

Living Healthier and Longer: Poverty and the Cost-of-Living Crisis



FACULTY OF
PUBLIC HEALTH

Overview

Poverty happens when the resources of a household fall well below their minimum needs; they are unable to heat their home, pay their rent, or buy essentials for their households. Poverty affects millions of people in the UK, including at least 3.9 million children (1). It affects the population unevenly, with variation based on geography and ethnicity. People living with disability, refugees, and lone-parent or larger families are also likelier to be affected. In-work poverty is high, with 75% of children growing up in poverty living in a household where at least one person is working (2).

The impact of poverty is substantial and wide-ranging. Living in poverty increases the risk of early death, mental and physical health problems, housing problems and homelessness, being a victim and/or perpetrator of crime, and substance misuse. In children the impact is severe, with poverty impacting brain development - lowering educational attainment, and increasing the risk of poverty in adulthood through increased risk of unemployment and low pay.

Rising prices for food, essential utilities and other consumables, compounded with sub-inflationary wage growth, will substantially increase poverty and material deprivation. Based on current forecasts, absolute poverty is estimated to rise from 11 million to 14 million in the UK by 2023/24 (3). The steep rise in energy prices threatens to put many households into fuel poverty - unable to pay bills and adequately heat their home. Other wide-reaching consequences include poor health placing huge demands on the NHS and other already stretched public services. Moreover, the cost-of-living crisis will have a devastating long-term impact on a generation of children.

FPH policy recommendations

The Faculty of Public Health has established a new Poverty Special Interest Group to support public health professionals in tackling poverty. The key aims are to:

- Understand the impact of all types of poverty, the evidence of their effect on health, and the effect of national and local policies to prevent or mitigate poverty.
- Share learning on how public health professionals can advocate to address poverty, engage with poverty focused bodies and other relevant Faculty groups.

The solutions to addressing the cost-of-living crisis are complex, requiring short, medium and long-term thinking. Bold policies are needed to keep people warm and fed over the winter, promote environmental sustainability, reduce energy use, and improve social justice by tackling the UK's entrenched poverty. Our initial recommendations are:

1. Energy prices and efficiency

- a. We support Government intervention to keep the price of household fuels affordable.
- b. Eradicate the disparity in daily standing charges and unit prices for those on pre-payment meters.
- c. Systematic programme of home insulation and housing energy efficiency improvement.
- d. Reform of the energy market. New contracts for wholesale sale and supply not based purely on spot prices, but the cost of supply or generation.
- e. Increasing production of renewable and sustainable sources of electricity.

2. Disposable household income

- a. Immediate rise in universal credit to help the most vulnerable, and long-term reform of the benefits system to reduce poverty.
- b. Provision of high-quality free school meals to reduce child hunger and reduce household financial pressures.
- c. Introduction of requirement for employers to pay the real Living Wage and legislating for improved employee security, pay increases to address rising costs and long-term consideration of Guaranteed Minimum Basic Income.
- d. Reform the housing market to provide more affordable homes to rent.

References

Please visit <https://bit.ly/3qHFOFK> for a complete list of references.