

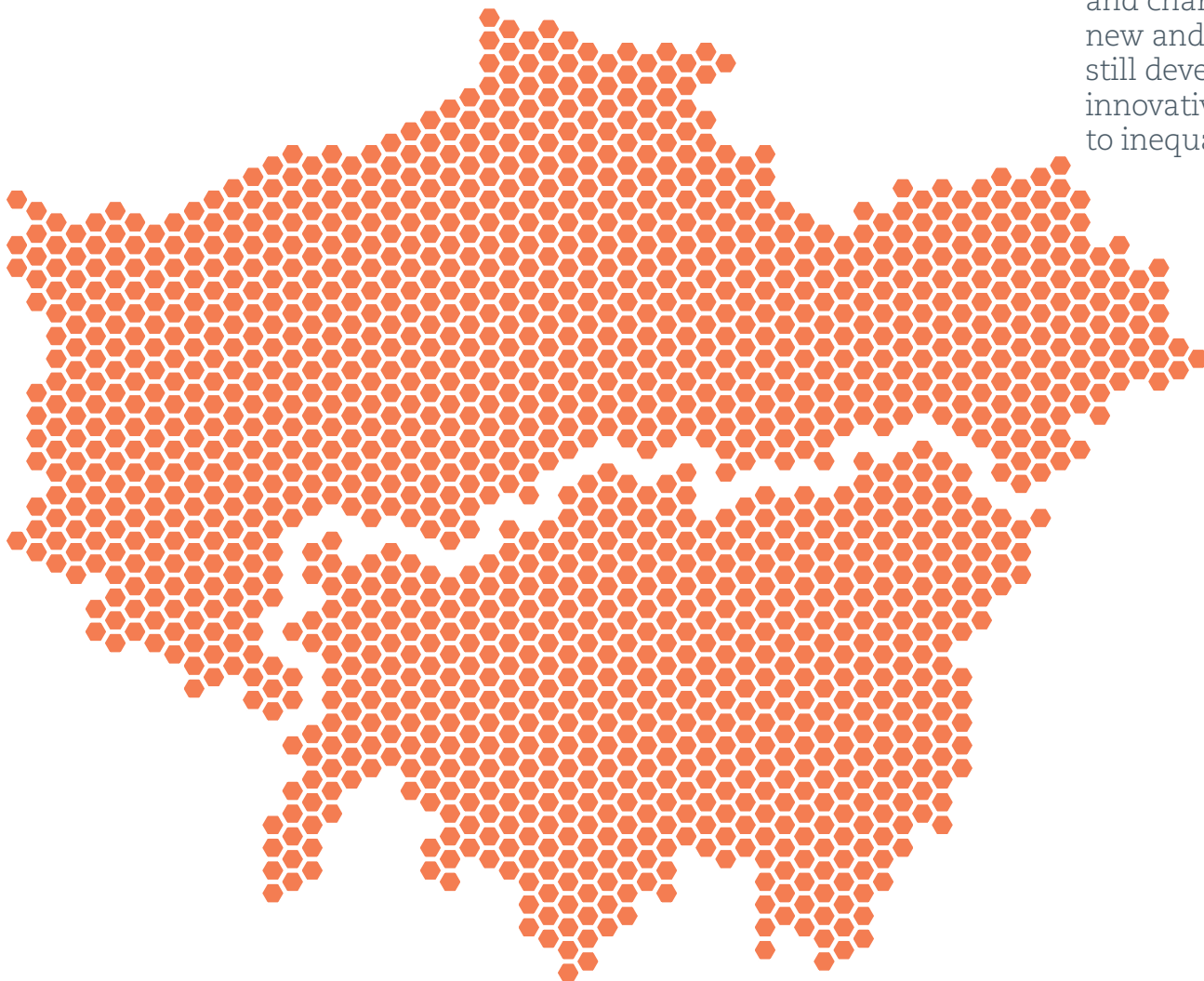


**Trust for London**  
Tackling poverty and inequality

**Closing the gap:**  
inequality in London



## London – the most unequal city on earth?



## Closing the inequality gap LVSC

“There are positive initiatives underway in many areas and charities both new and old are still developing innovative solutions to inequality”

No report could imagine to be a comprehensive guide to inequality in London, nor even specifically a guide to income inequality in London – there are simply too many variations in the inequalities that exist. This guide, produced by London Voluntary Service Council in partnership with Trust for London (formerly known as City Parochial Foundation) – one of the largest independent funders of projects tackling poverty and inequality in the capital – does not pretend to be such a comprehensive document. What it does do is to give a flavour of the various inequalities in London from some of the top thinkers and practitioners in the field, more pertinently in relation to key areas of income inequality.

LVSC is celebrating its centenary this year, and sadly many of the challenges that it was set up to meet still clearly exist – indeed some are worse than they were 100 years ago. One of LVSC’s founding objectives was to tackle inequality – and we have renewed vigour in our work towards this aim. An LVSC paper of over 30 years ago stated that deprivation would not be tackled by government programmes as they were still “sadly tinkering at the margins of the issue”. Unfortunately this could still be said today. Yet there are positive initiatives underway in many areas and charities both new and old are still developing innovative solutions to inequality, some of which have been highlighted here.

This guide aims to place the issue of income inequality higher up the agenda of politicians, policy-makers and people throughout the voluntary and community sector in order to refresh the debate on what we are all doing to tackle inequality, and whether what we are doing is really enough, or whether we still are tinkering at the margins rather than facing the inequality challenge full on.

We hope that through reading you learn something from this guide and that you go away to investigate more – whether to research some more data on this topic, or investigate what you, in your area of expertise and influence, might do to effect positive change and close the inequality gap.

**Peter Lewis**, Chief Executive and **Paul Butler**, Chair, LVSC

## A better deal for all Londoners Mayor of London

Not only is London one of the greatest and most vibrant cities in the world, it is also the economic locomotive which drives the UK economy, generating one fifth of the UK's total tax revenues.

However, there are still too many who are not sharing in the city's economic success. Poverty rates for children, pensioners and those of working-age remain high relative to the rest of the UK and one in three working age Londoners is out-of-work. Since my appointment I have supported the London Child Poverty Commission and welcomed the recommendations outlined in the legacy report to improve outcomes for over 600,000 children who are living in poverty in the capital.

In my 2010 plan for increasing employment in London, I highlighted to government what needs to be done to get more Londoners into jobs and set out the work of the London Development Agency (LDA). My own contribution includes better use of public procurement and building on the commitment by the GLA Group and the London Boroughs to deliver 5,000 Apprenticeships by 2012.

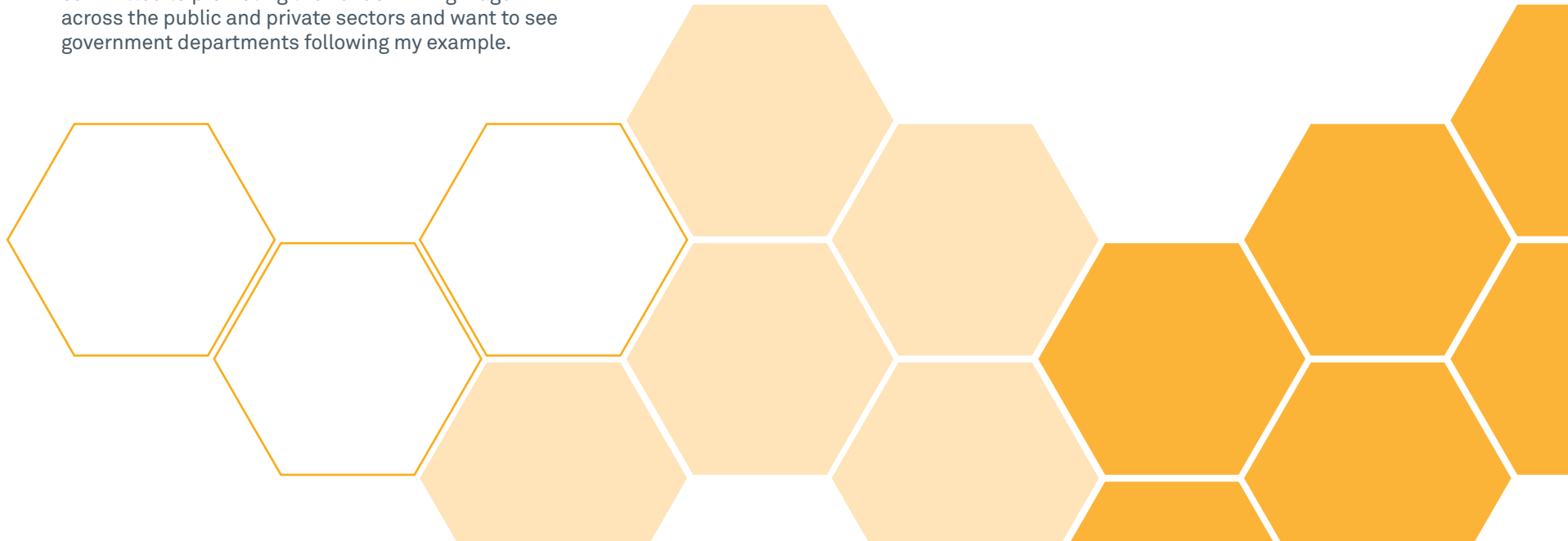
We not only need more people going into jobs, but to ensure jobs are sustained and pay a decent wage. In London half of the children living in poverty are in households where at least one adult is working, and this proportion has increased in recent years. I am committed to promoting the London Living Wage across the public and private sectors and want to see government departments following my example.

An area, which I'm immensely proud of, is the work of The Mayor's Fund for London, which uses the skills and expertise of local authorities and voluntary organisations to support children and families, to raise their prospects and aspirations, ultimately improving their life chances.

Through my Health Inequalities Strategy, I am also taking action with a range of partners to address the stark and unacceptable differences which Londoners experience in their well-being and length of life, and tackle the causes of poor health in the capital.

If we are to achieve our ambition of making London the best big-city in the world, we must continue to work together to tackle poverty and increase employment and skills for all.

**Boris Johnson**, Mayor of London



## The challenge for funders Trust for London

Inequality is corrosive and can be fatal. There is growing evidence from a range of sources, including the work of Danny Dorling, Sir Michael Marmot, John Hills, Richard Wilkinson and Kate Pickett, which seems to suggest so.

All would argue that income inequality is bad for all of us and not just the poorest. Trust for London's approach, like most funders, has been either to alleviate poverty or to raise the basic standard of living. Our commitment of £1 million over four years to campaign for the London Living Wage (currently set at £7.85 by the Greater London Authority) is an example of this. This is undoubtedly important but if, however, it is the size of the gap between the 'ceiling' and the 'floor', i.e. the richest and the poorest, that leads to so many negative outcomes, then funders like us may need to re-consider our approach.

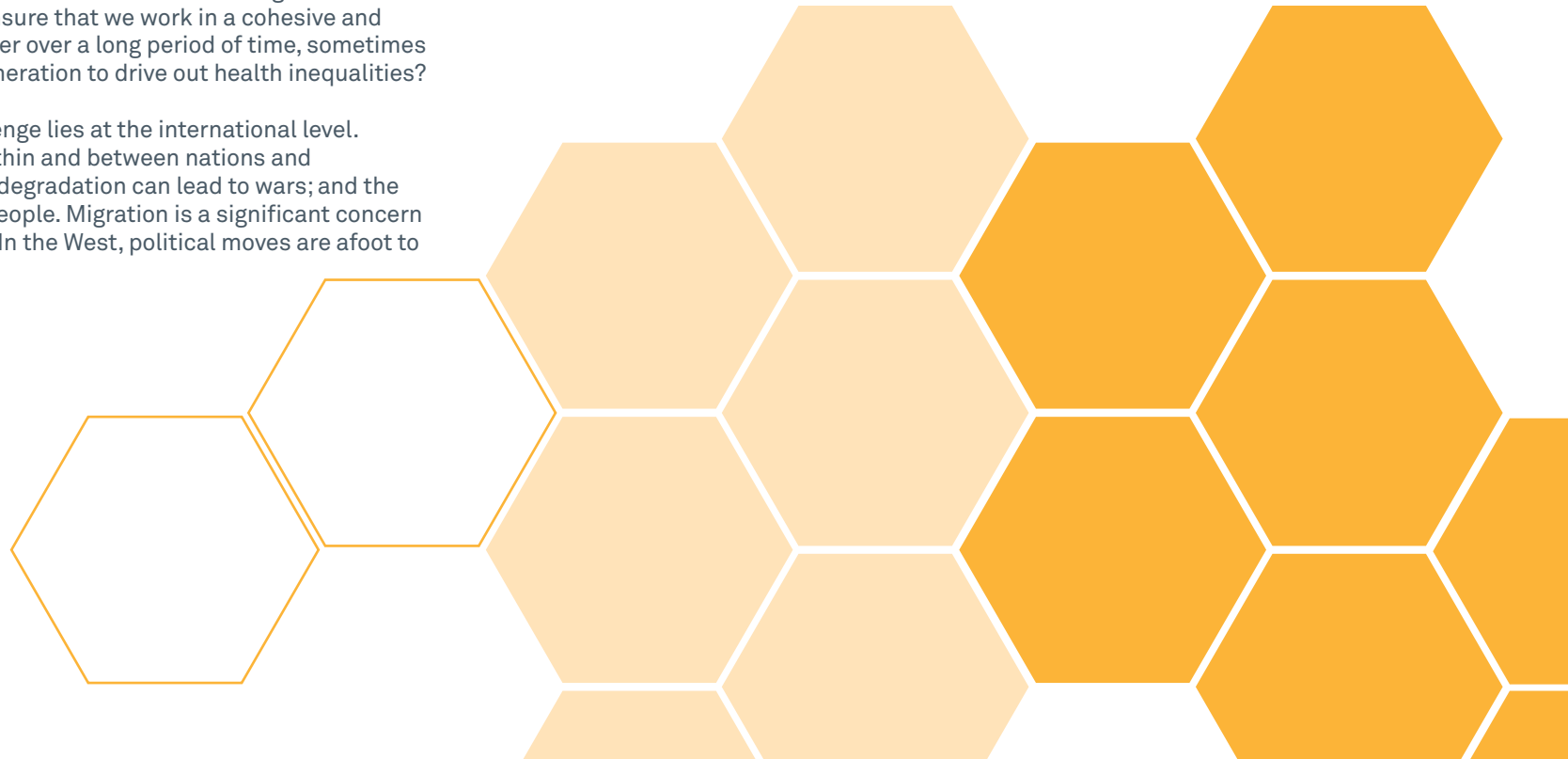
We know the interventions that are necessary to bring about greater health equality so that we don't have differences in life expectancy of six years between two areas as many miles apart within London. Incoherent, uncoordinated and piecemeal approaches are partly to blame. This then is the second challenge for funders – how do we ensure that we work in a cohesive and coherent manner over a long period of time, sometimes as long as a generation to drive out health inequalities?

The third challenge lies at the international level. Inequalities within and between nations and environmental degradation can lead to wars; and the movement of people. Migration is a significant concern the world over. In the West, political moves are afoot to

restrict migration, feeding the monster of trafficking and illegal migration. In London, it is estimated that there are around half a million people whose status is unclear. This section of London's population is vulnerable to exploitation, financially and physically. This, therefore, constitutes the third challenge for independent grant-makers and statutory agencies. What kind of interventions are necessary to stem inequality between nations and halt environmental degradation so that the most able, talented and skilled individuals in developing countries can work to develop their own nation states?

Rarely has it been more relevant for funders to think on a platform wider than their own parochial arena.

**Bharat Mehta**, Chief Executive, Trust for London



“Income inequality is bad for all of us and not just the poorest”

## London and the wealth chasm Danny Dorling

London in 2010 is one of the places on the planet where human beings live the most unequal lives. In almost all of the rest of the rich world inequalities as great as those found within London are rare. During almost all of London's history inequalities as great as those currently being experienced within London were rare. London in 2010 is not a normal place.

The Hills enquiry<sup>1</sup> in January of 2010 revealed that even the worst-off of the richest 10% of people in London have wealth which is 273 times greater than that held by the best-off of the poorest 10% of Londoners. If all 7.7 million Londoners were arranged in a line, ordered by their wealth, then this is the comparison between the person who would come 770,000 places up the line from the bottom and the person who is ordered 770,000 places down from the top of that wealth parade.

The person located towards the top has access, albeit illiquid, through their housing equity, pension rights and more tangible assets, to realisable wealth of nearly £1,000,000. All those 770,000 above them have even more and this can easily result in the rich of London feeling impoverished in comparison.

“Inequalities as great as those found within London are rare”

The very richest 1,000 people in Britain, most of whom live in or around London, have assets estimated in 2010 to be worth £335.5bn. The Sunday Times reported that their wealth had risen by £77 billion during 2009 alone. The average member of the richest 1,000 has assets worth 359 times that of the person who ranks 770,000 from the top. The wealth gap is thus greater between the rich, than it is between rich and poor.

All kinds of now foreseen and unfortunate consequences follow.

**Danny Dorling**, Professor of Human Geography,  
University of Sheffield  
[www.shef.ac.uk/geography/staff/dorling\\_danny](http://www.shef.ac.uk/geography/staff/dorling_danny)

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<sup>1</sup>2010, An Anatomy of Economic Inequality in the UK: Report of the National Equality Panel

# London is the capital of inequality

John Hills

“It comes as a shock to well-paid professionals that only a tenth of full-timers earn more than £46,500, or that only 1 per cent earns more than £100,000.”

When the National Equality Panel, which I chaired, reported at the start of 2010<sup>1</sup>, we showed that inequality in all of the economic outcomes which we looked at – hourly wages, weekly earnings, incomes and household wealth was wider in London than in any other region or UK territory.

For instance, nationally the top tenth of men earn £24 per hour or more, while the lowest paid earn less than £5.70, a ratio of 4.2 to 1. In London a tenth earn more than £31 per hour, but a tenth less than £6.60, a ratio of 4.7 to 1.

For household incomes, the gap is even wider: the cut-off for the highest income tenth nationally (before allowing for housing costs) is also 4.2 times the cut-off for the lowest income tenth. But in London the ratio is 5.6 to 1. After allowing for housing costs, this measure of income inequality is 8.0 in London, compared to 5.3 nationally.

For wealth, the differences are more extreme. A tenth of London households have net wealth – including houses, savings, and occupational pensions, net of debts – of more than £930,000. But a tenth of London households have less than £3,500 even including personal possession such as cars, furniture or clothes. It is not just that the ratio of 273 to 1 is startling (nationally the ratio is 100 to 1), but the absolute difference of more than £900,000 implies huge differences in the resources and opportunities people face.

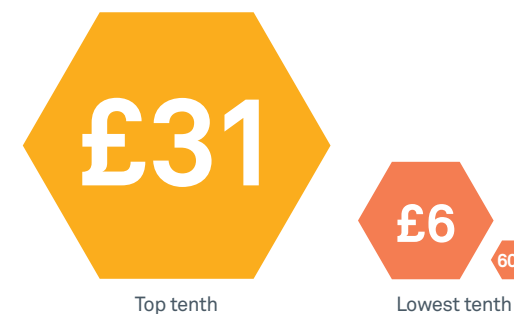
These differences have many causes and many consequences. But one of the consequences is huge ignorance about the lives of others sharing our city. Most people – rich or poor – tend to think that they must be near the middle of such ranges<sup>2</sup> – because the people they come across most often are in a similar position. It comes as a shock to well-paid professionals that only a tenth of full-timers earn more than £46,500, or that only 1 per cent earns more than £100,000.

But it is hard to move forward in dealing with the problems that we now face – with a common aim that all should bear a fair share of any pain and sacrifice – if we have no way of judging what such “fair shares” would mean.

John Hills, Professor of Social Policy  
[www2.lse.ac.uk/researchAndExpertise/Experts/j.hills@lse.ac.uk](http://www2.lse.ac.uk/researchAndExpertise/Experts/j.hills@lse.ac.uk)

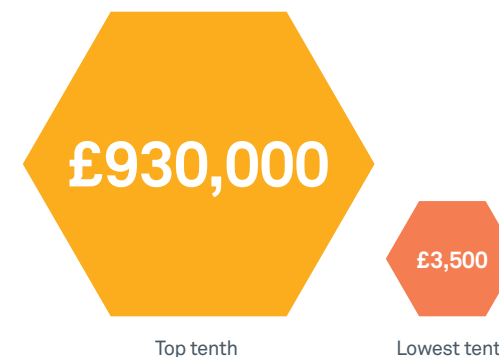
The top tenth of men in London earn more than £31 per hour

The lowest tenth earn less than £6.60, a ratio of 4.7 to 1



The top tenth of London households have net wealth of £930,000

The lowest tenth have less than £3,500, a ratio of 273 to 1



<sup>1</sup>An Anatomy of Economic Inequality: Report of the National Equality Panel. Copies of the report and its summary are available on the website of the Centre for Analysis of Social Exclusion at the LSE at: <http://sticerd.lse.ac.uk/case>

<sup>2</sup>[www.jrf.org.uk/publications/attitudes-economic-inequality](http://www.jrf.org.uk/publications/attitudes-economic-inequality)

## The London Living Wage

Jane Wills and Neil Jameson

As many as one in five Londoners earn less than a living wage. Data from the Greater London Authority (GLA) indicate that something like 400,000 workers fall into the gap between the National Minimum Wage (NMW) which has just risen to £5.95 an hour and the London living wage (LLW) which is currently £7.85 an hour. The living wage has emerged as a grassroots response to the critical issue of working poverty in London today.

While the NMW is determined in relation to what the market can bear, the LLW is calculated on the basis of the real cost of living. The calculation of the LLW depends upon the cost of basic necessities, travel, housing and services and these are then modelled for different household types. By paying the LLW, good employers are recognising the need to ensure that workers and their families are not left in poverty despite working full time.

Since its launch in 2001, the London Citizens' living wage campaign has gone from strength to strength. Campaigners have moved from targets in east London's hospitals, to Higher Education, finance, legal services, the cultural sector, Local Government, Regional Government and the Civil Service. More than 100 employers are now paying the living wage to their in-house and sub-contracted staff and research suggests that this has redistributed some £40 million back to low-paid Londoners.

London Citizens' organisers are currently targeting the retail and luxury hotel sectors, and are monitoring London 2012 to ensure that prior commitments to pay a living wage are respected.

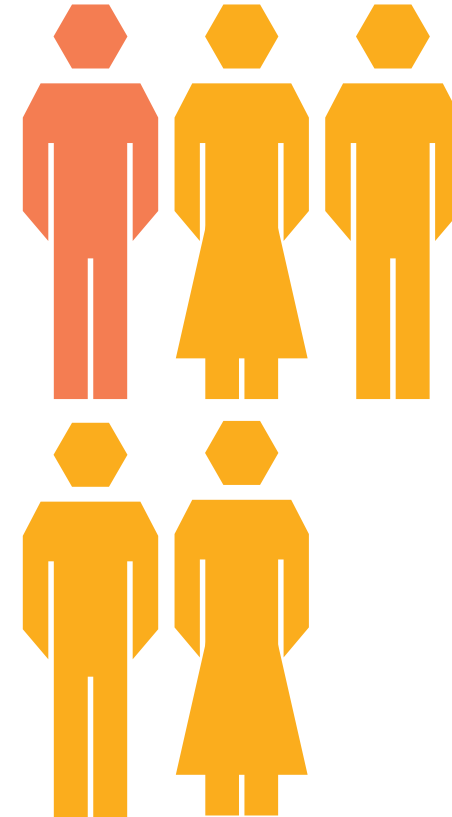
“Good employers are recognising the need to ensure that workers and their families are not left in poverty.”

The LLW now sets an ethical benchmark for pay in London and this is being picked up in other cities across the UK.

Trust for London are funding the latest phase of the campaign as well as a research project looking to quantify the costs and benefits of the LLW.

**Jane Wills**, Professor of human geography at Queen Mary University of London and **Neil Jameson**, Executive Director of London Citizens  
[www.citizensuk.org/campaigns/living-wage-campaign](http://www.citizensuk.org/campaigns/living-wage-campaign)

1 in 5 Londoners earn less than a living wage, which is £7.85



## Income inequality in London

Jeremy Crook  
OBE

“We need targeted and effective action.”

London is a great world city and will show the rest of the world in 2012 that it has the capacity to meet major challenges. The same determination is now needed to tackle London's disgraceful income inequalities.

The Government's figures<sup>1</sup> show that 20% of the population have about 60% of the total income in inner London, 50% in outer London and 40% in the rest of London. And disturbingly 40% of Black Minority and Ethnic (BME) Londoners live in low-income households, compared to 20% of White Londoners. The high numbers of people from Bangladeshi and Pakistani backgrounds in low-income households is unacceptable.

The State should consider the policies that will improve this crushing form of inequality and the case for a 'living wage' in addition to introducing radical reform of welfare benefits to make work pay.

The devastating cuts now feeding through the public sector are likely to exacerbate the situation. Policy and decision makers at the local, pan-London and national level must not forget that it is absolutely vital to have a strong voluntary and community sector to help individuals and families transform their employment and progression prospects.

We need targeted and effective action taken in areas of London with the greatest concentrations of income and opportunity inequality. We need the private sector to intensify its efforts to employ people on merit, from diverse backgrounds and work with relevant civil society organisations.

There are still sectors of London's economy such as engineering; construction; creative industries and sport that resemble the south west of England in terms of the proportion of BME people employed. We can start to tackle this under-representation by working in partnership with employers that are recruiting new apprentices to improve the intake of BME applicants.

Improving the employment rate of BME Londoners must be an urgent priority and backed up with help for enterprising people to start up businesses and social enterprises.

Tackling income inequality and all forms of discrimination must be part of London's 'Big Society' and localism agenda.

**Jeremy Crook OBE**, Chief Executive of Black Training and Enterprise Group  
[www.bteg.co.uk](http://www.bteg.co.uk)

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**20%**  
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**60%**  
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**40%**  
of BME Londoners live in  
low-income households,  
compared to:  
**20%**  
of White Londoners.



## Widening London's cultural offer

Tom Campbell

“I do not want art for a few anymore than I want education for a few or freedom for a few”  
(William Morris)

For the last sixty years, national and local government has had a crucial role to play through policy and investment in shaping the cultural life of the country. Central to this has been a widely held belief that everyone, regardless of background or social class, should be able to experience arts and culture in the UK. However, studies have repeatedly demonstrated profound differences in levels of engagement in publicly funded culture amongst different communities and socio-economic groups. At the same time, data on the workforce of the creative and cultural industries suggests that there exist strong barriers to employment in the sector for those from disadvantaged backgrounds<sup>1</sup>.

This is particularly the case in London; a global capital of culture with creative talent and historical and artistic treasures that attract visitors from around the world, but which is home to some striking disparities in terms of the cultural life of Londoners themselves.

According to DCMS figures<sup>2</sup>, 66% of residents in Kensington and Chelsea engage with the arts three or more times a year, compared to 29% in Newham which has the lowest rate of any local authority in the UK. Some 61% of Londoners from higher socio-economic groups have attended a museum in the last 12 months, compared to 43% from lower groups. 59% of white Londoners have visited, as opposed to 44% of those from BME communities<sup>3</sup>. In terms of employment, 16% of London's creative industries workforce is BME, compared to 26% for London's economy as a whole<sup>4</sup>.

Ensuring that as many Londoners as possible can enjoy a fulfilling and stimulating cultural life presents considerable challenges for cultural institutions, government and funding bodies, and is the source of considerable debate.

<sup>1</sup>GLA Economics (2010) - based on ONS Labour Force Survey data

<sup>2</sup>Department for Culture, Media and Sport (DCMS) Borough participation in the arts: Active People Survey Survey, DCMS (2009)

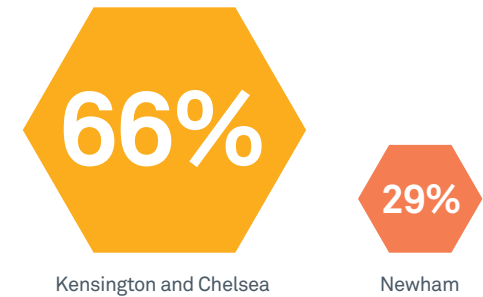
<sup>3</sup>Museum attendance data, Museums Libraries Archives Council (MLA) London (2008-2009 - not published)

<sup>4</sup>GLA Economics, London's Creative Workforce Update, Greater London Authority (2010)

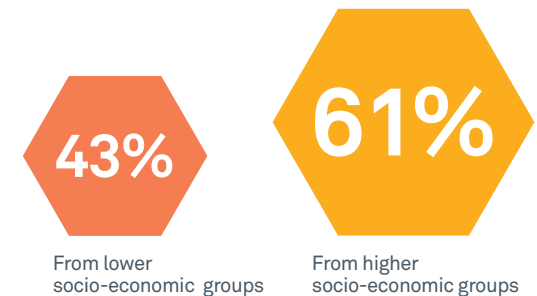
The Mayor's Cultural Strategy, launched in November 2010, outlines some of these discussions and puts forward policies being pursued by the Greater London Authority, as to how the excellence of London's cultural offer can be widened out to all Londoners.

**Tom Campbell**, Cultural Strategy Manager,  
Greater London Authority  
[www.london.gov.uk](http://www.london.gov.uk)

Residents engaging with the arts



Londoners attending a museum within the last 12 months



Across the country, women earn less, own less and have less financial independence than men. Women in full time work in the UK are paid on average a sixth less than men. In London the gap is much wider. Across the capital the difference between men and women's pay is 22.4%, and in the City of London it rises to a third<sup>1</sup>. The financial sector is the worst offender – women working in financial activities in the City can expect to be paid 36% less than their male colleagues<sup>2</sup>.

The pay gap restricts women's autonomy and choices and has social consequences. Forty percent of women from BME backgrounds live in poverty. Lone parents (nine out of ten of whom are women) and full-time carers (again, a majority are women) experience particular hardship. From this starting point, it is particularly concerning that the current Government's deficit reduction measures are likely to hit women hardest.

72 per cent of the money raised from the Treasury's June 2010 emergency budget will be found by cuts shouldered by women, be they cuts to pregnancy and parental support, housing benefits, changes to the state pension or the freeze in public sector pay<sup>3</sup>. Housing benefit caps in particular will make women in the capital poorer, as will the clumsy child benefit cap for families with one higher rate taxpayer (the child benefit proposals give no thought to outgoing differentials across the country).

The 2010 spending review will set us back further. London's women are facing a triple jeopardy<sup>4</sup>:

- cuts to jobs in the public sector, where the workforce is predominantly female
- cuts to the services and benefits women rely on more than men, including childcare and social care services
- an expectation that women will fill the gaps where services no longer reach

<sup>1</sup>2009 Annual Survey of Hours and Earnings: Table 7.6a Place of Work by Local Authority from the Office for National Statistics.

<sup>2</sup>2009 Annual Survey of Hours and Earnings: Table 5.6a Government Office Region by Industry from the Office for National Statistics.

<sup>3</sup>House of Commons library analysis, published on [www.yvettecooper.com](http://www.yvettecooper.com), 5 July 2010

<sup>4</sup><http://www.fawcettsociety.org.uk/index.asp?PageID=1195>

We are facing the biggest row back in women's equality for a generation, as budget and spending cuts push more women and families into poverty and create barriers to women earning an independent living. Urgent action to challenge regressive economic policy is needed if we are to tackle London's gender wealth gap.

**Anna Bird**, Head of Policy and Campaigns,  
Fawcett Society  
[www.fawcettsociety.org.uk](http://www.fawcettsociety.org.uk)

Across the capital the difference between men and women's pay is 22.4%.



Women working in financial activities in the City of London can expect to be paid 36% less than their male colleagues.



“There are still too many  
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Boris Johnson

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Anna Bird

# Toynbee Hall

## Case study

“A higher proportion of Londoners are in arrears with their bills than the rest of the population.”

Inequality in London is growing as a result of the recession and trapping high debt, low-income households in unemployment.

Toynbee Hall with Blackfriar’s Advice Centre and the Mary Ward Legal Centre manages Capitalise, the London Debt Advice Partnership that provides specialist debt advice to over 6000 Londoners every year through a network of 17 advice providers working across all 33 London Boroughs. With a team of over 50 advice workers this is the largest network of debt advice provision in the capital. Now as ever, advice services are in the front-line of providing practical support, information and advocacy to Londoners affected by the economic downturn, whether it’s giving advice on employment rights, benefits, housing or debt.

Unmanageable personal debt affects all groups of people. However, it has a much greater impact on low-income households and exacerbates the impact that poverty and inequality already has on people’s lives. London is not unique; it has a similar pattern of debt as in the rest of the UK with the exception that London has the highest ratio of landlord repossessions and the second highest rate of mortgage repossessions in the country. Some of this is undoubtedly a product of higher housing costs in London than elsewhere. A higher proportion of Londoners though are in arrears with their bills than the rest of the population.

In June 2009 we published ‘Up to our Neck In it’ which reports on the significant changes to Capitalise’s work over the past 2 years and the changing picture of debt in London<sup>1</sup>. Capitalise is now working with people with much higher levels of personal debt. Table 1 shows the average personal debt of an unemployed Capitalise client is now over £15,000. In some boroughs for example in Tower Hamlets where Toynbee Hall is based, it is as high as £20,000. This is an average level of debt from low earning households living in the borough, not the high earners in Canary Wharf. It is however a much lower level of personal debt than that for working households.

One of our key concerns is how these increasingly high levels of personal debt are now reinforcing inequality and trapping people with low earnings potential; traditionally those people who are low skilled, many

migrant workers or those with dependents, into unemployment. The debt trap occurs when someone’s debt repayments take a very high proportion of the extra earned income they would receive if they return to work. So unless someone is able to move into a secure and well-paid job, those people with only low earnings potential are trapped on benefits and in unemployment where their debt repayments are minimal.

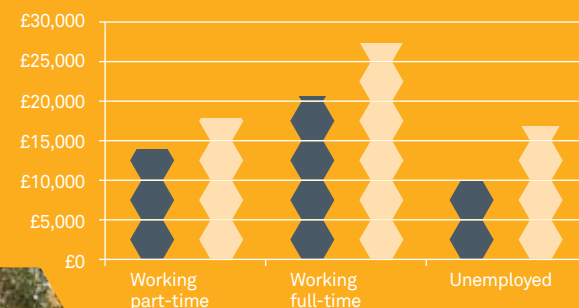
So what needs to happen? A relatively simple and low-cost solution would be for creditors to accept much lower repayments on return to work, to build in work incentives for people. At the moment however there is little real understanding of this problem and little hard evidence. We are now calling on funders and policy-makers to undertake more research into this issue, to identify the scale of the problem and the solutions that are available to remedy it such as a longer phased repayment programmes. We don’t want the legacy of this recession to be even greater inequality for low-income households caught up in a debt trap.

Graham Fisher, Chief Executive  
[www.toynbeehall.org.uk](http://www.toynbeehall.org.uk)

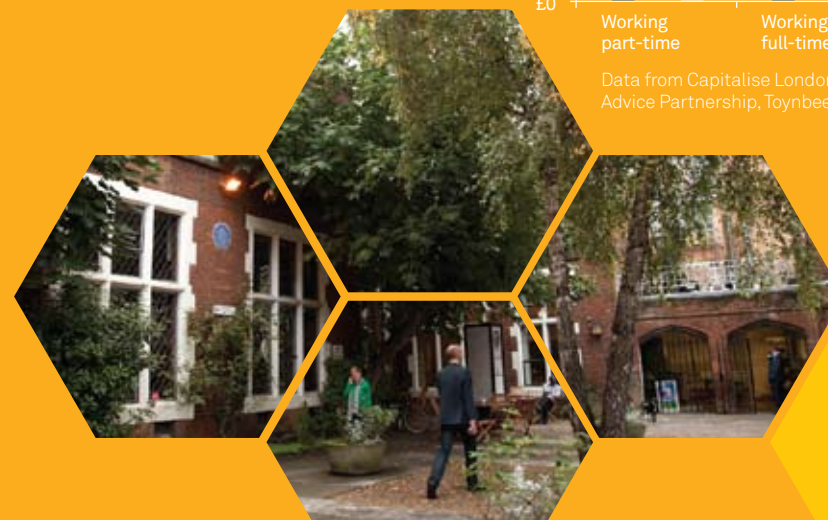
**Average debt and income levels amongst working and unemployed debt advice clients for Capitalise.**  
 (2007-2010, n = approx. 11,000)

Average annual household income

Average debt (excluding mortgage capital)



Data from Capitalise London Debt Advice Partnership, Toynbee Hall 2010



<sup>1</sup>Up to our Neck in it, Allan and Stapf, Toynbee Hall 2009

## The Bromley by Bow Centre Case study

“Bromley by Bow is one of the most deprived areas of the UK.”

Bromley by Bow is one of the most deprived areas of the UK and consequently has some of the highest rates in the country of long-term physical and mental conditions. As well as this increased morbidity (illness), there is also a dramatic reduction in life expectancy – premature mortality is 35% higher in Bromley by Bow than the England average<sup>1</sup>. This is especially so with Ischaemic Heart Disease and other circulatory diseases (Standardised Mortality Ratio: 203 – England SMR: 100)<sup>2</sup>. There are higher rates of cancers diagnosed in Tower Hamlets and a higher rate of deaths from these cancers (i.e. a higher proportion of people with cancer die from the disease)<sup>1</sup>.

In order to cope with the physical and psychological consequences of poverty and deprivation, the Bromley by Bow Centre (BbBC) sets out to support individuals and families to overcome barriers to good health and to enable people to take back control over their own destiny.

The on-site GP Practice strives to offer a high quality traditional medical service. In addition to this, the GPs and nurses have access to a large, dedicated team of people whose expertise lies in tackling the wider social determinants of health.

People can be referred (or self-refer) to a broad range of on-site services. The Bromley by Bow Children’s Centre provides support and education for parents and families. As one dad put it: “[Attending the Centre made] me think to myself, ok, I’ve got responsibility. Before, because my wife was taking care of our son, I didn’t really bother. But now...if there’s a problem, we talk it out. I had a problem and talked to the other dads...”

The Centre offers classes promoting healthy lifestyles, for example the 12-week ‘Fresh Start’ weight loss programme. An external evaluation covering 344 people showed that 6 months after programme end, 25% of programme completers had lost 10% or more of their body weight, average waist circumference fell by 3.6 inches, heart rate by 5.9 bpm and self-scored “wellness” rose 13 points. All of these differences were statistically significant.

The percentage of people of working age who are claiming out of work benefits in Bromley by Bow is 23.9%, compared to the national average of 13.4%<sup>3</sup>. The Centre’s wide-ranging adult learning programme enables hundreds of people annually to earn qualifications from entry-level skills for life (English language, literacy and numeracy) to a BA Hons. Benefits include increased confidence, self-esteem, employability and community cohesion. Embedded health-related sessions empower learners to attain skills, but also to understand health. Sessions utilise health packs, created in-house working with Tower Hamlets PCT, covering wide-ranging health issues like Cervical Screening, Healthy Weight and Smoking Cessation.

There is practical welfare and employment advice, free legal advice and housing advice on and off site. There are numerous art-based groups, as well as horticultural therapy, for those with physical or psychological distress. The Beyond the Barn Project has provided practical help and support for 27 social enterprises since its inception in 2005; twenty-one of these are trading successfully and have created over 100 jobs.

Because of the range of services and support we offer the Centre has become internationally renowned for its approach to tackling health inequalities.

**Dr. Saul Marmot**, GP at Bromley by Bow Centre  
[www.bbhc.org.uk](http://www.bbhc.org.uk)



<sup>1</sup>commissioning support for London Health Needs toolkit 2009

<sup>2</sup>source: London Health Observatory

<sup>3</sup>NOMIS Nov 2009

## Women Like Us Case study

*“The shortfall in part-time working among mothers in London is a major driver of child poverty... Part-time jobs are crucial to increasing employment opportunities for mothers in London<sup>1</sup>.”*

Becoming a parent has harsh economic consequences for many families, and these challenges are amplified for workless mothers in London who face significant barriers in finding employment to fit around their families needs. This is due to the high costs of living, travel to work journey time, higher cost of childcare, and lack of quality part time and flexible jobs. If London were to match the national parental employment rate then 33,000 more lone parents would need to be in work.

To support workless mothers in London into sustainable employment several key steps need to be taken. Firstly, more employment support needs to be made available to potential second earners. Half of the families living in poverty now have two parents, one of whom is in work. Supporting the potential second earner – in most cases the mother – into employment can help lift families out of poverty. Secondly more focus on how to address one of the key barriers to maternal employment – the lack of quality part-time work in London.

Whilst part time work has increased during the recession it is still largely concentrated in lower paying occupations. Almost half of part-time employees in London earn less than the living wage of £7.85 per hour<sup>2</sup>. Additionally many employers offer part time jobs to existing employees to address retention needs. So whilst part time employment is growing, the part-time recruitment market remains underdeveloped.

So what needs to change? As a step towards addressing these problems, Women Like Us has pioneered services that support parents throughout all the stages of their journey back to work. Our multi-award winning social enterprise reaches mothers through the gates of their children’s primary schools, builds their confidence and skills through employability provision and helps them to find work that they can balance with the needs of their families through our recruitment agency specialising in part-time and flexible jobs. We have over 20,000 women registered with us, and 3000 employers.

Yet far more needs to be done. The recession has accelerated employers’ appetite for part-time employment, particularly small businesses in London who want to expand their businesses on a tight budget and offer more quality roles for less cost. There has never been a better time to harness this interest.

But to affect real change, welfare to work policy and commissioning needs to invest more focus on how to engage employers and stimulate the demand for higher quality part-time jobs. Promoting the business benefits of part-time and flexible work, providing just in time support in job design, and building a visible part time and flexible recruitment market will all be critical factors. Making part-time work pay for parents should be central to any approach to improving the life chances of children in low-income households and lifting families out of poverty.

**Emma Stewart**, Director, Women Like Us  
[www.womenlikeus.org.uk](http://www.womenlikeus.org.uk)



<sup>1</sup>London Child Poverty Commission (2008): ‘Capital Gains: London Child Poverty Commission Final Report’  
<sup>2</sup>GLA Economic (2010) ‘Economic Evidence Base’

Throughout 2010 LVSC commemorated their centenary year – marking 100 years of tackling poverty and inequality in the capital.

LVSC's vision is of a vibrant and sustainable city where the lives of Londoners are enhanced through voluntary and community action.

For more information about our work and services visit [www.lvsc.org.uk](http://www.lvsc.org.uk)

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Trust for London is one of the largest independent charitable foundations in London, providing grants to the voluntary and community sector. It aims to enable and empower Londoners to tackle poverty and inequality, and their root causes. Established in 1891 it was formerly known as City Parochial Foundation.

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