



# How Austerity and the Cost of Living is Continuing to Drive Poverty and Destitution in Stoke- on-Trent

**Professor David Etherington** 

Ryan Fox

**University of Staffordshire** 

Sam Hubbard

Craig Browne

Joe McCluskey

**Citizens Advice Staffordshire North & Stoke-on-Trent** 

November 2025

Acknowledgment: Hassan Rizvi, Stoke-on-Trent College

# **Contents**

INTRODUCTION	3
Key Findings from 2025 Report	4
Methods	4
Structure of the Report	5
AUSTERITY AND DEPRIVATION IN STOKE ON TRENT	5
Welfare Cuts and increasing poverty	5
Table 1 Demand on Citizens Advice Services- Top 7 Enquiries	5
Local government challenges for addressing poverty	7
Health service cuts and deprivation	7
Table 2 Health inequalities indicators	7
Health Barriers and Poverty Case Study 1	8
Health Barriers and Poverty Case Study 2	8
HOW AUSTERITY IMPACTS ON DIFFERENT GROUPS	9
Young People and Further Education	9
Further Education Provision and Funding	10
Provision	10
Key funding challenges	11
Disabled People	11
Women	12
Women and Poverty Case Study 1	13
Women and Poverty Case Study 2	15
EMPLOYMENT RIGHTS	15
CONCLUSION AND RECOMMENDATIONS	17

#### INTRODUCTION

In this report we update the position in relation to poverty and hardship in Stoke-on-Trent. We seek to capture the continuing impact of recent economic changes, including an assessment of the impact of austerity in the form of cuts to public services as well as the 'cost-of-living crisis.' The report follows a series of joint reports undertaken with Citizens Advice Staffordshire North and Stoke-on-Trent (CASNS) in collaboration with the University of Staffordshire on the poverty crisis in the city.<sup>1</sup>

Austerity policies essentially involve cutting welfare and social security, deregulating labour markets, downgrading employment rights and union representation at work, and the erosion of the welfare state more broadly. We demonstrate in this report that austerity directly impacts on poverty in terms of its extent and intensity and in so doing constitutes a form of violence against individuals, communities and areas. Academics Vicky Cooper and David Whyte explain what is meant by the 'violence of austerity'.

It is precisely because this violence pervades people's lives over long periods of time that the violence of austerity carries an ever present threat of physical/and or psychological harm. The various forms of violence... (destitution, eviction, the seizure of possessions, homelessness, deportations, going without a meal, or having electricity or gas cut off) have now become a real possibility for a fast-growing section of the population.<sup>2</sup>

Under the Government's November (2025) Budget changes, the 2-child tax cap has been abolished, which is welcomed and will ameliorate some of the extreme child poverty affecting families. This said, an earlier commitment to abolish what is seen an extremely regressive piece of social legislation, would have prevented more children experiencing poverty. At this current time much of the previous welfare policies inherited by the Labour Government are still in place. The uprating of benefits is not at a level that provides most families and individuals a sustainable income that meets basic needs. Only a radical overhaul of social security that meets minimum income standards will address the current poverty crisis.

Our headline comment is that **even after one year of a new Government, the poverty crisis in Stoke-on-Trent has worsened**. The Child Poverty Action Group has reported that "even for families where both parents are working full time on the

https://eprints.staffs.ac.uk/7270/3/The\_Pending\_Poverty\_Catastrophe\_in\_Stoke-on-Trent.pdf

ETHERINGTON, David, JONES, Martin, Telford, Luke, Harris, Simon and Hubbard, Sam (2023) Families on the Brink in Stoke-on-Trent: How austerity and the cost-of-living is driving poverty and destitution. Project Report. Staffordshire University. Families on the Brink in Stoke-on-Trent: How austerity and the cost-of-living is driving poverty and destitution - STORE - University of Staffordshire Online Repository

<sup>&</sup>lt;sup>1</sup> See for example Etherington D Telford L and Jones M and Harris S and Hubbard S (2022) *The Pending Poverty Catastrophe in Stoke on Trent: How benefit cuts and the cost of living crisis impacts on the poor, Staffs University*/(Citizens Advice Staffordshire North and Stoke on Trent), (March 2022)

 $<sup>^2</sup>$  Cooper V and Whyte D (2017) The Violence of Austerity in V Cooper and D Whyte eds *The Violence of Austerity*, London, Pluto

minimum wage, they cannot cover the costs of a basic standard of living ... the situation has worsened considerably since we started the series in 2008. This is due to large scale cuts to the social security system, which have disproportionately affected families with children."<sup>3</sup>

## **Key Findings from this 2025 Report**

- Before the COVID-19 crisis, Stoke-on-Trent possessed one of the highest rates of people on low-pay and with low-skills.
- Large sections of the population are reliant upon insufficient incomes to maintain a basic standard of living, meaning many people struggled to meet their basic needs and pay their bills. Around nine in ten low-income households receiving Universal Credit are unable to afford essentials.
- It is estimated that the total impact of welfare reforms from 2010 to 2021 amounts to an annual £141 million cut in benefit for Stoke-on-Trent, involving an annual financial loss per working age adult of £880.
- We have identified three groups young people, disabled people and women are particularly negatively impacted by austerity.
- We suggest that austerity is responsible for avoidable deaths because of the negative impact of poverty on people's health, combined with the significantly long NHS waiting lists due to health service cuts. Avoidable mortality rate per 100,000 people is 369.0 in Stoke-on-Trent compared with the England average of 253.0.
- Opportunities for young people not in employment, education and training to access education are curtailed because of funding cuts, which has affected further education capacity to deliver in response to an increasing demand for courses.
- The Government's priority for improving employment rights raises challenges and opportunities for Stoke-on-Trent. The predominance of sectors with low pay insecure work and generally without union representation significantly contributes to in work poverty.
- Food Aid has become the main source of welfare support for many people with the demand on foodbanks now at unprecedented levels.

#### Methods

The report draws on information and data from a report undertaken by academics from the University of Staffordshire, University of Cambridge and University of Leeds.<sup>4</sup>

<sup>&</sup>lt;sup>3</sup> https://cpag.org.uk/news/cost-child-2025

<sup>&</sup>lt;sup>4</sup> Etherington D Gray M and Buckner L (2025) *Still Digging Deeper: The Impact of Austerity on Inequality and Deprivation in the Coalfield Area*, University of Staffordshire, Cambridge and Leeds <a href="https://eprints.staffs.ac.uk/8893/">https://eprints.staffs.ac.uk/8893/</a>

This is supplemented by data obtained from a variety of sources including Citizens Advice North Staffordshire and Stoke-on-Trent, the City Council, Stoke-on-Trent College and various employment data sources (Department of Work and Pensions).

#### **Structure of the Report**

The report is structured around two main sections. The next section focuses on the links between austerity and deprivation, and particularly its impact in Stoke-on-Trent. We analyse:

- The links between welfare, local government cuts and increasing poverty.
- How austerity has negatively impacted different population groups.
- The link between work, employment rights and poverty.
- Conclusion and Recommendations.

#### **AUSTERITY AND DEPRIVATION IN STOKE-ON-TRENT**

## **Welfare Cuts and increasing poverty**

It is estimated that the total impact of welfare reforms from 2010 to 2021 amounts to an annual £141 million cut in benefit for Stoke-on-Trent, involving a **financial loss per working age adult of £880**. <sup>5</sup> It is estimated that the loss of benefit income due to the removal of the benefit uplift amounts to £39.5 million. <sup>6</sup>

The number of people in Stoke-on-Trent **in receipt of Universal Credit (UC) is 42,034** persons (March 2025) – 25,714 *persons (158%) above the pre-Pandemic level in March 2020*. Stoke-on-Trent has the 22<sup>nd</sup> highest rate of UC claimants out of 296 districts – Blackpool has the highest rate at 31.4%.<sup>7</sup> We have reviewed data in relation to the demand and nature of demand for advice services in Stoke-on-Trent, which provides insights into the nature of poverty (Table 1).

**Table 1 Demand on Citizens Advice Services- Top 7 Enquiries** 

Service	Issues	Clients
Benefits and tax credits	6375	2750
Debt	5841	2214
Financial services and capability	2662	1359
Benefits and Universal Credit	2,346	582
Consumer goods and services	2,201	762

<sup>&</sup>lt;sup>5</sup> Beatty, C. and Fothergill, S. (2018): Welfare reform in the United Kingdom 2010–16: Expectations, outcomes, and local impacts, Social Policy and Administration. <a href="https://onlinelibrary.wiley.com/doi/10.1111/spol.12353">https://onlinelibrary.wiley.com/doi/10.1111/spol.12353</a> Updated data supplied to authors

<sup>&</sup>lt;sup>6</sup> Based on data from DWP UC for August 2024 from Stat Xplore – Authors own calculation

<sup>&</sup>lt;sup>7</sup> Source: City of Stoke on Trent Note on Universal Credit Claimant Count, May 2025

Housing	1,252	703
Charitable support and	1,263	913
foodbanks		

Source: North Staffordshire and Stoke-on-Trent Citizens Advice (CASNS)

In terms of the demand for advice, benefits rank highest, which is not surprising because of the continual problems that people face in negotiating and dealing with the benefit system.

Social security/ benefit income is insufficient to provide the basic essentials. National studies reveal that the vast majority (87%) of people referred to food banks were in receipt of a means tested social security payment, including three quarters of people (75%) in receipt of Universal Credit.<sup>8</sup> Around nine in ten low-income households receiving Universal Credit are unable to afford essentials.<sup>9</sup> Other measures, such as the benefit cap, the two-child tax credit and bedroom tax, which have been retained by the current Labour Government, contribute significantly to the problems of income reduction and debt.

Analysing children in low-income families provides further insights into the nature and depth of benefit cuts and poverty in Stoke-on-Trent. Low-income family is defined as a family must have claimed Child Benefit and at least one other household benefit (Universal Credit, tax credits, or Housing Benefit) at any point in the year to be classed as low income. Again, the statistics indicate a trend towards worsening poverty – in 2014/15 12,910 or 25.7% of children were in low-income households and this has increased to 18,989, at 36%. <sup>10</sup>

An illustration of the insufficiency of incomes to meet basic needs is foodbank usage. Stoke-on-Trent foodbank reported that "local people and organisations have donated food and other essential items, enabling the Foodbank to provide 19,643 three-day emergency food parcels to 11,997 adults and 7646 children; this is a decrease of 20.6% owing to the introduction of the three-voucher limit and the increase of available support at the point of crisis. Although we have seen a decrease, it is imperative to note that a high number of first-time referrals has been identified." The top three reasons for vouchers being issued are as follows:

- Rising cost of essentials.
- Ongoing impact of physical or mental health condition.
- Priority Debt. 11

<sup>9</sup> <u>Inadequate Universal Credit and barriers to work | Joseph Rowntree Foundation</u>

<sup>8</sup> hunger in the UK oct25.pdf

<sup>&</sup>lt;sup>10</sup> City of Stoke on Trent note on Children in Low Income Households March 2025

<sup>&</sup>lt;sup>11</sup> Stoke on Trent Foodbank Annual Report/AGM 2023/24

#### Local government challenges for addressing poverty

The Institute for Fiscal Studies provide alarming evidence of the current scale of local government cuts, its unequal nature and how the more deprived areas are affected:

Taking the period 2010–11 to 2024–25 as a whole, councils' overall core funding is set to be 9% lower in real terms and 18% lower in real terms per person this year than at the start of the 2010s. The reduction is set to be larger for councils serving deprived areas (e.g. 26% per person for the most deprived tenth) than for the less deprived areas (e.g. 11% for the least deprived tenth).<sup>12</sup>

Stoke-on-Trent City Council has accordingly experienced severe funding cuts with a funding gap amounting to £24.6 million for 2025/26<sup>13</sup>.

### **Health service cuts and deprivation**

Studies by the Health Foundation show that higher levels of deprivation are associated with a higher average score for poor health The funding gaps fall more heavily on those living in the most deprived areas of England, who also tend to have poorer health.<sup>14</sup>

Table 2 shows avoidable mortality, which is defined by the Office of National Statistics (ONS) "deaths that are either preventable or treatable for those aged under 75 years, in line with the international avoidable mortality definition. Poverty contributes to avoidable mortality – people can die earlier because of welfare cuts.

Life expectancy is an indicator of wellbeing and prosperity. Poverty and deprivation seriously impact on health. Compared with other local authorities in England, the infant mortality rate in Stoke-on-Trent is more than double the national average and one of the highest in England.

**Table 2 Health inequalities indicators** 

	Stoke	England
Avoidable mortality rate per 100,000 people, 2019-21 <sup>15</sup> - All	369.0	253.0
Treatable	106.5	81.6

<sup>&</sup>lt;sup>12</sup> Ogden K and Phillips D (2024) How have English councils' funding and spending changed? 2010 to 2024, London: IFS https://ifs.org.uk/publications/how-have-english-councils-funding-and-spending-changed-2010-2024

<sup>13</sup> https://www.unison.org.uk/content/uploads/2024/09/Councils-on-the-brink-with-regional-appendix.pdf

<sup>&</sup>lt;sup>14</sup> https://www.health.org.uk/news-and-comment/news/public-health-underspend-starves-england-s-most-deprived-areas-of-vital-services

<sup>&</sup>lt;sup>15</sup> <a href="https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/vital-events/deaths/avoidable-mortality">https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/vital-events/deaths/avoidable-mortality</a> and

 $<sup>\</sup>underline{\text{https://www.ons.gov.uk/people population} and community/health and social care/causes of death/bulletins/avoidable}\\ \underline{\text{mortality in england and wales/2021} \text{and 2022}}$ 

Preventable	262.5	171.4
Long-term sickness % of people aged 16-64, 2021 <sup>16</sup> - All	7.3%	4.6%
% Men	7.1%	4.5%
% Women	7.4%	4.7%
% of those economically inactive	25.9%	18.8%
Disability % of people aged 16-64, 2021 <sup>17</sup> - All	19.9%	15.3%
Day-to-day activities limited – Men	17.4%	13.3%
Day-to-day activities limited  – Women	21.5%	16.8%

Source: Etherington D Gray M and Buckner L (2025) Still Digging Deeper: The Impact of Austerity on Inequality and Deprivation in the Coalfield Area, University of Staffordshire, Cambridge and Leeds <a href="https://eprints.staffs.ac.uk/8893/">https://eprints.staffs.ac.uk/8893/</a>

Health conditions have major implications for accessing work and providing a sustainable income.

#### **Health Barriers and Poverty Case Study 1**

Helen (not her real name) lives with her husband in a privately rented property. Neither Helen nor husband are able to work due to poor health and are in receipt of a joint Universal Credit claim.

Helen has 1 priority debt of £1890 to Bulb Energy for dual fuel arrears. Helen tells us they have been paying £100pcm to Bulb but explains that this is no longer affordable due to neither her nor her husband being able to work.

Helens Budget plan suggests a deficit of approx. £203pcm. Helen advises us that her expenditure is variable, and this is not always the case - however, she often finds that they have to rely on credit cards towards the end of the month to help cover daily expenses.

Source: CASNS

#### **Health Barriers and Poverty Case Study 2**

James (not his real name) lives in mortgaged property with his partner (partner owns this property). There are also two children under the age of 12 in this property.

James and his partner claim Universal Credit, PIP and carers allowance (Cl was asked about any council tax reductions but ignored the question). Both are unemployed.

<sup>&</sup>lt;sup>16</sup> 2021 Census data (ONS), Crown Copyright

<sup>&</sup>lt;sup>17</sup> 2021 Census data (ONS), Crown Copyright

James is registered disabled due to several health conditions including a heart conditions, lung conditions and PTSD. James' partner is his career.

James stated they're struggling to manage with the rising fuel and cost of living on their benefit payments.

James also stated they had received a fuel bill for approx. £800.

Source: CASNS

#### **HOW AUSTERITY IMPACTS ON DIFFERENT GROUPS**

#### **Young People and Further Education**

Significant numbers of young people are subject to poverty in Stoke-on-Trent. Between 2012/15 and 2023/24, Stoke-on-Trent saw a 47.2% increase from 12,851 to 18,997 children – from 25.7 to 35.3% of all children under 16 in low-income households. The rise of 47.2% was the  $23^{rd}$  highest rise of 296 districts – one of 53 districts with a rise of 40% or more. Across Stoke-on-Trent schools, there are currently 16,491 pupils in-receipt of Free School Meals (FSM) – 39.9% of all pupils (compared with 24.6% nationally).

25.9% of the population of Stoke-on-Trent have no educational qualifications on leaving school, with a further 11% leaving school with Level 1 and entry level qualifications. This includes 1 to 4 GCSEs grade A\* to C, any GCSEs at other grades, O levels or CSEs (any grades), 1 AS level, NVQ level 1, Foundation GNVQ, Basic or Essential Skills. 56% of the children in state-funded schools meet the expected standard in reading, writing, and maths at the end of Key Stage 2, compared to 60% in England.<sup>20</sup>

As young people grapple with living in poverty, austerity is impacting on their chances to access education and skills opportunities. In 2024, the Institute of Fiscal Studies reported: "Total college income has fallen by a third in real terms since 2010, driven in part by cuts to public funding. Between 2010/11 and 2022/23, funding received by colleges for 16–19 education dropped by nearly a quarter, and adult skills funding was cut by more than half. New skills initiatives, such as the

 $\frac{\text{bing.com/ck/a?!\&\&p=d024864664cb7d8dffa64e3459ce684e56d9f89e93f89276a39011120c41fba0Jmltd}{\text{HM9MTc2MDkxODQwMA\&ptn=3\&ver=2\&hsh=4\&fclid=04a8ef21-eea8-610e-0339-}}$ 

 $\frac{f959ef5e60d1\&psq=City+of+Stoke+on+Trent+DHP\_+Annual+Report+2025\&u=a1aHR0cHM6Ly93d3cuc3}{Rva2UuZ292LnVrL2Rvd25sb2FkL2Rvd25sb2Fkcy9pZC8yNTgyL2RpcmVjdG9yX29mX3B1YmxpY19oZWFs}{dGhfYW5udWFsX3JlcG9ydC5wZGY&ntb=1}$ 

<sup>&</sup>lt;sup>18</sup> City of Stoke on Trent note on Children in Low Income Households

<sup>&</sup>lt;sup>19</sup> City of Stoke on Trent, note on Free School Meal Eligibility and Universal Credit, 2025

<sup>&</sup>lt;sup>20</sup> City of Stoke on Trent DHP Annual Report, 2024

creation of Skills England, aim to boost growth, but they will fall short if colleges lack the capacity to deliver". <sup>21</sup>

#### **Further Education Provision and Funding**

#### **Provision**

Stoke-on-Trent College<sup>22</sup> serves as a pivotal institution within the city, addressing both economic and community requirements locally and regionally, with a particular emphasis on responding to skills needs. The College's role in addressing the needs of disadvantaged students is emphasised by the fact that approximately one-fifth of students are enrolled in programmes designed to engage and upskill the most vulnerable learners, including those with SEND, individuals at risk of or previously identified as NEET, and recent arrivals to the UK requiring intensive English language and integration support.

A considerable segment of the student body participates in Technical Vocational courses across diverse disciplines. These offerings are closely aligned with the Local Skills Improvement Plan (LSIP) and delivered through four Skills Hubs, which focus on sectors such as construction, engineering, digital technology, and health and social care. The curriculum is further enriched by cross-cutting themes, including IT, English, mathematics, and green skills. College Academies complement this provision with vocational courses in hospitality, business, and accounting, thereby ensuring a comprehensive and responsive curriculum. College initiatives have contributed to a significant decline in the number of young people categorised as NEET (Not in Education, Employment, or Training), reflecting the College's commitment to supporting vulnerable learners and advancing social inclusion.

The latest authority data<sup>23</sup> shows that the proportion of NEET young people, Aged 16-17, in Stoke-on-Trent has fallen in 2024/25. The combined NEET and not known figure now stands at 6.3%, decreasing from 22.1% in 2023/24. This broadly brings Stoke-on-Trent into line with regional and national levels, 6.2% in the West Midlands and 5.6% across England. While the direction of travel is positive, the figures in Stoke-on-Trent may not be definitive of the improvement in underlying youth unemployment, due to the impact of the 'activity not known' level included in these figures.

<sup>&</sup>lt;sup>21</sup> Big budget cuts and salaries well below those in schools: England's colleges continue to be neglected | Institute for Fiscal Studies

 $<sup>^{\</sup>rm 22}$  Information and data in this section provided by Stoke-on-Trent College.

<sup>&</sup>lt;sup>23</sup> Source: NEET and participation LA scorecard Stoke-on-Trent, July 2025

#### **Key funding challenges**

The College is facing some key Challenges - overall funding remains inadequate to fully address the diverse needs of learners and in particular, the increased demand for FE courses from young people. The primary challenges are concentrated in two domains: Study Programmes (16–18-year-olds) and Adult Provision (19+). National adult allocations for 2025/26 have been reduced to a predetermined formula. Overall, the College reports that funding increases do not suffice to meet the comprehensive needs of all learners.

- Staffing is a key issue, a shortage persists in critical technical vocational areas, as well as in English and mathematics, which is partly a result of pay for Further Education (FE) staff remaining below that of schoolteachers, which is adversely affecting recruitment and retention.
- A new risk has emerged whereby any courses over-delivery above 110% of the adult allocation will not be automatically funded but will instead depend on affordability considerations at the Department for Education (DfE).
- The unresolved VAT issue continues to impact FE colleges.
- Management of physical space and estates to accommodate the rising student population presents ongoing challenges.
- Increased demand on resources as the proportion of students undertaking English and mathematics resits has risen from 76% in 2023/24 to 78% in 2025/26.
- The Department for Education (DfE) mandates that all full-time programmes deliver an average of 640 planned hours, yet only 485 hours are funded for study programme students aged 18 and above without high needs.
- Demand for ESOL, English and mathematics, and other priority skills areas continues to rise, necessitating increased allocation.
- "Vulnerable learners, including those re-engaging from NEET status, those with low prior attainment, or those needing Foundation ESOL, should not receive reduced funding when undertaking the same planned hours as their younger peers."

## **Disabled People**

A controversial and damaging policy by the Government is the **cuts to Personal Independence Payment**. Personal Independence Payment (PIP) is designed to help people with the extra costs incurred due to disability and long-term health conditions.

It's not means-tested, and people on PIP can and do work. Eligibility for PIP if affected by a health condition for at least 3 months and expect to be affected for at least a further 9 months

The National Citizens Advice summarises what it means and its potential impacts.

- Plans to cut Personal Independence Payment (PIP) spending by introducing new eligibility criteria have the potential to affect around 1.3 million current claimants.
- Women, older people and those with certain health conditions, including back pain and arthritis, will be hit hardest. Even people currently claiming the highest rate of PIP could be affected.
- Those who are affected by changes to PIP eligibility will lose their entire daily living component, with an average loss of £4,500 per year. For our debt clients who receive PIP, that's the equivalent of losing around 20% of their income, on average. Many could face a domino effect, losing PIP along with passported support like Carer's Allowance.
- Children will be impacted too. Nearly 1 in 3 of the people we help with PIP have dependent children. These cuts threaten to undermine the government's ambition to reduce child poverty.<sup>24</sup>

There are 21,789 persons with entitlement to PIP living in Stoke-on-Trent equating to 10.4% of the population (aged 16 and over). The city has consistently ranked in the top 20 districts in England based on data from 2018 to 2025 where the areas of Knowsley, Liverpool, Hartlepool, Blackpool, and Middlesbrough have the highest rates. <sup>25</sup> CASNS report their largest area of advice remains clients requiring help to manage their financial situation, followed by clients trying to secure entitlement to PIP, increasingly relied upon to meet basic expenditure.

#### Women

The Gender Development Network has highlighted the impact of austerity on women's human rights<sup>26</sup> "The effects of austerity on women have been three-fold. Most

<sup>&</sup>lt;sup>24</sup> Citizens Advice, *Pathways to Poverty, How planned cuts to disability benefits will impact the people we support* May 2025,

Pathways to Poverty How planned cuts to disability benefits will impact the people we support 1 (1).pdf

<sup>&</sup>lt;sup>25</sup> City of Stoke on Trent note Personal Independent Payments (PIP) January 2025.

<sup>&</sup>lt;sup>26</sup> Gender Development Network Submission to the Independent Expert on foreign debt and human rights on the links and the impact of economic reforms and austerity measures on women's human rights (2018) GenderDevelopmentNetwork.pdf

strikingly, cuts in public spending have reduced state provision of care services, leaving women to make up the shortfall through their unpaid care work. This reduces women's time for paid employment, political activity or leisure and puts further pressure on women's health.

Secondly, this time poverty is compounded by women's roles as household and community managers, having to make ends meet as prices rise and household incomes fall. Finally, women have been hard-hit by cuts to public employment, a sector where women work disproportionately and one of their few sources of relatively good-quality jobs." The report on the impact of austerity on deprivation and inequality in the coalfield areas also highlights how women have been disadvantaged in terms of access to work and welfare.<sup>27</sup>

Women, as primary child carers are disproportionately impacted by unaffordable childcare. Underfunding makes the UK's childcare sector one of the most expensive in the world. According to the Women's Budget Group (WBG), early years education and childcare is already unaffordable for many households, especially for lone mothers. Over 4.6 million women were prevented from securing a job or increasing their working hours due to unsuitable childcare options in 2021<sup>29</sup>. WBG estimates that an extra £5.2 billion of investment is required to make the sector sustainable. As Case study 1 below shows women are particularly vulnerable to poverty when they have children.

#### Women and Poverty Case Study 1

Elizabeth (not her real name) contacted us as she was struggling with the cost of living and was particularly concerned about how she could afford nappies for her newborn. Elizabeth had just given birth to her second child and was on Maternity leave receiving £172.48 Statutory Maternity Pay weekly. Elizabeth's partner is working full time and brings home just under £350 a week, they are receiving the child benefit for both children. Elizabeth and her partner are in a privately rented property, the rent is £140 a week, they have applied for social Housing but are currently in band D so are unlikely to be rehomed into a more affordable property any time soon. Their council tax liability is £30.00 a week. Elizabeth has told us that they owe approximately £1,300 to their gas and electric provider and are 3 months behind on their water bill.

<sup>&</sup>lt;sup>27</sup> Etherington D Gray M and Buckner L (2025) *Still Digging Deeper: The Impact of Austerity on Inequality and Deprivation in the Coalfield Area*, University of Staffordshire, Cambridge and Leeds <a href="https://eprints.staffs.ac.uk/8893/">https://eprints.staffs.ac.uk/8893/</a>

Legacy of 'inequality and deprivation' in former coal mining communities

<sup>&</sup>lt;sup>28</sup> Topping, A (2021) *How do UK childcare costs stack up against the best?* The Guardian. Available at: <a href="https://www.theguardian.com/money/2021/sep/12/how-do-uk-childcare-costs-stack-up-against-the-best">https://www.theguardian.com/money/2021/sep/12/how-do-uk-childcare-costs-stack-up-against-the-best</a>
<sup>29</sup> Women's Budget Group (2022) *Response to Autumn Statement 2022*. Available at: <a href="https://wbg.org.uk/wp-content/uploads/2022/11/WBG-budget-response-Nov-2022-FINAL.pdf">https://wbg.org.uk/wp-content/uploads/2022/11/WBG-budget-response-Nov-2022-FINAL.pdf</a>

Women are disproportionately concentrated in low-paid work which impacts on their benefit entitlements. The case study of Yasmin below is a case example.

#### **Women and Poverty Case Study 2**

Yasmin (not her real name) contacted regarding her upcoming time off work. Yasmin told us that she was due to have an operation, which meant she would be off work for a few months. Her company doesn't pay contractual sick pay.

Yasmin had 2 weeks holiday to use post op but would then get SSP. Yasmin was really worried that her SSP would not be enough to live on.

Yasmin told us she lives on her own with outgoings on bills and rent of £884.50 before she has brought her food shopping, at that she had no savings as most of her money goes on outgoings.

Source: CASNS

#### **EMPLOYMENT RIGHTS**

The new Labour Government has set out an agenda on improvement of employment rights at work in its June 2024 publication Labour's Plan to *Make Work Pay: Delivering A New Deal for Working People*. This plan was largely based on Labour's September 2022 Employment Rights Green Paper: *A new deal for working people*. At the time of writing, the Government has abolished the rule of claiming unfair dismissal from day one in employment and has ruled on a 6-month threshold before a claim for unfair dismissal can be made. This can be viewed as a retrograde step given the prevalence and nature of precarious work in Stoke-on-Trent (see below).

According to <u>UnionMaps</u> (WISERD) the union membership density<sup>31</sup> in Stoke-on-Trent (all years) 31%, with union coverage being 31.2%. This shows that the majority of workers employed in Stoke-on-Trent do not have access to independent advice or representation at their workplace. With the new Employment Rights bill soon to be enacted, employers and HR services will be working to understand how they can 'manage' under this new legislation.

We can assess the 'employment rights gap' in Stoke-on-Trent from other research. For example, a study by the Learning and Work Institute (LWI) undertaken for the London Borough of Newham as part of its establishment of an employment rights service found:

• Low-paying sectors, characterised by insecure work, such as social care, retail and hospitality display higher levels of employment rights violations.

-

<sup>&</sup>lt;sup>30</sup> Labour Party, A New Deal for Working People, October 2022, Labour Party, Labour's Plan to Make Work Pay: Delivering a New Deal for Working People, May 2024

<sup>&</sup>lt;sup>31</sup> https://wiserd.ac.uk/unionmaps/ (Union density = the percentage of employees who are a trade union member. Union coverage = the percentage of employees who report that pay and conditions are agreed in negotiations between their employer and a trade union).

- Recent migrants, women, those with ESOL needs or from a BAME background, are at higher risk of employment rights abuse.
- Workers in precarious employment and non-union members are more at risk.<sup>32</sup>
- In addition, LWI found that Underpayment of the minimum wage, wage theft, discrimination, unfair dismissal and bogus self-employment appear to be the most widespread and damaging forms of employment rights abuses in the borough.
- Furthermore, in some former Coalfield localities, warehouse work has become the main source of employment<sup>33</sup> and the type of jobs created tend to be low paid and non-unionised. A report on the warehouse sector in 2019<sup>34</sup> highlights the dilution of employment rights and the prevalence of poor working conditions and lack of representation.

The City of Stoke-on-Trent Economic Development Strategy has highlighted that "Manufacturing has declined, with job creation shifting to health and social care (low-paid)." The social care is notorious as a source of low-paid, insecure work, the use of zero hours contracts and an overall lack of employment rights and union representation.<sup>35</sup> Many people in these sectors are claiming Universal Credit (UC claimants and in work currently amounts to over 11,000 in Stoke on Trent.)<sup>36</sup>

Trade unions have long argued that there should be more onus and responsibility on employers in rights and representation. This is potentially a key issue for Stoke on Trent and is even more urgent now that more and more people are unable to work due to long term health conditions – an issue that could be addressed through work place reasonable adjustments.<sup>37</sup> A report by the Royal Society for Public Health warns

<sup>&</sup>lt;sup>32</sup> Oliver Crunden and Joe Dromey (2019) *Employment Rights Service Community Action Research*, London, LWI.

<sup>&</sup>lt;sup>33</sup> Fothergill S Gore T and Leather D (2024) The State of the Coalfields 2024, Sheffield Hallam University. Coalfields Regeneration Trust, p18.

<sup>&</sup>lt;sup>34</sup> Kik, G, Ni Luanaigh, A, Greevy, H, Morrice, N, Robertson, K, Green, A & Owen, D 2019, How has the UK Warehousing sector been affected by the fissuring of the worker-employer relationship in the last 10 years? <u>City-REDI Work Inclusivity Research Centre (WIRC) Strategy and International Business</u>, Director of Labour Market Enforcement.

<sup>&</sup>lt;sup>35</sup> TUC (2023) A Strategy for the Care Workforce A strategy for the care workforce | TUC

<sup>&</sup>lt;sup>36</sup> Source: City of Stoke on Trent Note on Universal Credit Claimant Count, May 2025

<sup>&</sup>lt;sup>37</sup> New Research Released on Workplace Reasonable Adjustments | Disability Rights UK

that thousands will not be able to access work unless employers make the workplaces more supportive to people's health conditions and needs.<sup>38</sup>

#### **CONCLUSION AND RECOMMENDATIONS**

We cannot over emphasise the alarming nature and extent of the poverty crisis in Stoke-on-Trent. The gravity of the poor economic and social conditions is underlined by the findings of a recent report by Amnesty International, which argues that the UK Government contravenes three core social rights - Availability: rights to protection against social risks; Adequacy: guarantee of an adequate standard of living; and Accessibility: the system must be accessible, transparent and non-discriminatory.<sup>39</sup> There is increasing evidence that the core social rights of residents is denied in Stoke-on-Trent.

Austerity is a political choice and tends to be justified on the economic grounds of 'affordability.' In a country that is one of the wealthiest leads us to consider that there are other options, such as a more progressive and fair taxation model, including a tax on wealth and profits, which could fund essential services. As this report shows, austerity is a 'false economy' and involves significant financial and social costs. A report from Loughborough University estimated that the annual cost of child poverty amounts to around £38 billion, related to factors such as a loss of tax revenue, claims on benefits and spending on public services required to deal with the impact of poverty.<sup>40</sup>

We propose immediate 'crisis' support measures, as well as in the more medium term a major overhaul of the welfare system and uprating of benefits to meet with Minimum Income Standards. As highlighted in our earlier report, the New Economics Foundation has called for the government to impose a 'living income' as part of investment into Britain's broken welfare safety net. Essentially, this would be a universal payment set at a level determined by the Minimum Income Standard. It would act as an 'income floor', enabling people to no longer struggle to afford essentials and thereby live a good standard of life. This would be a welcome boost to low-income workers and claimants in places like Stoke-on-Trent. The weekly MIS are: £392 for a single adult; £470 a pensioner; £827 for a lone parent with two children; and £936 couple with two children of primary school age.

<sup>&</sup>lt;sup>38</sup> Number of economically inactive adults in UK workforce set to soar over next decade | RSPH

<sup>&</sup>lt;sup>39</sup> Amnesty International (2025) *Social Insecurity The Devastating human rights Impacts o of social security system failures in the UK*, London: Amnesty International

<sup>&</sup>lt;sup>40</sup> Hirsch, D (2021) *The cost of child poverty in 2023*. Centre for Research in Social Policy: Loughborough University. Available at: <u>The cost of child poverty in 2023.pdf</u>

<sup>&</sup>lt;sup>41</sup> Etherington, D Telford, L Jones, M Harris, S and Hubbard, S (2022) *The Pending Poverty Catastrophe in Stoke on Trent: How benefit cuts and the cost-of-living crisis impacts on the poor. Staffordshire University/*Citizens Advice Staffordshire North and Stoke on Trent. Available at:

While the Government's Employment Rights bill is a watered-down version of the original proposals, because of the current anti-union laws in the UK, it will be a marked improvement. But these improvements will only be affective if people know about them from an independent source and not through their employers. With union density and coverage being so low in Stoke-on-Trent this highlights the need for an employment rights service that not only promotes workers' rights but also union membership. Previously Trades Council's and the TUC organised and funded Unemployed Workers Centres that advised and supported people on issues around employment and benefits, Stoke-on-Trent and North Staffordshire previously had one of these centres, but it closed in the late 80's.

In addition, we wish to draw attention to four immediate areas:

1. Recommended for the establishment of an integrated employment and welfare rights service to address the expected demands from new Government legislation on employment rights.

#### **Towards an employment rights service**

To see what an employment rights service could look like a mapping exercise needs to be done to see what organisations/services are currently available in Stoke-on-Trent and what services they offer. These organisations/services should be invited to a series of workshops to discuss the current employment rights landscape to map out the gaps and to see how an employment rights service would work and what funding would be needed for this.

- 2. An austerity impact assessment is required how do benefit and local government spending cuts impact particularly on women, disabled people and poorer communities this should involve consultation with civil society organisations, including trade unions.
- 3. Investment in affordable and flexible childcare is essential in order for parents to access work.
- 4. An immediate halt to benefit sanctions and more investment in employment support, including mainstreaming the Health and Work Programme to include more participants and the development of a job retention and Job rotation programme. This should include work placements and upskilling for unemployed people along with supporting in work training for low and unskilled workers.