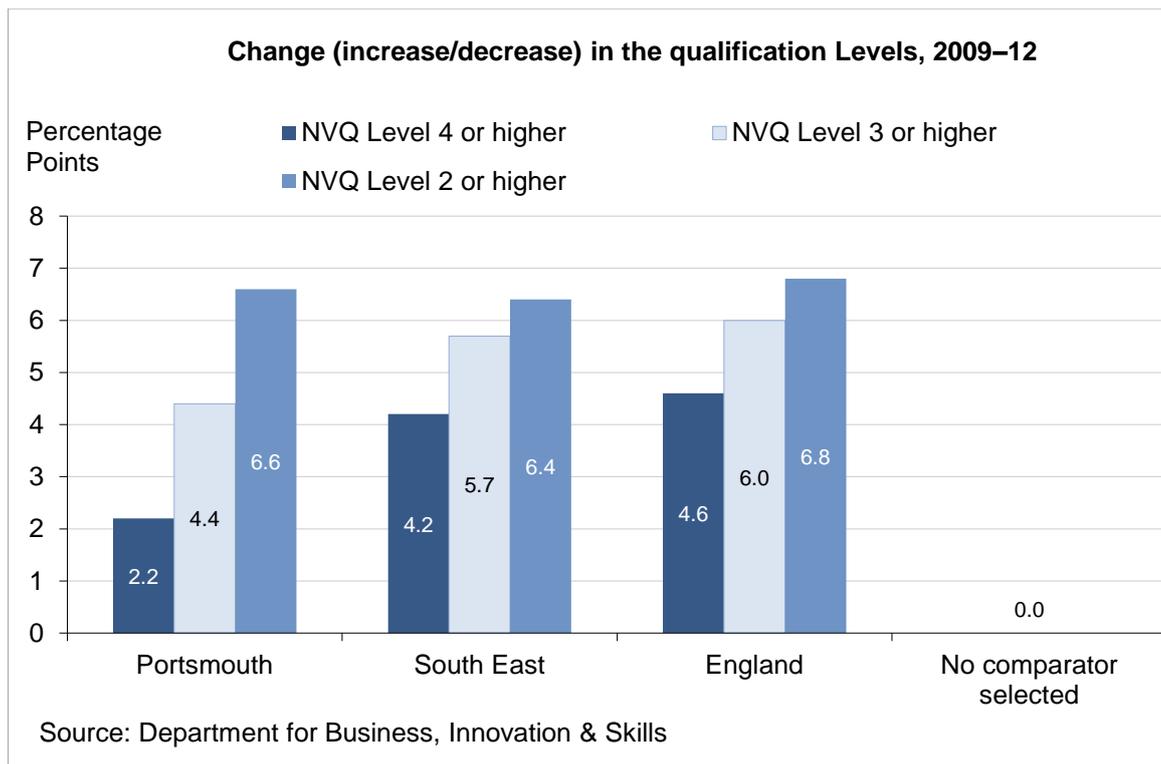
slightly below the England and GB averages of 21.16% and 21.21%. 8.37% of Portsmouth's adult population have no qualifications, compared to 6.46% in the South East (so significantly higher than the South East) but lower than the England average of 9.15%. In other words, the South East tends to have a higher level of qualification than England as a whole; but this is not reflected in Portsmouth, which is nearer to the higher national average.

Source: NOMIS (accessed 05.12.14)				
Qualifications Jan - Dec '13				
(N.B. Total "No or low qualifications" has been calculated from the NOMIS data by adding together the NVQ 1 and above, No Qualifications and Other Qualifications categories).				
	Portsmouth	South East	England	GB
NVQ 1	18,500	644,300	4,085,200	4,637,000
No qualifications	12,300	350,100	3,085,000	3,634,600
Total "No or low qualifications"	30,800	994,400	7,170,200	8,271,600
Total working age pop (16 - 64)	147,000	5,423,300	33,722,300	38,991,900
% "No or low qualifications"	20.95%	18.34%	21.26%	21.21%
% No qualifications	8.37%	6.46%	9.15%	

However this is a significant improvement on data used in the last 2011 needs assessment, which was taken from the Office for National Statistics in 2009, when Portsmouth had lower than average levels of skills and qualifications amongst its residents with approximately 27% of the working age population with no or low qualifications.

Despite this improvement, essentially one in five adults in Portsmouth has 'no or low' qualifications and regardless of where this sits with the national average, this is a problem for the city as it increases the likelihood of low pay (see low pay section).

The difference between Portsmouth and the South East and National averages becomes much more marked at degree level qualifications. Portsmouth only has 2.2% of its population qualified at NVQ 4 or above, compared to 4.2% in the South East, and 4.6% in England.



(Accessed from the Neighbourhood Statistics website, 05.12.14)

Again this increases the likelihood of low pay in Portsmouth, as evidenced in the low pay section. Demand is predicted to change for skills and qualifications going forward, and the city's workforce will need to be ready for a changing employment landscape. Some of these changing landscapes are due to the various parts of the city that are being re-generated, and it will be important for Portsmouth people to be skilled up to access these jobs that will arise from this regeneration.

Portsmouth City Council's Business Skills and Growth Plan¹⁷² states that the biggest demand will be for skilled, knowledge-based activities requiring graduate or equivalent level qualifications. It also states that corporate managers and professionals will require more graduates and the Higher Education lower sector will be pivotal to supplying highly skilled workers. On the basis of Portsmouth's performance in this area (and that a very low number of Portsmouth young people progress to University compared to national statistics) this is a problem for the resident population. Caring and leisure occupations are predicted to remain robust but will require more A Level and equivalent qualifications, so again this causes a problem if Portsmouth young people cannot progress to higher level qualifications.

Whilst the report states that low skilled jobs will remain part of the future market, worryingly, the report states that 'stagnation is predicted in intermediate and low skilled occupations and there will be demand for certain vocational qualifications in intermediate occupations'. It will be important therefore for colleges and higher education establishments in the city to put on the right vocational and

¹⁷² Portsmouth City Council: Business Growth and Skills Plan <https://www.portsmouth.gov.uk/ext/documents-external/pln-businessgrowthandskillsplan.pdf>

qualification courses for young people in the city. Administration and secretarial jobs are predicted to be the largest area of decline in Portsmouth and the UK.

Employers in the city report that job seekers in the city lack the **'soft skills'** (such as communication, customer service and interpersonal skills) that would make them **'work ready'**¹⁷³, so it will be important that educational establishments are able to address these issues too. The Council's Business Growth and Skills Plan states that 'Although national research indicates a mismatch between training and business requirements, it is not clear from the evidence whether this is an issue for Portsmouth, with the exception of 'soft skills' and work-readiness. However, every effort is made locally to ensure that students have the right skills to meet employer demand. For example, both Highbury College and Portsmouth College consult with employer advisory boards in the key sectors to discuss their skills requirements'. So raising educational attainment with more Portsmouth young people becoming educated to degree level, alongside colleges and other further education establishments providing the right courses that meet the needs of the business world in Portsmouth going forward will be critical.

Summary: Adult skills, qualifications, education and training
Portsmouth is above the South East average for 'no or low adult qualifications' (Portsmouth is 20.95%, the South East is 18.34%). It is slightly below the England and GB averages of 21.16% and 21.21%. (This has improved from 27% in the last needs assessment).
Despite this improvement, one in five adults in Portsmouth has 'no or low' qualifications and this is a problem for the city as it increases the likelihood of low pay.
Portsmouth (at 2.2%) is significantly lower than the South East (4.2%) and England (4.6%) averages for its population qualified at NVQ 4 or above, increasing the likelihood of low pay.
The biggest demand going forward in the city will be for skilled, knowledge-based activities requiring graduate or equivalent level qualifications. It will be important therefore to raise educational attainment, and for colleges and higher education establishments to put on the right educational courses for young people, as well as addressing the soft skills required.

Literacy and Numeracy

Literacy

A recent report produced by Save the Children in 2014 called 'Read on Get On - How Reading Can Help Children Escape Poverty' has evidenced that a quarter of all children leaving primary education couldn't read well; and this increased to every 2 in 5 poorer children. In addition:

- 45% of low-income, white British boys were not reading well by the age of 11 - and this is even more pronounced for those who had English as their first language
- Boys are twice as likely to fall below even a very basic reading level than girls (England has one of the widest gaps in the developed world)

¹⁷³ Portsmouth City Council Business Skills and Growth Plan

- New analysis in the report showed that only one other country in Europe, Romania, has more unequal reading attainment amongst ten year olds
- If a child does not learn to read well when young, they can turn away from education as they get older, get poor qualifications and struggle in the world of work
- Struggling to read is linked to higher risk of low pay and unemployment than in any other developed country including the US
- The report concludes that reading and poverty are directly linked.

This highlights how important it is to have good literacy levels within the city. In terms of local data, the following tables contain data for Key Stage 2 children from 2013 and 2014 (the end of Key stage 2 is when children are 11 years old)¹⁷⁴:

2013 KS2 reading by pupil characteristics					
Percentage of pupils achieving level 4B+ by different combinations of characteristics.					
Gender	FSM¹⁷⁵ Eligible	Ethnicity	First Language	Number of pupils	Percentage L4B+
All	All	All	All	1827	70.77
Male	All	All	All	962	67.57
Female	All	All	All	865	74.34
All	FSM	All	All	389	51.93
Male	FSM	All	All	207	45.89
Female	FSM	All	All	182	58.79
All	Not FSM	All	All	1437	75.85
Male	Not FSM	All	All	754	73.47
Female	Not FSM	All	All	683	78.48

2014 KS2 reading by pupil characteristics					
Percentage of pupils achieving level 4B+ by different combinations of characteristics.					
Gender	FSM Eligible	Ethnicity	First Language	Number of pupils	Percentage L4B+
All	All	All	All	1819	76.09
Male	All	All	All	922	75.38
Female	All	All	All	897	76.81
All	FSM	All	All	379	63.06
Male	FSM	All	All	192	63.54
Female	FSM	All	All	187	62.57
All	Not FSM	All	All	1435	79.44
Male	Not FSM	All	All	728	78.43

¹⁷⁴ Local data provided by the Council's Education Service. The 'Read on Get On - How Reading Can Help Children Escape Poverty', produced by Save the Children, defined reading well as achieving level 4B+ in KS2 reading - see page 4. http://www.savethechildren.org.uk/sites/default/files/images/Read_On_Get_On.pdf

¹⁷⁵ FSM = Free School Meal

Female	Not FSM	All	All	707	80.48
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It is clear from the tables above that there has been an improvement for Portsmouth children between 2013 and 2014 (i.e. 2013 - all children 70.77% - 2014 all children 76.09%). It is also clear that there has been a significant improvement for free school meal (FSM) children between these 2 years. However there is still a significant gap in 2014 between FSM and non FSM children, with only 63% of FSM children achieving Level 4B+ compared to 76% of all children. Nationally, for children living in the poorest families and the most deprived communities, four out of ten children on free school meals are not able to read well by the age of 11¹⁷⁶. Not being able to read at an appropriate standard can have a devastating knock on effect for children in terms of their future achievement (and thus, ultimately, their life chances).

Raising reading levels for children in the city is therefore a key need to address going forward in terms of alleviating longer term poverty.

Unfortunately, in terms of data around adult literacy, very little is available. In previous years data was available from the 2011 Skills for Life Survey at ward level - but with the data being from 2009, this has not been included as it is now 5 years out of date and therefore no longer significant. However it is fair to assume that, given there are low levels of literacy for children in the city from poor households, that this will be reflected in the adult population, and that this will have a knock on effect on employment and finances in adulthood.

Summary: Literacy

Intelligence Gap: Very little up-to-date data is available around adult literacy in the city.

Nationally, research has shown that a quarter of all children leaving primary education couldn't read well; and this increased to every 2 in 5 poorer children. There is a direct link between poverty and reading outcomes.

45% of low-income, white British boys were not reading well by the age of 11 - and this is even more pronounced for those who had English as their first language. If a child does not learn to read well when young, they can turn away from education as they get older, get poor qualifications and struggle in the world of work.

Whilst there has been some improvement between 2013 and 2014, there is still a significant gap in 2014 with only 63% of Free School Meal (FSM) children achieving Level 4B+ reading at Key Stage 2 (11 years) compared to 76% of all children.

Low levels of literacy for children in the city are likely to lead to low levels of literacy for adults, with a knock on effect on job opportunities, unemployment and levels of pay.

Numeracy

¹⁷⁶ 'Read on Get On - How Reading Can Help Children Escape Poverty'; Save the Children 2014
http://www.savethechildren.org.uk/sites/default/files/images/Read_On_Get_On.pdf

"Numeracy, when used in the same context as 'literacy', means having a grasp of numbers and data and the arithmetic and reasoning necessary for everyday life. It means confidently handling money, understanding interest, using timetables, working out journey times and interpreting graphs and charts - in other words, living in the modern world"¹⁷⁷

Having good numeracy skills therefore has a direct relationship with poverty not only in terms of having skills for employment, but also for effective money management. Fewer than one in four (23%) of Portsmouth's working age population are working at Level 2 or above in numeracy (roughly equivalent to A* - C GCSE), while more than half (55%) are literate to this level¹⁷⁸. Although levels of numeracy in Portsmouth are a little higher than the England average of 22%, they are below the South East average of 28%.¹⁷⁹

Portsmouth's working age population is currently estimated to be 140,400¹⁸⁰. This means that numeracy is an issue for around 107,800 16 - 64 year olds in the city.

Table 1 provides a breakdown of numeracy levels in Portsmouth and provides examples of how people's lives might be limited by low numeracy.

Table 1: Numeracy levels of working age population in Portsmouth and the South East (2009)

Numeracy level	Roughly equivalent to...	% of working age population		At this level a person may not be able to...
		Portsmouth	South East	
Entry Level 1 and below	Below age 9	6.5%	5.6%	Select floor numbers in a lift
Entry Level 2	Below age 9	15.9%	13.8%	Use a cashpoint to withdraw money
Entry Level 3	Age 9 - 11	25.4%	23.5%	Understand price labels on pre-packaged food or pay household bills
Level 1	GCSE Grade D - G	29%	29.4%	Check pay and deductions on their wage slip
Level 2 and above	GCSE Grade C and above	23.2%	27.7%	Compare products and services to identify best value or work out a household budget

Adults with lower levels of numeracy have poorer education, employment and health (including mental health) outcomes.

Research indicates that irrespective of their standard of literacy, men who have left school at 16 with low numeracy are at greater risk of depression and were more likely to have been suspended from school, or arrested and cautioned by the police. Outcomes for women who left school at 16 with low

¹⁷⁷ Source: National Numeracy

¹⁷⁸ Source: The 2011 Skills for Life Survey (BIS)

¹⁷⁹ National Numeracy Challenge - Portsmouth City Council Briefing - July 2014

¹⁸⁰ Source: 2012 Mid-Year Population Estimates (ONS)

numeracy (irrespective of their standard of literacy) are even worse. These women are less likely to be in full-time work (regardless of how many children they have) and more likely to:

- Be in semi-skilled or unskilled jobs (if they are working);
- Report poor physical health in the last 12 months;
- Be in a non-working household;
- Have low self-esteem;
- Feel they lack control over their lives.

Improving levels of numeracy in Portsmouth will contribute to the city's social and economic regeneration and is a key objective of the Business Growth & Skills Plan, the city's plan for economic growth and improving residents' employability.

Evidence suggests that raising levels of numeracy will help to break the cycle of deprivation (a significant factor in reducing poverty in Portsmouth - another priority for the city) by:

- Increasing parental involvement in their children's education - a key factor in raising educational attainment;
- Raising residents' qualification levels - currently 9% of Portsmouth's working age population have no qualifications (compared to South East average of 7%);
- Reducing digital exclusion¹⁸¹ (complimenting local initiatives such as Super Connected Portsmouth).

Addressing literacy and numeracy levels within the city is therefore key in terms of breaking the cycle of deprivation longer term.

Summary: Numeracy
Having good numeracy skills has a direct relationship with poverty not only in terms of having the skills required for employment, but also for effective money management.
Fewer than one in four (23%) of Portsmouth's working age population are working at Level 2 or above in numeracy (roughly equivalent to A* - C GCSE), while more than half (55%) are literate to this level. Although levels of numeracy in Portsmouth are a little higher than the England average of 22%, they are below the South East average of 28%.
Studies suggest that men who have left school at 16 with low numeracy are at greater risk of depression and were more likely to have been suspended from school, or arrested and cautioned by the police. Outcomes for women who left school at 16 with low numeracy are even worse, being less likely to be in full-time work and subject to other poorer outcomes.
Addressing literacy and numeracy levels within the city is therefore key in terms of breaking the cycle of deprivation longer term.

Crime and anti-social behaviour

In 2013/14, 16,935 crimes were recorded in Portsmouth. This is an 8% (n1,508) reduction since the previous year, and 33% (n8,226) less than the 2007/08 baseline, giving a rate of 81.9 per 1,000.

¹⁸¹ Based on a study of 34 year olds, those with poor numeracy are twice as likely to lack Internet access, not have a computer at home or use it if they have one. Source: National Numeracy.

Although overall crime is reducing, Portsmouth's rate is still slightly higher in comparison to other similar areas (79.9 per 1,000).

Whilst there have been reductions in most types of crime, there have been increases in theft of motor vehicles (55%, n113), sexual offences (25%, n56), non-domestic burglary (19%,n136), cycle theft (15%, n149) , most serious violence (8%, n5) and arson (5%, n9).

People's perception of crime and how high or low they believe it is, is often more dependent on their own experiences than what the statistics might show overall. A community safety survey was conducted in March 2014, gathering perceptions and experiences from 849 Portsmouth residents.^[1] Most respondents indicated that they thought they had a good quality of life (mean=3.95 on a scale of 1 to 5 where 1 was poor and 5 was very good) and the actual experience of crime was generally low.

The top most feared crimes were burglary, being mugged / robbed and being assaulted, but only a small proportion of people experienced any of these crimes. This finding is consistent with previous surveys.

The most commonly experienced types of anti-social behaviour were noise from domestic properties (noisy neighbours), litter, general noise in the street (shouting, music, skateboards etc), dog mess and street drinking. For most types of anti-social behaviour, concern was slightly higher than experience. This was not the case for domestic noise, harassment & bullying and bin bags being left out at the wrong time. Black and minority Ethnic (BME) respondents were more likely to report being concerned about and experiencing harassment & bullying than British white respondents.

In terms of where anti-social behaviour is most prevalent in the city, Charles Dickens has a much higher rate than the other wards (124.1 per 1,000) - the average for the city is 44.2 per 1,000. The other areas with a high rate are: St Thomas (73.2), Nelson (59.1) and St Jude (58.2). These correlate with some of the most deprived wards in the city.

Overall, the level of people avoiding or being fearful of some areas in Portsmouth has decreased since 2012. The areas that people fear or avoid have remained fairly constant - Somerstown, Buckland, Guildhall Walk and Fratton (although Fratton has dropped from ranking 2nd last year to 4th). The most common reason for avoiding all of these areas continues to be a 'bad reputation'.

In the previous tackling poverty needs assessment from 2011, and within the context of why crime might be falling, it was suggested that more engagement with education and expansion of higher education might mean that more young people were being kept occupied, hence a reduction in crime. To date, crime is still falling, but there are many factors which might influence this such as better partnership work, more unofficial surveillance, electronic goods quickly de-valuing etc.

^[1] SPP S.Graves & N.Sandford-Smith *Community Safety Survey 2014: Headline Results*

There is a complex relationship between crime and poverty; certainly Portsmouth's Strategic Assessment shows that young offenders in the most part come from the more deprived parts of the city; Charles Dickens has highest rate of young offenders followed by St Thomas and Paulsgrove.

There may also be links between crime and low skills and education; and given that poor children in Portsmouth schools are falling far behind their peers, again this would suggest a relationship. The Safer Portsmouth Partnership latest Strategic Assessment has looked at complex cases in relation to other factors. For example, in 2013 research was carried out as part of the anti-social behaviour review which looked at complex cases.¹⁸² Complex cases are those cases referred to the ASBU where the problems are multifaceted and other agencies or services have been unable to resolve the issues. They include individuals and families with a lengthy history of anti-social behaviour, cases that have escalated in severity or frequency or locations that are problematic.

Given that there are higher levels of ASB in areas of deprivation in the city, it makes sense to consider this research here. The research, which has so far looked at a dip sample of 90 cases, identified that in the majority of cases a variety of factors contributed to the anti-social behaviour, such as drug or alcohol misuse, offending history, child protection, domestic abuse and mental health issues. Of the 90 cases, 86% (n77) had at least one of these contributory factors. Of the cases that had a named perpetrator, 40% (n14) had been known to services and had been causing anti-social behaviour for between 3 and 8 years.¹⁸³

The full extent of the links between offending, anti-social behaviour, domestic abuse, substance misuse and mental health issues are not fully understood locally, a problem which is compounded by agencies not adequately recording where individuals experience multiple needs, or where incidents are influenced by such factors. However, research and anecdotal evidence suggests that many of the most vulnerable individuals suffer compound issues, and services need to ensure they are taking a holistic and collaborative approach towards their clients, using onward referrals where appropriate.

This needs assessment would suggest that poverty might also be considered within these complex factors. For example, it would be useful to look at these cases to see whether there were issues around financial hardship, including unemployment and homelessness factoring too.

Because of the above findings, despite achieving the agreed targets for most SPP indicators, and with crime and anti-social behaviour falling, the SPP acknowledges that further work is needed in the areas of *reoffending, substance and alcohol misuse, and domestic abuse* with wider support being provided to people in areas such as mental health. Specifically, investment in early intervention with young people, adults and families could produce a significant reduction in demand for high cost services at a later stage.

¹⁸² Review of complex cases of Anti-social Behaviour: Stage 1 Report, Wickson (May 2013)

¹⁸³ Research review of complex cases of Anti-social Behaviour: Stage 2 Report, Wickson (October 2013)

It may be that the relationship with childhood poverty could also be added to this work; particularly because it is known that child poverty costs; it leads to a higher welfare benefits bill; it increases costs on public services (e.g. the costs of poor health on the NHS and other key public services); and it leads to lower productivity by the adult workforce. It was estimated in 2013 that, nationally, child poverty cost £29b a year; with an estimate for Portsmouth of £121m¹⁸⁴. There is a clear financial case therefore for seeking to reduce child poverty in order to maximise resources within a difficult economic climate. It may be that this links with the other factors illustrated through the complex cases above; and that this further work would therefore benefit from being joined up. A starting place may be to explore both the educational attainment levels of young offenders and their backgrounds in relation to their family's financial circumstances (including household employment).

Summary: Crime and anti-social behaviour
Although overall crime is reducing, Portsmouth's rate is still slightly higher in comparison to other similar areas (79.9 per 1,000).
In terms of where anti-social behaviour is most prevalent in the city, Charles Dickens has a much higher rate than the other wards (124.1 per 1,000) - the average for the city is 44.2 per 1,000. The other areas with a high rate are: St Thomas (73.2), Nelson (59.1) and St Jude (58.2). These correlate with some of the most deprived wards in the city.
There is an association between crime and poverty. Young offenders in the most part come from the more deprived parts of the city. Charles Dickens has highest rate of young offenders followed by St Thomas and Paulsgrove.
There may also be links between crime and low skills and education; and given that poor children in Portsmouth schools are falling far behind their peers, again this would suggest a relationship.
Research and anecdotal evidence suggests that many of the most vulnerable individuals suffer compound issues, and services need to ensure they are taking a holistic and collaborative approach towards their clients, using onward referrals where appropriate.
Intelligence Gap: The Safer Portsmouth Partnership acknowledges that further work is needed in the areas of reoffending, substance and alcohol misuse, and domestic abuse with wider support being provided to people in areas such as mental health. There is a need to explore the relationship with poverty (e.g. offenders' financial backgrounds) alongside this.

Health and Wellbeing

The Health and Wellbeing Board in Portsmouth has developed a Joint Health and Wellbeing Strategy¹⁸⁵ which aims to improve and protect the health and wellbeing of people who live and work in Portsmouth. It has identified 5 Portsmouth-specific priorities as follows:

1. Giving children and young people the best start in life
2. Promoting prevention

¹⁸⁴ 'An estimate of the cost of child poverty in 2013', Donald Hirsch, Centre for Research in Social Policy, Loughborough University (2013).

¹⁸⁵ Joint Health and Wellbeing Strategy: Working better together to improve health and wellbeing in Portsmouth 2014 - 2017. <https://www.portsmouth.gov.uk/ext/documents-external/hlth-jhwellbeingstrategy2014-17.pdf>

3. Supporting independence
4. Intervening earlier
5. Reducing inequality

There is clearly significant cross-over with the aims of the tackling poverty strategy which highlights how health inequalities and poverty inequalities inter-relate. People in Portsmouth in poorer wards die earlier than their more affluent counterparts, particularly men. In 2010/12, male life expectancy at birth in Portsmouth was 78.2 years. This has improved, but is still significantly worse than the England level (79.2 years). It is a little lower - but not significantly so, than Southampton (78.5 years).¹⁸⁶ Associations between health inequalities and poverty become apparent when looking at specific areas of Portsmouth - life expectancy at birth (2010-12) for males in Portsmouth's most deprived 10% of Lower Super Output Areas (LSOAs) is 72.7 years - 9.4 years shorter than males in the least deprived 10% of LSOAs.

As a result, the Health and Wellbeing Board agreed that the city's Tackling Poverty Strategy should be one of the priorities identified as part of the Joint Health and Wellbeing Strategy, and this work now reports in to the Health and Wellbeing Board.

Portsmouth's Joint Health and Wellbeing Strategy states that growing up in poverty has a significantly negative impact on health and wellbeing outcomes for children and has the potential to expose children to more risk factors. The increase in the number of people asking for assistance, increase in rent arrears and increased demand at money advice services in the city suggests that more people in the city are struggling financially. Poverty costs society - it is estimated that child poverty costs Portsmouth £121 million every year. The Tackling Poverty workstream of the Joint Health and Wellbeing Strategy therefore supports the refresh of the Tackling Poverty Strategy, which seeks to ensure that no-one is prevented from achieving a happy, productive and healthy life through the effects of poverty or financial hardship.

Some of the key common priorities between the strategies are as follows:

- Health inequalities linked to deprivation

The 2013 Annual Public Health Report focuses on the health of Portsmouth males. Males living in the least deprived areas do not reach the level of life expectancy of females living in the same area; they have similar levels of life expectancy as females living in the most deprived areas. The Report noted that the causes of comparatively poor male health are complex and affected as much by culture and the broader determinants of health as by access to services. It echoed the Marmot review in highlighting key focus areas of boys' early years, education and employment opportunities. Deep-rooted and wide-ranging problems require collective effort of all stakeholders across the city. One workstream within the Health and Wellbeing Strategy therefore seeks to address the inequalities

¹⁸⁶ Portsmouth JSNA http://www.hants.gov.uk/pccjsna/API_STR_JSNA_BURD_LEXP.pdf

identified in the Annual Public Health report by implementing measures that can be taken to improve men's health.

- Employment and employability (including skills and qualifications)

The Health and Wellbeing Strategy seeks to tackle health related barriers to accessing and sustaining employment. 'Creating fair employment and good work for all' is one of the six policy objectives of the Marmot Review, aimed at reducing health inequalities. Unemployment increases the chance of being ill and increases rates of depression, while long term health conditions can be a significant barrier to many people accessing jobs. As evidenced in the employment section, people in the poorer wards in the city are at higher risk of unemployment (e.g. Charles Dickens ward unemployment is approximately double the national average). In general people with mental health problems or with learning disabilities are at increased risk of social exclusion. Another workstream in the Health and Wellbeing Strategy therefore aims to reduce these risks by improving access to sustainable employment.

In common across both strategies is the notion of having a workforce who 'make every contact count' (MECC). This means that, wherever the public 'touch down' with Council services, this contact will be maximised and where appropriate the right key messages and/or signposting will be delivered around public health messages - i.e. working in a holistic way around people's needs. Public Health's MECC training program has therefore been linked with 'bolt on' modules around areas such as budgeting and fuel poverty. This evidences how the Public Health and Tackling Poverty agendas make the link between improving financial resilience and improving wider health and wellbeing, and can join together effectively in order to prevent poverty and health inequalities.

There are also other common objectives around areas such as educational attainment, healthy affordable eating (linked to food poverty and nutrition) and fuel poverty.

The King's Fund recommends 9 key areas that can improve public health and reduce inequalities. Some of them very directly link to tackling poverty objectives as follows:

- The best start in life
 - *links to children who are in poverty aged 0 - 5 are much likely to have poorer outcomes later in life*
- Healthy schools and pupils
 - *links to educational attainment and the importance this has in terms of reducing the risk of poverty later on in life*
- Helping people find good jobs and stay in work
 - *links to finding adequately paid and sustainable employment as a means out of poverty*
- Active and safe travel
- Warmer and safer homes

- *links to fuel poverty objectives around energy efficiency and cheaper bills, as well as links to excess winter deaths*
- Access to green and open spaces and the role of leisure services
- Strong communities, wellbeing and resilience
 - *links to how developing financial resilience can lead to longer term health and wellbeing outcomes*
- Public protection and regulatory services
- Health and spatial planning

There is a strong need therefore to work together with Public Health around issues of poverty and health inequalities, in order to maximise resources and ensure a joined up approach.

The following health sections will cover some of the areas of health or illness where an association might be established with deprivation. These are just a sample only, so it is not an exclusive list. For example, illnesses such as diabetes can link to poor diet which can link to financial hardship and unhealthy lifestyles. Illnesses such as influenza and pneumonia were shown in the previous needs assessment to be more prevalent in the most deprived areas of the city. Instead, due to the word constraints of this document, some of the key areas only will be examined in the next section.

Summary: Health and wellbeing
People in Portsmouth in poorer wards die earlier than their more affluent counterparts, particularly men. In 2010/12, whilst male life expectancy at birth in Portsmouth was 78.2 years, for males in Portsmouth's most deprived 10% of Lower Super Output Areas (LSOAs), it was 72.7 years - 9.4 years shorter than males in the least deprived 10% of LSOAs.
As a result, the city's Tackling Poverty Strategy is now one of the priorities identified as part of the Joint Health and Wellbeing Strategy, which states that growing up in poverty has a significantly negative impact on health and wellbeing outcomes for children and has the potential to expose children to more risk factors.
Some of the common areas of work between the strategies are health inequalities linked to deprivation, employment/employability, skills and qualifications, educational attainment, healthy affordable eating (linked to food poverty and nutrition) and fuel poverty.
The King's Fund recommends 9 key areas that can improve public health and reduce inequalities, some of which directly link to tackling poverty objectives, such as the best start in life, helping people to find good jobs and to stay in work, and warmer and safer homes.
There is a strong need therefore to work together with Public Health around issues of health inequalities, in order to maximise resources and ensure a joined up approach.

Life Expectancy

Life expectancy is used frequently as an indicator of the overall health of a population - i.e. longer life expectancy generally indicates better health. There are some concerning differences in life expectancy for people living in poor communities, compared to people living in more affluent areas.

Evidence both nationally and locally shows there is an association between life expectancy, health inequalities and poverty. In 2010/12, male life expectancy at birth in Portsmouth was 78.2 years. This has improved, but is still significantly worse than the England level (79.2 years). It is a little lower - but not significantly so, than Southampton (78.5 years).¹⁸⁷ Associations between health inequalities and poverty become apparent when looking at specific areas of Portsmouth - life expectancy at birth (2010-12) for males in Portsmouth's most deprived 10% of Lower Super Output Areas (LSOAs) is 72.7 years - 9.4 years shorter than males in the least deprived 10% of LSOAs.

Whilst female life expectancy is not significantly different from the England average (Portsmouth 82.6 years, England 83.0 years) there is a 5.8 year gap between the 10% most deprived LSOAs (78.9 years) and the 10% least deprived.

The main broad causes of death contributing to the gap in life expectancy between the 20% most deprived and 20% least deprived in Portsmouth are circulatory diseases, cancers and respiratory disease. More specifically, of the more detailed causes of death categories, coronary heart disease; lung cancer; and chronic obstructive airways disease are the leading conditions contributing to the gap for both males and females. Causes of death contributing in the gap in life expectancy can also be explained using years gained or lost if the mortality rate was the same between the most and least deprived quintile; for example, if the lung cancer mortality rate for Portsmouth's most deprived quintile was the same as Portsmouth's least deprived quintile there would be almost one year of life expectancy at birth gained, for both males and females (in 2010-2012).

Some of these diseases link to lifestyle behaviours - for example smoking and poor diet. Smoking tends to be more prevalent in poor communities - it could be argued that being poor and having financial stresses might therefore increase people's overall stress levels, making behaviours such as smoking and alcohol use more likely. Quality of education in the city may also be an issue - as well as wider factors such as media and advertising, numbers of fast food outlets in communities etc.

Improving the health of people living in the most deprived areas of the city should also have a positive knock on effect on poverty rates in the city; for example by reducing sickness levels and increasing employment rates and overall productivity. Unemployment increases the risk of fatal or non-fatal cardiovascular disease and events, and all-cause mortality, by between 1.5 and 2.5 times¹⁸⁸.

Summary: Life expectancy
Life expectancy is used frequently as an indicator of the overall health of a population. There are some concerning differences in rates for people living in poor communities, compared to people living in more affluent areas. As stated earlier, People in Portsmouth in poorer wards die earlier than their more affluent counterparts, particularly men.
The main broad causes of death contributing to the gap in life expectancy between the 20%

¹⁸⁷ Portsmouth JSNA http://www.hants.gov.uk/pccjsna/API_STR_JSNA_BURD_LEXP.pdf

¹⁸⁸ (Siegrist et al 2010; cited from 'Improving the Public's Health; A Resource for Local Authorities', The King's Fund 2013

most deprived and 20% least deprived in Portsmouth are circulatory diseases, cancers and respiratory disease.
Some of these illnesses link to lifestyle behaviours - for example smoking and poor diet. Smoking tends to be more prevalent in poor communities. Being poor and having financial stresses might increase people's overall stress levels, making such behaviours more likely.
Quality of education in the city may also be an issue - as well as wider factors such as media and advertising, numbers of fast food outlets in communities etc.
Improving the health of people living in the most deprived areas of the city should also have a positive knock on effect on poverty rates in the city for example through increased employment and productivity.

Low Birth Weight

Low birth weight is linked to neonatal mortality, poor growth and cognitive development and chronic diseases later in life.

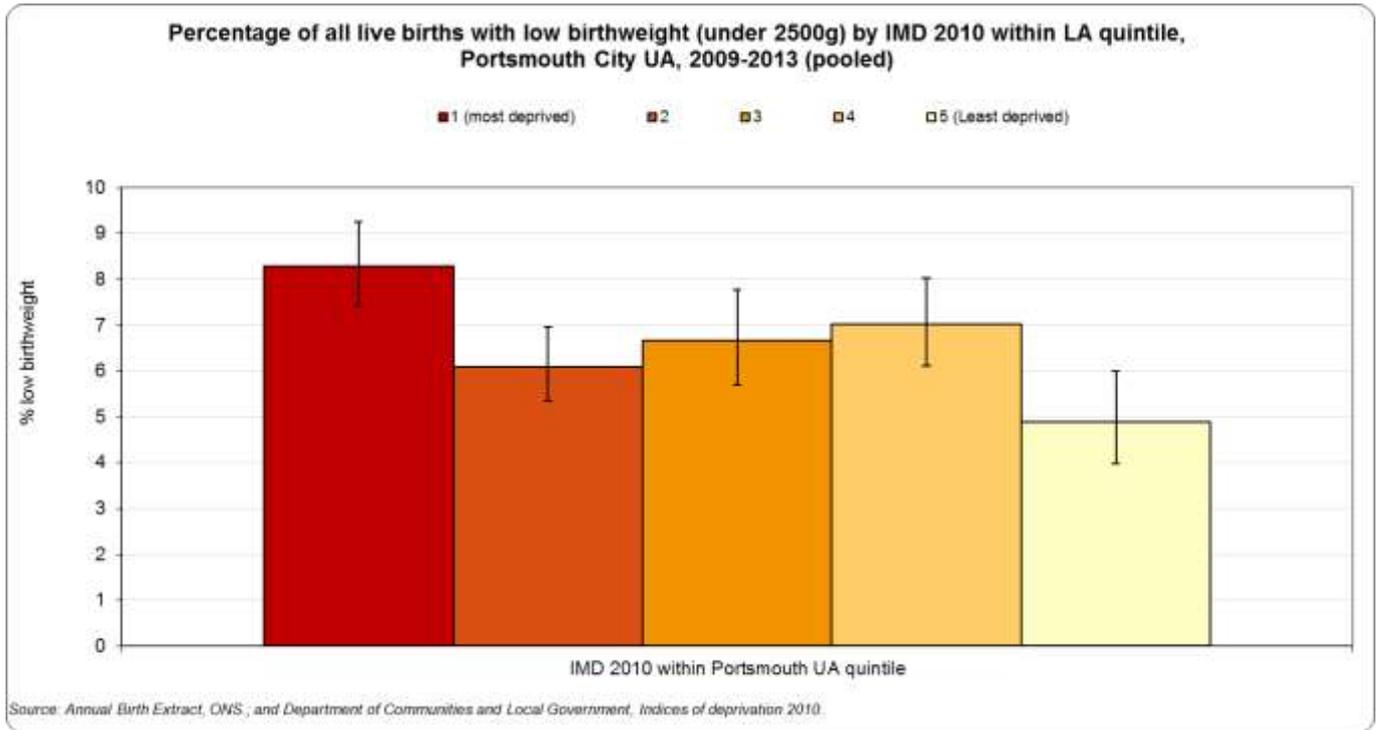
Higher than average infant mortality rates have been found in babies whose mothers were born outside England and Wales, young mothers, babies’ whose fathers were in the routine and manual social class, babies that were registered by the mother alone and babies born in deprived areas. There are wide inequalities in infant mortality rates by local authority in England and monitoring these inequalities is essential to understanding trends in inequalities in infant mortality.

Maternal smoking, drug or alcohol use, deprivation and poor nutrition during pregnancy, as well as complications such as hypertension, are associated with low birth weight.

Smoking is the major modifiable risk factor contributing to low birth weight. Babies born to women who smoke weigh on average 200g less than babies born to non-smokers. The incidence of low birth weight is twice as high among smokers as non-smokers.

The following chart demonstrates that in 2009-2013 the percentage of low birth weight babies in the most deprived quintile within Portsmouth is statistically significantly higher than the % of low birth weight babies in the least deprived quintile within Portsmouth.¹⁸⁹

¹⁸⁹ The data was aggregated over 5 years to provide enough numbers to make the data more statistically robust instead of the IMD 2010 data as the numbers in the least deprived quintile were quite low. So as an alternative, the Portsmouth IMD quintiles were used which meant there would be a greater number of LSOAs in the least deprived quintile and therefore a higher number of LBW babies in the least deprived quintile. Since the data is not being compared to other UAs this is acceptable.

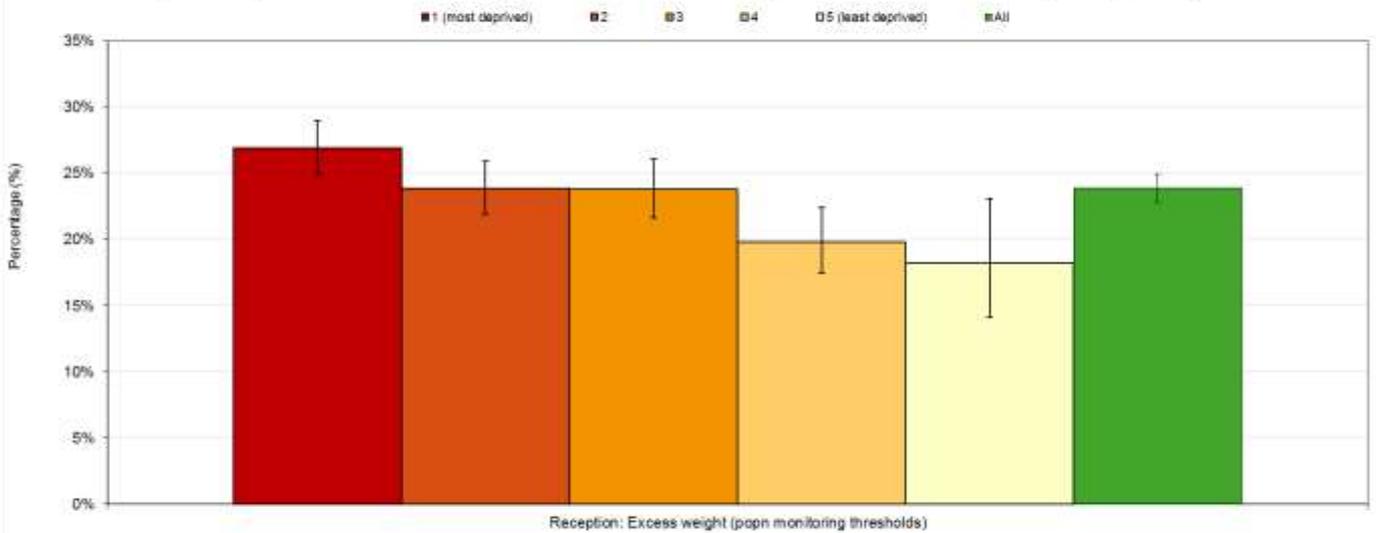


Obesity

Higher levels of childhood obesity indicate higher risk of related conditions later in life such as type 2 diabetes and coronary heart disease. Higher rates of underweight/overweight/obesity are associated with poorer health outcomes.

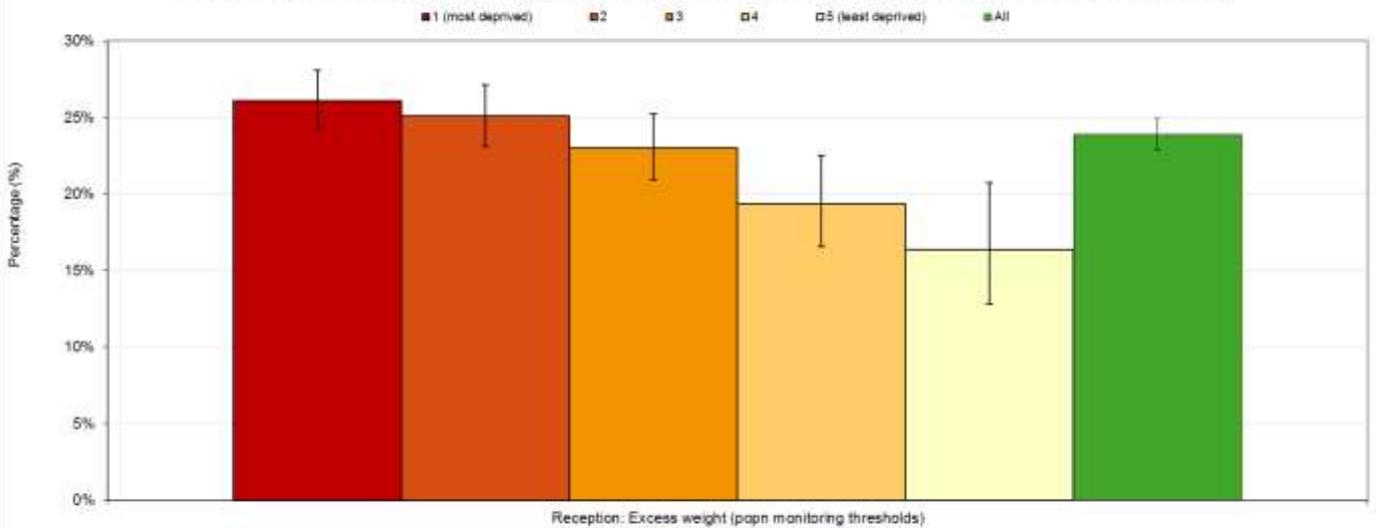
The stratified indicator by deprivation quintile has been produced in order to quantify inequalities in 'excess weight' (overweight and obese) of pupils (based on the pupil's area of residence) in Year R and Year 6, by multiple deprivation and children in low-income families. The following charts demonstrate pooled data in relation to childhood excess weight for 2010/11 to 2012/13.

Percentage of Reception year pupils with excess weight (overweight or obese) by IMD 2010 (pupil residence) England quintile, Pupils of any UA residence attending Portsmouth UA schools, 2010/11-2012/13 academic years (pooled)



Source: NCMP, National Obesity Observatory, PHE, and Department of Communities and Local Government, Indices of deprivation 2010.

Percentage of Reception year pupils with excess weight (overweight or obese) by Children in low income families (2012) England quintile, Pupils of any UA residence attending Portsmouth UA schools, 2010/11-2012/13 academic years (pooled)

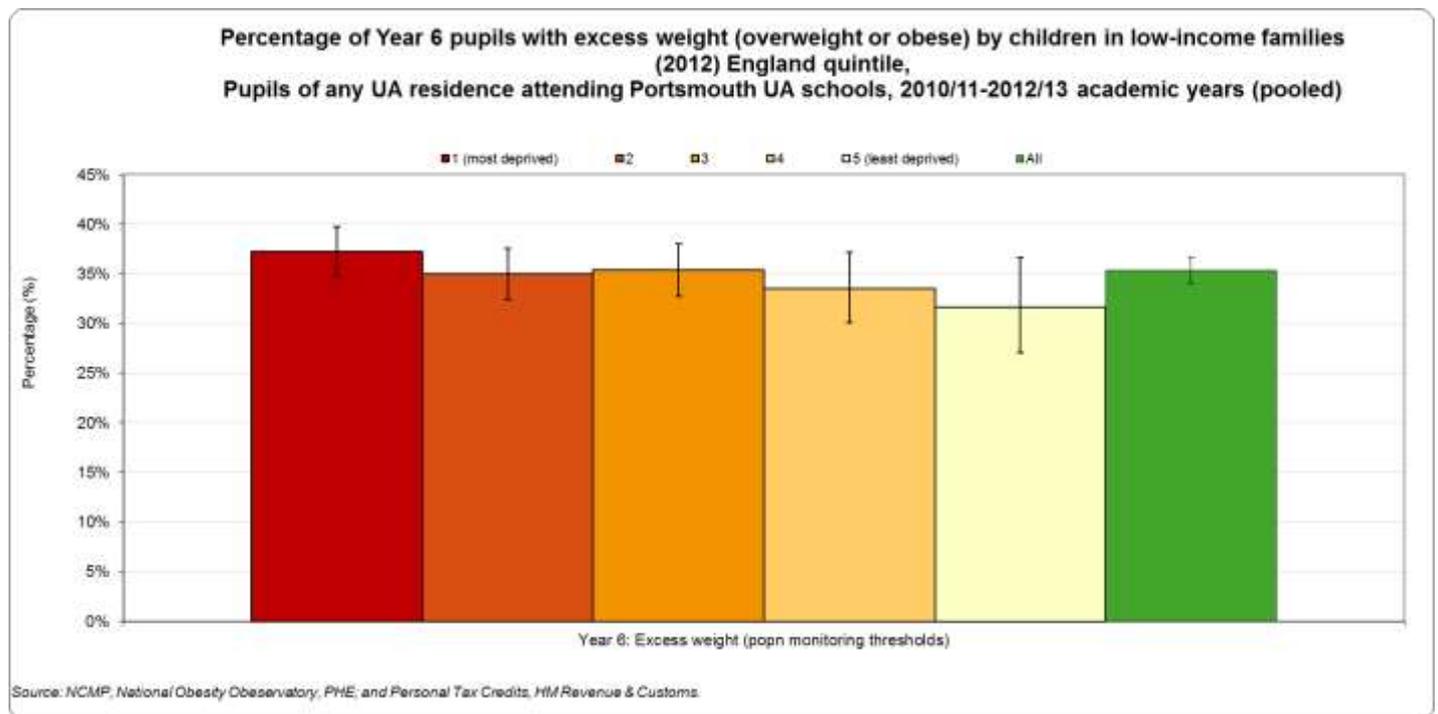
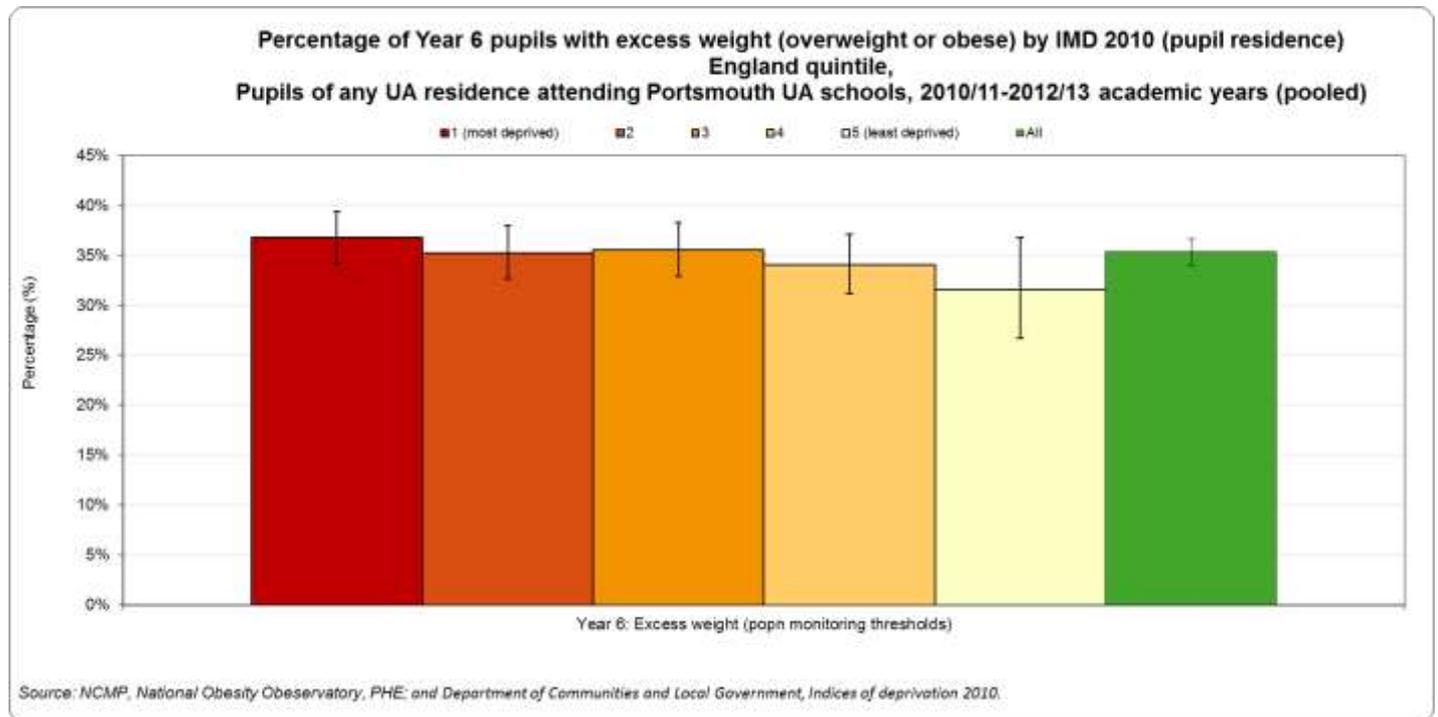


Source: NCMP, National Obesity Observatory, PHE, and Personal Tax Credits, HM Revenue & Customs.

In 2010/11-2012/13 academic years (pooled), Reception Year (Year R) had statistically significantly higher 'excess weight' (overweight or obese) in the most deprived quintile compared to the least deprived (both IMD 2010 and child poverty quintiles - charts above). Using the children in poverty quintiles, obesity is also significantly higher in the most deprived quintile.

In 2010/11-2012/13 academic years (pooled), Year 6 pupils (charts below), there is no statistical difference between the most deprived and least deprived quintiles for 'excess weight'; but obesity is

statistically significantly higher in the most deprived quintile compared to the least deprived (both IMD 2010 and child poverty quintiles).



It is not possible to be able to conclude the reasons as to why childhood obesity is higher for those children in the city who live in deprived areas. There are several hypotheses that could be explored going forward, such as whether there are any links between lack of green spaces or access to leisure

activities for families living in poverty; and/or whether there are issues about affordability of diet; or skills issues (such as being able to cook). This would be a possible area for research going forward.

Summary: Low birth rate and obesity
The percentage of low birth weight babies in the most deprived quintile is statistically significantly higher than the % of low birth weight babies in the least deprived quintile within Portsmouth.
This suggests an association between multiple deprivation (including poverty) and low birth weight of babies.
Reception year children in Portsmouth are statistically significantly higher 'excess weight' (overweight or obese) in the most deprived quintile compared to the least deprived (both IMD 2010 and child poverty quintiles). (Using the children in families quintiles, obesity is also significantly higher in the most deprived quintile).
With Year 6, there is no statistical difference between the most deprived and least deprived quintiles for 'excess weight'; but obesity is statistically significantly higher in the most deprived quintile compared to the least deprived (both IMD 2010 and child poverty quintiles).
It is not possible to be able to conclude the reasons as to why childhood obesity is higher for those children in the city who live in deprived areas, but areas for consideration may include affordability of nutritional food, cooking skills, education etc. This would be a possible area for research going forward.

Alcohol and Substance Misuse

Please see the Working Age Adult section.

Mental illness

Please see the Working Age Adult section.

Teenage Conception

In 2010/12, Portsmouth's conception rate in women aged under 16 years was 7.3 conceptions per 1,000 women aged 13-15 years – significantly higher than the rate for the South East, higher but not significantly than the rate for England, and lower but not significantly than Southampton's rate. Compared to previous years, this is the lowest local rate since 1998/00.

In 2010/12, Portsmouth's conception rate in women aged under 18 years was 37.5 conceptions per 1,000 women aged 15-17 years, again significantly higher than the rates for England and the South East region. However, the trend shows the Portsmouth rate continues to decrease since 2007/09.

Young mothers face significant financial pressures when they raise children and so this is a positive trajectory. It will be important to offer the right support to young mothers who are present in the city, including good information and advice around training, employment and childcare.

Summary: Teenage conception

In 2010/12, Portsmouth's conception rate in women aged under 16 years was 7.3 conceptions per 1,000 women aged 13-15 years – significantly higher than the rate for the South East, higher but not significantly than the rate for England, and lower but not significantly than Southampton's rate. Compared to previous years, this is the lowest local rate since 1998/00.

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Young mothers face significant financial pressures when they raise children and so this is a positive trajectory. It will remain important to offer the right support to young mothers in the city, including good information and advice around training, employment and childcare.

Learning Disabilities

Please see the Working Age Adult section.

Carers

Carers can be prone to financial stresses for a number of reasons including lack of access to employment opportunities, having to navigate through and survive on welfare benefits and trying to manage finances on top of the additional stresses of being a carer.

Portsmouth's JSNA (August 2014)¹⁹⁰ reports that there has been an increase in the number of carers claiming benefits (about 45 additional claimants - mainly in working age carers). It is hard however to know the relevance of this as there are thought to be many 'hidden carers' in Portsmouth and an increase in claimants may be down to more carers actually claiming rather than an increase in actual carers.

About 1,380 (110 more than in 2012) residents of working age claim Carer's Allowance. This equates to 11 per 1,000 residents of working age compared with 10.2 per 1,000 residents of working age in 2012. As in 2011 and 2012, the highest number and rate of claimants in 2013 are in Paulsgrove (205 claimants, 27.7 per 1,000 residents of working age). The rate in Paulsgrove is significantly higher than all other wards. Compared to last year, the greatest increases in the claimant rate are in Charles Dickens, Paulsgrove, Baffins and St Thomas wards.

About 4,390 (about 105 less than in 2012) residents aged 65+ years claim Attendance Allowance (151.2 per 1,000 residents aged 65+ years). As in 2010 and 2011, the highest rate of claimants is in Hilsea (169 per 1,000 residents aged 65+ years). Compared to 2011, only three wards have seen an increase in claimant rate. The rates in Central Southsea, Nelson and Paulsgrove have declined the most.

¹⁹⁰ Portsmouth JSNA August 2014 http://www.hants.gov.uk/pccjsna/API_STR_JSNA_BURD_CARERS.pdf

In 2012/13, Adult Social Care carried out a needs assessment, review or gave advice and information to 1,573 carers (18% less than in 2011/12). People caring for someone with physical disabilities accounted for 74% of such carer interventions. In 2012/13, the highest activity rates were in Charles Dickens (12 such carer interventions per 1,000 residents) and Cosham (10 such carer interventions per 1,000).

The carers' survey found that 41% of local carers were aged 65+ years. Seventy-five per cent of people being cared for were aged 65+ years. Local carers are mainly looking after one person – usually a spouse/partner (42%), or parent aged 65+ (35% - higher than the national level of 29%). Thirteen per cent were not in paid employment because of their caring responsibilities and 4% were in paid employment and did not feel supported by their employer. This highlights the challenges of both finding work that is flexible enough to work around the needs of carers, and then having the necessary support in the workplace to balance these competing work and home-life needs. Helping carers find and maintain sustainable employment can not only be helpful from a financial point of view, but can also be helpful in terms of carers having some independence and life outside of their caring responsibilities.

The three main reasons for being cared for were physical disabilities (51%), problems related to ageing (37%) and dementia (35%). The impact on carers' own physical and mental health can be seen in their reports of feeling tired (68%), sleep disturbance (56%) and stress (48%). Twenty-four per cent of carers themselves had a long-standing illness. Again this highlights the vulnerabilities which carers can experience and which can in turn have a knock on effect on their financial and/or employment circumstances.

The national survey¹⁹¹ of 1,641 local carers aged 18+ years receiving services from Social Services was carried out in November/December 2009 (response rate of 28%). One of the key issues raised by local carers was that their caring role caused some financial problems to 30% of carers. So locally this evidences a need to support carers around financial issues in order to improve the quality of their lives. Priorities identified by carers included better access to information and advice, and access to work and training, so access to finance, employment, education and training will be an important part of improving support for carers in the city.

Summary: Carers
Carers can be prone to financial stresses for a number of reasons including lack of access to employment opportunities, having to survive on welfare benefits and trying to manage finances on top of being a carer.
Portsmouth's JSNA (August 2014) reports that there has been an increase in the number of carers claiming benefits (about 45 additional claimants - mainly in working age carers).
However there are thought to be many 'hidden carers' in Portsmouth and an increase in claimants may be down to more carers claiming rather than an increase in actual carers.
In 2013 about 1,380 (110 more than in 2012) residents of working age claim Carer's

¹⁹¹ Personal Social Services Survey of Adult Carers in England - 2009-10. Ibid.

Allowance. The highest number and rate of claimants in 2013 are in Paulsgrove. About 4390 residents aged 65+ years claim Attendance Allowance (151.2 per 1,000 residents aged 65+ years). The highest rate of claimants is in Hilssea.
The carers' survey found that 41% of local carers were aged 65+ years. Local carers are mainly looking after one person – usually a spouse/partner (42%), or parent aged 65+ (35% - higher than the national level of 29%).
13% were not in paid employment because of their caring responsibilities and 4% were in paid employment and did not feel supported by their employer. 24% of carers themselves had a long-standing illness. This highlights potential effects on their financial circumstances.
One of the key issues raised by local carers in a survey in 2009 was that their caring role caused some financial problems to 30% of carers. Support for carers around money, finances, training and employment is therefore key.

Wider learning about the needs of people in Portsmouth

Learning from Portsmouth's Local Welfare Assistance Scheme

In April 2013 Portsmouth City Council took on new responsibilities for provision of local welfare assistance. This was as a result of the transfer of Social Fund Community Care Awards & Crisis Loans from the Department of Work and Pensions (DWP) to local government. The Council commissioned Northgate to provide its local welfare assistance scheme, and Northgate have provided a fully managed service since April 2013, contract managed by the Council. Northgate manage the provision of goods (such as furniture and white goods) through a charity called Family Fund, from companies such as Argos & Euronics.

The criteria for the scheme centres around people who are in severe financial hardship and who either have a crisis, such as fire, flood, fleeing Domestic Violence or other exceptional pressures; or people who are either re-settling in the community or who need help to remain in the community, and who need furniture and/or white goods to reach a basic standard of living.

Significant need is evidenced in these areas as follows:

2013/14 Scheme Usage		
N.B. Caution should be exercised with use of this data, as it is approximate only, due to the complexities of counting multiple needs within applications.		
Applications	Numbers	Percentage
Total Number of Applications	2,271	N/A
Number of applicants granted awards	697	23.48% of all applications
Trends on paid applications		
Improve Living Conditions <i>(For people who are at a high level of vulnerability e.g. health/mental</i>		40.70%

<i>health issues/exceptional pressures in the home etc.)</i>		
Domestic Violence <i>(For people fleeing domestic violence who often leave with nothing/need to set up home)</i>		9.50%
Resettling after an institution/homeless accommodation <i>(For people coming out of hostels/hospital/prison/institutions e.g. referrals from Roberts Centre Temporary Accommodation Service)</i>		30.40%
Money Issues (e.g. food/fuel/travel)		14.40%
Emergency Travel		1.10%
Emergency Situation		2.10%
Other		1.80%

The application process ensures that all other forms of provision that may be available in the community have been explored before making a local welfare assistance award, so it is targeted on those in most need. As demonstrated by the data above, over 40% of funding was spent on 'improving the living conditions' of vulnerable people already in their own homes - i.e. people with vulnerabilities such as physical or mental health issues, facing exceptional pressures etc.

Over 30% of all funding was spent on resettlement issues, including vulnerable people leaving hostels, hospital, institutions or prison who have no money and require furniture and white goods such as a fridge and a cooker, in order to set up home within the community.

Nearly 10% of all awards granted have been in relation to people fleeing domestic abuse situations, which will include elements of emergency daily living expenses and also furniture, white goods, clothes etc. in order to set up home.

In terms of household composition, the data suggests that;

- 57% of applicants were female, 43% male
- Single people accounted for 48%, followed by lone parents (32%)
- 39% were disabled
- The majority were between the ages of 16 and 54

There will be no separate allocation of funding to local authorities for local welfare assistance from April 2015. This will clearly leave a gap around the following three needs:

- a) Resettlement for people with complex needs - to provide basic items and funding to enable people coming out of hostels and institutions to re-settle in the community.
- b) Support to help people with complex needs remain in the community - to ensure that the most vulnerable residents in particularly difficult situations can maintain the basic standards for day-to-day living.
- c) Crisis funds for people faced by sudden emergencies such as fire, flood or fleeing domestic violence.

If these needs are not met, some vulnerable people will almost certainly fail in either setting up home in the community or in maintaining the most basic, humane level of conditions in the home. This could drive up costs across a range of public services (for example through increased demand at services such as mental health, children's social care, temporary accommodation provision, and debt advice services).

Living without the basic essentials also limits people's ability to seek and sustain employment in order to improve their own circumstances, trapping them in a cycle of deprivation. Although there are some possibilities for provision of community resources and better partnership working to maximise current resources, there remain some gaps for the more vulnerable people in the city. This is likely to increase costs to public and voluntary and community sector services without some funded provision.

Summary: Learning from Portsmouth's Local Welfare Assistance Scheme (LWAS)
Portsmouth's LWAS criteria centres around people who are in severe financial hardship and who are either have a (defined) crisis, or people who are either re-settling or living in the community, and who need furniture and/or white goods to reach a basic standard of living.
697 applicants were granted awards in 2013/14, primarily for furniture or white goods, but also with some crisis provision (e.g. food, gas and electric).
About 10% of awards were granted in relation to fleeing domestic abuse.
40% of funding was spent on 'improving the living conditions' of vulnerable people already in their own homes - e.g. physical or mental health issues, facing exceptional pressures etc.
Over 30% of funding was spent on resettlement issues, including people leaving hostels, hospital, institutions or prison, for furniture and white goods to set up home.
Due to the government ceasing allocated funding, there will only be about a 1/5 th of the previous funding available for provision for 2015/16. Leaving a gap around these high level needs could drive up costs across a range of public services (for example through increased demand at services such as mental health, temporary accommodation, and debt advice).

Learning from customer focused reviews of services

In addition to the various data that is presented throughout this needs assessment, it is just as important to capture learning from delivery of services on the ground, that tell us something about the needs of people in financial hardship in the city, and how to put people back into a place where they can take control of their lives, developing financial resilience in the longer term.

Pieces of work in the city have identified the need for residents to receive services that are much more customer focused, and are designed with the customer's needs in mind, rather than the systems driving the response for the customer.

This has been evidenced by a number of interventions in the city. Portsmouth City Council has been engaged in using Systems Thinking methodology for a number of years in the city order to learn about and understand its customer's needs in a number of key services. What makes this approach stand out from other review methods is its ability to really understand services from the customer's perspective, and then to re-design them from this perspective, so that they are much more effective in meeting customers' needs.

This approach has been used in areas of the Council such as Housing Repairs and Rental Collection, as well as wider work with money advice services. More recently it is being used to understand work with families from a community perspective in the North of the city in Paulsgrove, and is also being used in part to understand models for integration between health and social care within the Better Care Fund.

Some of the key themes of learning that have come from these reviews are as follows:

- When we are able to view our services from a customer's perspective we see the performance of our services in a very different way to that shown in our usual key performance indicators
- 'Wobble points' – recognising and acting on early point of concern triggers from people for early help
- Getting it right first time for residents – reducing preventable demand
- Understanding the demand (what is it people actually say they need, not what we think they need)
- Understanding what is underneath people's surface problems and getting to root cause
- Making decisions based on knowledge rather than assumptions (gained by spending time in services and listening to demand)
- Pulling in specialist support for people rather than referring them off to different agencies (people prefer to build a relationship with one contact)
- Workforce development – up-skilling with whole family holistic approach
- Using customer 'journey mapping' techniques to reveal where a different collective service response would be more effective and reduce the escalation of need

These themes have been identified because they have featured in a number of reviews across the city - i.e. they haven't been identified purely on the basis of a few cases, rather, these same points have featured across a number of interventions and so are likely to be presenting good local intelligence as to methods of working with residents which will be reflected in the strategy going forward.

Much of this centres around finding a central person who can navigate people through services, with a team around this keyworker, rather than around the family/person, thus protecting them from the chaos of multiple service involvement that can often be apparent when working with people with complex lives, pulling services in when required.

Learning from the work in Portsmouth has demonstrated that, when workers pull in the specialist knowledge they need (e.g. inviting a money advisor in to their session with the customer, rather than referring them off to a separate service that they may or may not engage with), the worker's skill base and knowledge base increases, as they hear the advice of the specialist worker. This means that hand offs (where people often end up getting lost in the system) become fewer and fewer, with the customer building their relationship with their one key worker. There are good examples of where this approach has been used in the city; for example at Advice Portsmouth, where rather than people being referred to either generalist or specialist advisors, customers will see any advisor. If a specialist issue becomes apparent, the advisor is often able to knock on their colleague's office door and bring them into the session for that specific advice. This has resulted in all of the advisors at the centre skilling up significantly; and has resulted in dramatically reduced queueing times simply by getting rid of this waste in the system.

Many people who may be involved in multiple services in this manner may also be in poverty; certainly this has predominantly been the case in the troubled families work in Portsmouth, and was also the case with the rental and money advice services interventions cited above. It is perhaps not surprising, given that when people have complex problems going on in their lives it can make areas such as employment and managing finances challenging. If the aim is to alleviate poverty in Portsmouth, and ultimately eradicate it, the problem cannot be fixed until it is understood from the perspective of people's real lived experiences, and their experiences of the services that aim to support them. Systems Thinking provides a sound methodology for understanding services from customers' perspectives, and thus provides the knowledge needed in order to re-design services to provide a more effective, holistic response to people's needs, and to ultimately make support services redundant.

Summary: Learning from customer focused reviews
Portsmouth City Council has been engaged in using Systems Thinking methodology (Vanguard method) for a number of years in the city order to learn about and understand its customer's needs in a number of key services.
This approach enables an understanding of services from the customer's perspective, and enabling services to be re-designed from this perspective, so that they are much more effective in meeting customers' needs.
A common theme across interventions has centred around finding a central person who can navigate people through services, thus protecting them from the chaos of multiple service involvement, pulling services in when required. Understanding services from the perspective of people's real lived experiences is ultimately more likely to result in services that are effective in helping people to address the underlying causes of their problems.

Consultation

Poverty has an impact on many different people across the city, from different backgrounds and groups, and with different needs. No consultation could ever capture all of these groups and their needs in a singular process. The following processes were used to inform this needs assessment, but should be considered as sample actions only, with the consultation process being an ongoing process throughout all of the tackling poverty work; rather than a snapshot in time as part of a one off needs assessment and strategy.

Service User Consultation

- City Helpdesk Survey (still being completed - data will be used to inform strategy once available)
- Parent and Carer Board (focus group) - 15.09.14
- Mosque Men's Health Event - 26.09.14
- Portsmouth Users Self Help (PUSH) Group - 02.09.14
- Youth Parliament (a small survey was conducted in 2014).

Focus Groups with services/groups who work with people in poverty

- Tackling Poverty Strategy Group - 7.04.14, 17.07.14
- Rough Sleepers Group - 18.06.14
- Housing Partnership - 17.11.14
- Children and Families Priority B Services - 17.10.14

The wider Portsmouth Children's Society Survey findings, published in 2014, have also been accessed to inform the strategy going forward.

Listening to customers as they use key services

Sitting in on customers accessing services, and hearing them talk about their needs in their own language and terms, has also informed this work; for example visits to Age UK, Housing Options and the Housing Court Desk. This very much builds on the systems thinking concept of 'getting in the work; to truly understand customer demand and root causes of their problems (see Learning from Customer Focused Reviews of Services section).

What next?

The findings of this needs assessment have fully informed the writing of the Tackling Poverty Strategy and Action Plan for Portsmouth.

Key data from the needs assessment (the 'killer' headlines) will be pulled out as part of a data set, which will be monitored over time; and as such the key data will be kept up-to-date. The Action Plan will be reviewed on a regular basis.