ALL PARTY PARLIAMENTARY
GROUP ON POVERTY

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In-work poverty

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Approved by Members of the APPG, this report was written by Child Poverty Action Group, which jointly acts as an independent secretariat to the APPG on Poverty alongside the Equality Trust.

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Introduction

The All-Party Parliamentary Group (APPG) on Poverty aims to increase understanding of poverty among parliamentarians and to seek all-party solutions. In autumn 2021, the APPG launched a short inquiry into in-work poverty, putting out a call for evidence then holding two evidence sessions. The first of these focused on the role employers can play, and the second on the experience of in-work poverty with people with lived experience.

This report brings together information from submissions to the APPG's call for evidence. Nine organisations made submissions, and are credited at the end of this report. The APPG extends its thanks to all who took the time to submit evidence and contribute to the final version of this report.

When the APPG initially set out its work plan for 2021, the purpose of this report was to influence the highly anticipated Employment Bill. In light of its absence from the Queen's Speech, in both 2021 and 2022, the APPG hopes the government will take on board the recommendations in this report when putting together its own strategy to tackle in-work poverty.

The report begins with an explanation of why the APPG chose to focus on in-work poverty for its inquiry, followed by an exploration of the causes of in-work poverty and its disproportionate impact on certain groups in society. The report concludes with recommendations put forward by the evidence received and agreed by members of the APPG.

Why in-work poverty?

Even before the pandemic, in-work poverty rates were on the rise, despite increases in the national minimum wage (NMW) and employment levels. The Joseph Rowntree Foundation (JRF) (2022) records that around two-thirds (68%) of working-age adults in poverty live in a household where at least one adult is in work. This is the highest figure since records of Households below average income (HBAI) began in 1996/97, when the figure stood below 50%. JRF (2022) also found that in 2019/20, 13% of workers lived in poverty, compared to 11% in 2005/06. However, when looking at part-time workers, 17% were living in poverty in 2005/06, compared with 22% in 2019/20 (JRF, 2022). This demonstrates the importance of hours worked in keeping households above the poverty line.

Living in in-work poverty can be incredibly stressful for people, and negatively affect their mental health. The emotional toll from struggling day-to-day in order to survive was made clear by the testimonies shared by Mel and Hazel - witnesses for the evidence session with lived experience of poverty.

“Going to work often feels like it’s about ‘doing the right thing’ or ‘doing your part for society’. It’s also about working your fingers to the bone to put an extra few quid in the gas meter so we can dry the school uniforms before tomorrow because we can only afford one jumper with a logo on it, and it got covered in paint today. Being in poverty means hiding all of this from the outside world because the shame can be unbearable, but as long as you’re in work then you’re not a burden to society, right?” - Mel, Project Participant, Covid Realities

“In-work poverty to me means working for nothing. I’m not working so we can get nice new things and visit new places. I’m working to keep me and my children alive. I’m not living life; I’m only just surviving… I compare in-work poverty to a hamster’s wheel. No matter how hard I work and how much I push myself, I get nowhere. I feel like I’m going round and round in circles and there’s nowhere for me to get off, and no way to make it stop.” - Hazel, Co-design Project Partner, Joseph Rowntree Foundation

The benefits of tackling in-work poverty go beyond the employee and their household, the positive implications can be seen with employers and society as a whole. Research conducted by Cardiff Business School in collaboration with the Living Wage Foundation found that, through implementing the Real Living Wage, 86% of employers say the business’ reputation has improved (Living Wage Foundation, 2021). 62% of employers that adopted the Real Living Wage say it has improved relations between managers and their staff, and 59% say it has had a positive impact on employee retention rates (Living Wage Foundation, 2021).

In its submission, the Living Wage Foundation cited the Smith Institute, which estimates that if one quarter of all jobs currently paid below the Real Living Wage were raised to Real Living Wage level, £1.5 billion would be added to the economy. Local economies would also benefit with eleven city regions gaining a combined economic boost of £700 million.

The APPG aims to explore what policies need to be enacted, by both employers and the government, for work to truly be the best route out of poverty for all workers. While the APPG’s focus here is in-work poverty, that should not be read as a lack of concern for the position of people living in poverty who are not in paid work. It is important to acknowledge that not everyone is able or expected to work, and so support for people out of work needs to be sufficient to meet their needs.

The causes of worsening in-work poverty

• Low pay and number of hours

A key driver of in-work poverty is low pay. More than 20% of the UK workforce are paid below the Real Living Wage[1] according to the Living Wage Foundation. In particular, supermarket employees are low paid with nearly half (45%) of all supermarket workers paid below the Real Living Wage. In their submission, the Living Wage Foundation cited Citizens UK, who found that one in three Sainsbury's employees have to skip meals due to low pay. There is also an evident gendered and racial element to low pay as 24% of women are paid below the Real Living Wage compared to 17% of men; and Black workers are 50% more likely to be paid below the Real Living Wage than white workers.

Nevertheless, the overlap between low pay and in-work poverty is not as large as is often assumed. Only 19% of the 2 million workers earning the National Minimum Wage (NMW) pre-COVID were living in households in poverty. (IFS, 2019) A key reason for this is that minimum wage workers are often the second earner in households that already have reasonable income from the primary earner.

The number of hours worked is particularly important for child poverty rates. Child Poverty Action Group (CPAG) told the APPG that in couples with only one full-time earner, government figures state 40% of children are in poverty (DWP, 2021)[2]. With one parent working full time and the second working part time the figure drops to 15%. In couples where both parents are in full-time work, the rate is 6%.
In lone parent families, 54% of children are in poverty when there is only one earner working part time. This figure falls to 27% for lone parents working full time. This further illustrates the significance of other factors such as hours worked, the barriers that prevent people from taking on more paid work, and adequate social security support for other household members who cannot work (Hick and Lanau, 2017).

"I remember one conversation with someone who was surprised when I shared with them how much my husband earned. They did not believe me and argued that as a head chef he had to be better paid than that. I shared their disbelief but with a deep sense of despair as we carried on living with no possibility of anything changing. We were trapped." - Mel, Project Participant, Covid Realities

[1] The Real Living Wage is independently-calculated based on what people need to get by, and currently stands at £11.05 per hour in London, and £9.90 for the rest of the UK.
[2] Table 4.5db: Percentage of children in low-income groups by various family and household characteristics, United Kingdom, Households Below Average Income 2019-20, Department of Work and Pensions, 2022.

- ## Rise in cost of living

The Union of Shop, Distributive and Allied Workers (USDAW) drew attention to the impact of rising inflation and identified the main drivers as being rising transport costs, particularly petrol, which will be exacerbated by ongoing supply issues. When evidence submissions first opened in autumn 2021, USDAW predicted inflation would be at least 4% in the first half of 2022. CPI inflation hit 9.1% in the twelve months to May 2022 (ONS, 2022b), and the IFS (2022) now estimates that people in the bottom income decile face an inflation rate of 10.9%. This is in addition to dealing with a real-terms cut to their incomes when benefits were uprated by 3.1% in April, which has meant people on the lowest incomes are struggling the most from the rising cost of living.

The announcements made in the Spending Review 2021 - the reduction in the universal credit taper rate from 63% to 55% and increase in the work allowance by £500 a year - are welcome in trying to tackle in-work poverty. But they still don't go far enough. The Resolution Foundation estimates that these new measures will benefit 2.2 million families in 2022/23, who will be roughly £1000 per year better off (Brewer et al, 2021). However, when looking at the changes announced in the Spending Review in combination with the £20 cut to universal credit, the Resolution Foundation finds that nearly three quarters (73%) of families in receipt of universal credit will be worse off. The recent announcements in response to the cost of living crisis in May 2022, of a £650 one-off payment to people on benefits, is welcome. However one-off payments cannot provide the income stability and security that people relying on social security benefits need, and take no account of family size. Therefore, more long-term, permanent social security reforms are still necessary.

- ## Housing costs

Another pressing concern affecting workers across the income spectrum is housing costs. In 2012, as part of the social security changes, local housing allowance rates were slashed below the median to the 30th percentile of local private rental rates. The Women's Budget Group (WBG) told the APPG that housing costs have risen fastest for households in the bottom quintile of the income distribution, with average housing costs increasing by 47% between 2002/03 and 2016/17 for families with children. For middle income working families, housing costs have risen by 11% during the same period.

The Institute for Public Policy Research (IPPR) (2021) suggested that the growth of in-work poverty rates could be associated with growth in poverty levels among people who rent their homes - in both the social and private rental sectors. Housing costs have soared among renters, whereas homeowners have seen housing costs drop in real terms thanks to record low interest rates on mortgages. Low-income renters have had to deal with soaring rents on top of reduced social security support for housing costs. As housing costs eat up more and more of household income, more renters are pulled into in-work poverty.

- ## Caring responsibilities

The WBG highlighted that levels of in-work poverty for households with children are higher than for those without children. For lone-parent families and families with three or more children, the rate is even greater. Gingerbread estimates that one in three children with a lone parent in employment is living in poverty (Rabindrakumar, 2018). The WBG explained that low-income households with children have reported that childcare is the primary obstacle to being able to work more hours. This is not helped by the fact that low-paid workers are more likely to work hours that fall outside standard childcare hours such as nights and weekends, meaning finding formal childcare is more challenging. JRF told the APPG that only 56% of English local authorities have enough childcare provision for parents working full time. The availability (or lack thereof) of childcare has a direct impact on women's ability to work and boost their lifetime earnings, as they tend to be the main caregiver.

It is not just the care of young children that most often falls to women, but the care of disabled and older relatives too. The WBG highlights that some in-work poverty reflects the position of a partner unable to work because of caring responsibilities for disabled or sick relatives, and the inadequacy of the social security system in supporting them. In its submission, the WBG cited Carers UK who estimate that there are 6.5 million carers in the UK as of 2019, 58% of whom are women (Carers UK, 2022). The WBG told the APPG that if someone spends over 20 hours a week caring, they have a significantly higher risk of being in poverty as caring for this many hours compromises the carer's ability to do paid work. Despite this, only carers who care for over 35 hours a week can claim carer's allowance, leaving those who care for 34 hours or less with no entitlement.

> *"I went back to work full time and then realised I was financially worse off. Stress coupled with debts which were made worse by insane childcare bills became too much. My mental health plummeted to a dangerous level and I was signed off work, becoming solely reliant on benefits, which ironically saw me better off from being in work. How is that right? How can being in work make you worse off? The money I was earning by looking after other people's children - the most precious thing in people's lives - was not enough to keep me out of poverty." - Mel, Project Participant, Covid Realities*

- ## Inadequacy of the social security system

Witnesses told the APPG that the level at which social security payments are set, is no longer adequate in helping people meet their basic needs.

At the beginning of the pandemic, the government temporarily paused the conditionality and sanctions regime in universal credit, but this has since been reinstated. Policy in Practice argues that the threat of sanctions undermines the trust needed for work coaches to adequately support claimants to transfer to appropriate and skilled employment. Policy in Practice cited the National Audit Office, which found in

2016 that, while employment rates increased through sanctions, they had a negative impact on future earnings and longevity of work.

Although the government decided not to keep the £20 increase to universal credit and working tax credit, the #KeepTheLifeline campaign calling for it be made permanent highlighted the inadequacy of existing levels of support. The WBG warned that, because of social security cuts over the past decade, any income increases from wage rises have been diminished by benefit cuts and high housing costs. The WBG estimated that the withdrawal of the £20 universal credit uplift would pull half a million people into poverty. Over 6 in 10 families affected are in work. Many witnesses said that reducing the taper rate, although welcome, would not go far enough to offset a working household's loss of income from the £20 cut.

Restrictions within universal credit create additional barriers for low-income students. Policy in Practice told the APPG that the majority of full-time students in advanced education are not eligible for universal credit, which creates an additional barrier to learning for those without savings or the ability to rely on their parents' incomes. People who are able to claim universal credit also face difficulties when it comes to studying. As part of its goal to improve in-work progression, Policy in Practice argues that the government should ease restrictions on training and study under the universal credit claimant commitment. This would enable claimants to pursue further study to improve their long-term career prospects, and ultimately reduce the number of households in low-skilled jobs at risk of in-work poverty.

- ## Casualisation and insecure work

Many witnesses said that the increased level of insecurity in low-paid jobs is driving up in-work poverty rates. As mentioned above, the number of hours worked is an important factor in levels of in-work poverty. JRF found that low-income families are working fewer hours than they were twenty years ago. JRF stated that 1 in 5 low-paid workers want to work more hours than they can find which is three times the rate of higher-paid workers.

What's more, 7% of the entire workforce have some aspect of insecurity written into their contract according to JRF. This includes zero hours, seasonal, agency, casual or temporary work. JRF told the APPG that, for some workers, insecurity can mean their job provides few protections or benefits to support them during times of emergency, leaving them vulnerable to income shocks. USDAW stressed that the increasing use of 'fire and rehire' tactics by some organisations has had a dire impact on the quality of employment contracts, which leads to more casualisation in the workforce.

> *"A month after our son was born, my husband lost his job. Desperate to stay in work, he took on a succession of zero hour contracts - all low paid... We didn't qualify for free school meals and all the things that come along with it." - Mel, Project Participant, Covid Realities*

- ### Low levels of formal education

A lack of in-work progression traps people in low-paid jobs and in poverty. In its submission, JRF cited Baroness McGregor-Smith's commission on in-work progression to explain that only one in six workers fully free themselves from low pay over a span of twenty years. Lack of routes to progress, lack of availability of jobs, poor public transport, high training costs and lack of childcare are all barriers to progression for people on a low income.

What's more, there is a large section of society with very low levels of formal qualifications, which limit their ability to find a sustainable route out of poverty through work. JRF indicates that fewer than half of 25-64 year olds with no qualifications are in employment, and the poverty rate for this group is more than 40%. Adult education take-up has plummeted by 50% since 2004 due to changes in funding. In its submission, JRF cited the Institute for Fiscal Studies' estimates that expenditure on adult education decreased by more than a third - equivalent to £1.3 billion per year - between 2003/04 and 2018/19.

The disproportionate impact of in-work poverty

The impact of policies or events rarely falls on everyone's shoulders equally. In relation to in-work poverty, there are specific groups who are at a higher risk of falling into in-work poverty than the rest of the population.

- ### People with mental health problems

People with a mental health condition are more likely to be in in-work poverty than people without mental health issues. The Living Wage Foundation identified that nearly half (46%) of full-time employees paid below the Real Living Wage say their low pay increases their levels of anxiety, and 34% said it is detrimental to their relationships with close friends and family. The National Survivor User Network (NSUN), a user-led organisation of people who have experience of mental health issues, has identified strong links between mental ill-health and low incomes, describing the relationship between poverty and poor mental health as a "mutually reinforcing trap". NSUN reports that the average difference in income between people who face common mental health conditions and those who do not is £8,400. Members of NSUN explained that the socio-economic disadvantage they experience is linked to inadequate levels of statutory sick pay, workplace discrimination, and unstable working conditions due to zero hour and temporary contracts. Unfortunately, although working part time may be more appropriate for people with mental health conditions to allow for caring responsibilities or limitations associated with managing their mental ill health, part-time hours are not enough to make ends meet for many workers. This in turn takes an additional psychological toll.

- ### Women and lone parents

The WBG states that "poverty is a gendered experience" as female-headed households are poorer than those headed by men. Research also indicates that the unequal distribution of resources within households can lead to poverty, especially among women. This is obscured by official statistics based on households. Sectors, which are women-dominated, including accommodation, catering, retail and residential care, are also the sectors with the highest rates of in-work poverty. Because caring responsibilities often fall to the women in the household, women tend to work fewer hours. They also tend to be paid less per hour than men - women are under-represented in senior, better-paid positions. The WBG explains that part-time work normally pays less per hour than full-time work, and 84% of part-time workers are women (ONS, 2022a).

Despite the substantial gains society has made in terms of gender equality, the pandemic demonstrated how easily progress can be lost. A survey by USDAW noted that two-thirds of working mothers had to take time off to look after a child due to the pandemic, and lost pay as a result. Almost half (49%) of working mothers have been financially affected by needing to home school, either due to loss of pay or because they've had to purchase equipment, such as school supplies. Furthermore, benefits make up a larger proportion of women's incomes both because they tend to have lower incomes and because they tend to receive benefits for their dependants, especially children. Women's incomes have thus been more severely affected by cuts to social security. What's more, lone parents in employment have seen the fastest rise in in-work poverty in the last few years. 90% of lone parents are women.

The WBG highlighted that in order to tackle in-work poverty, the government must look beyond just hourly pay to additional contributing factors, such as the fact women in particular feel there is no other option but to reduce their capacity for paid work in order to carry out caring responsibilities.

- ### Minority ethnic communities

There are elevated levels of in-work poverty in minority ethnic communities. JRF told the APPG that the in-work poverty rate for Pakistani and Bangladeshi workers is highest out of all the ethnic groups, standing at 34% compared to 13% for the general population. This is partially down to the sectors in which these groups predominantly work, and the prevalence of part-time work and self-employment among these communities.

Other witnesses, such as USDAW and ReGenerate, explained that Black communities also have a high risk of in-work poverty. Black employees are overrepresented in low-paid and insecure jobs. USDAW's survey found that over half (52%) of Black respondents are anxious about paying the bills, and 64% are concerned about their future job security - compared with 41% and 46% respectively for white workers.

Some government policies also disproportionately affect ethnic minorities, creating a compounding effect and pushing these communities into further financial hardship. For example, women from minority ethnic groups are more likely to be affected by the two-child limit. 50% of Black children and 40% of Asian children live in families with three or more children, compared to 25% of white families[3]. Using the DWP's own data, research by CPAG and others underlined that over half of families (56%) affected by the two-child limit are already working and receive in-work benefits to top up their income (CPAG et al, 2022).

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[3] Author's calculation from Households Below Average Income 2018/19, 2019/20, DWP

• Self-employed people

It is important to recognise the experiences of self-employed people in the conversation about in-work poverty. Policy in Practice said that low-income self-employed households are more likely to be in poverty than low-income households who are employed. Analysis by Policy in Practice of a Welsh local authority found that 86% of self-employed households in receipt of either housing benefit or council tax support were in relative poverty, compared to 55% of employed households in receipt of either of the two benefits.

Self-employed households on universal credit are affected by the Minimum Income Floor (MIF)[4], which was suspended at the start of the pandemic but reintroduced in August 2021. Further analysis from Policy in Practice found that the reintroduction of the MIF in combination with the £20 cut to universal credit will result in nearly half (47%) of self-employed households in receipt of universal credit not being able to make ends meet. What's more, Policy in Practice found that self-employed households in receipt of universal credit are worse off by £50.86 per week on average, in comparison with self-employed people on legacy benefits.

Other groups identified by witnesses as being at particular risk of in-work poverty include undocumented migrants and prison leavers. The APPG wants to highlight how these groups require specifically tailored policies to enable them to free themselves from the grip of poverty.

[4] The Minimum Income Floor (MIF) is a component of universal credit that applies to self-employed people and is set at the level of the national minimum wage. Therefore, if your earnings are below the MIF, the MIF figure will be used to work out your benefit instead of your earnings figure.

Recommendations

The APPG believes that both the government and employers have a role to play in tackling in-work poverty. The government must engage more with employers, and better understand the levers they can pull to improve employer behaviour and to incentivise employers who want to do the right thing. The majority of recommendations set out below come from both the written and oral evidence received, but others have been put forward by the APPG.

For the government

The APPG recommends:

- **Bring forward the long-promised Employment Bill**

Several witnesses expressed disappointment at the missed opportunity to bring forward an Employment Bill at the state opening of parliament in May 2021. The opportunity was missed yet again in 2022. The APPG agrees that an Employment Bill could improve the rights of workers considerably, and positively improve working conditions for the lowest paid in society.

The Bill should include new rights to increase job security, such as secure contracts that reflect actual working hours, minimum contracts of 16 hours a week (unless the employee requests otherwise), at least four weeks' notice of working schedules, reimbursement for shifts cancelled with no notice, and flexible working being available as the default from day one. This must include the right to carer's leave and reform of shared parental leave, which would have a significant impact on gender equality. Moreover, the government should consider investing in labour market enforcement to identify bad employers. Likewise, the APPG recommends that the Employment Bill include a ban on 'fire and rehire' practices.

- **Lead by example and adopt the Real Living Wage**

The government must lead by example and pay the Real Living Wage to all staff, both those directly and indirectly employed by central government. Currently 30,000 direct employees, and 27,000 indirect employees like cleaners, caterers and security staff, earn below the Real Living Wage.

The APPG welcomes the government's commitment to increase the minimum wage yearly, as well as to bring down the age of eligibility to 21 by 2024. The APPG encourages the government to continue with its move towards a minimum wage of two-thirds of median pay before 2024.

- **Ensure the social security system is adequate**

The APPG welcomes the recent measures announced in the Chancellor's latest economic statement in May, in particular the confirmation that benefits will be uprated in line with this September's inflation rate. However, this uprating will not come into effect until April 2023, meaning people on benefits had a real-terms cut to their incomes when their benefits were uprated by just 3.1% this year. The reason behind this is the level of uprating is set at the level of inflation in the previous September. In previous years, when inflation has not climbed so rapidly, this process of uprating has not caused any income drops. Therefore, although it is commendable that the government has committed to uprating benefits next year, households on a low income are already struggling to make ends meet. The APPG urges the government to review uprating policy so that more recent inflation figures can be used in future.

In response to the general inadequacy of social security levels, witnesses called for the reinstatement of the £20 per week increase to universal credit and working tax credit, and to extend this to legacy and other benefits. In the face of the cost of living crisis, which has grown much worse since we took evidence, the APPG would support growing calls across party lines for further investment in social security benefits, particularly those targeted at children. The Chancellor's latest economic update in May 2022 provided welcome one-off support for people on benefits, as well as for pensioners, yet there was nothing in the announcement that accounted for household or family size. A single person received the same amount of support as a family of six. To ensure families are not pushed into further hardship, the APPG is calling for increases in children's benefits.

In addition, the government must scrap the two-child limit, not least due to its disproportionate impact on families from minority ethnic groups. What's more, this would be the easiest way to pull the most children out of poverty for the lowest cost to the public purse. CPAG estimated in 2021 that removing the limit would lift 200,000 children out of poverty, and lessen the depth of poverty in general for an additional 600,000 children at a cost of £1 billion (CPAG, 2021b)

The government should increase support for children, in particular child benefit. Family allowances, the predecessor of child benefit, were originally introduced in part because wages could not take account of family size. Increasing child benefit would ensure all families can cover the basic costs of raising their children. It is also the fastest and most effective way to get money to most families.
In addition, the APPG seconds the WBG's call for improved social security for partners unable to take paid work, along with carers. The government acknowledges these people are unable to work and so it is not right that this group is destined to a life of poverty because current social security entitlement is wholly inadequate.

The WBG told the APPG that although increasing the work allowance is welcome, this tilts the balance towards single-earner couples rather than dual-earner couples. As a result, the APPG has also considered the recommendation of introducing a second earner's work allowance in universal credit for households where two people are in work. The government maintains that work is the best route out of poverty, but universal credit in its current state doesn't always make work pay. Therefore, the APPG encourages the government to think further about work allowances to reduce in-work poverty.

- Invest in children's services

Investing more in services that can reduce the barriers to decently paid work, particularly childcare, would have a significant impact on in-work poverty. The government must increase the provision of childcare so all local councils are able to provide enough childcare for parents working full time. The APPG also recommends increasing the availability of childcare for parents working outside of the normal 9 to 5, as many parents working unsociable hours simply cannot find adequate childcare. What's more, childcare must be suitable for low-income families, meaning it must be genuinely affordable with few or no upfront costs.

- Improve work progression and invest in adult skills

Witnesses called for the government to publish an action plan with timelines in response to the report from Baroness McGregor-Smith's in-work progression commission. A key component of this must be reform and investment in adult skills to allow working-age adults to upskill and obtain a better-paid job, so work can truly be a route out of poverty. In addition, the government should allow students to claim universal credit. Moreover, it should put greater emphasis on supporting people into work and to progress, rather than using sanctions, which can be counter-productive.

Ahead of the inevitable changes to our labour market from technological advancement and climate change, the government needs to look again at removing barriers to retraining for people who already hold formal qualifications but need to change employment sector. Similarly, for people who don't hold any qualifications, the government should fund basic skills training in addition to restoring full funding for a first Level 2 qualification (equivalent to a GCSE grade C/4 or above).

For employers

- Increase pay

Employers should become a Living Wage Foundation-accredited employer to ensure their workers are paid a wage that is directly linked to the actual cost of living. If employers with a strong reputation in the local area, such as universities, hospitals, schools and cultural landmarks, pay the Real Living Wage, they can initiate a domino effect leading to other local employers following suit. According to the Cardiff Business School, one in three employers admitted that the behaviour of their peers influenced their decision making.

To go even further, submissions urged employers to adopt the Living Wage Foundation's 'Living Hours' programme which would give workers a minimum of 16 hours a week (unless the employee requests otherwise). Until the government mandates policies such as these, employers could lead the way and make paying the Real Living Wage and offering minimum hours the norm.

"The first question for a successful law firm like ours, and any city firm or any successful business, is why would you not pay it [the Real Living Wage] if you're a successful organisation? It's only fair to ensure that all of the workforce benefits from the success of the business wherever you are in the organisation. […] It's the right thing to do." - Matt Sparkes, Head of Sustainability, Linklaters

- Offer flexible and other parent-friendly policies

Many witnesses emphasised the need for employers to implement policies that would allow second earners, especially women, to remain in the workforce. This could be enacted through employers joining their local good work charter, e.g. Greater Manchester Good Employment Charter. This would mandate employers to adopt good work policies such as flexible working, onsite childcare or childcare subsidies, and decent parental leave.

Other measures employers should implement include improving job design to allow workers to progress to higher-paid roles while maintaining any flexibility they need to have a work-life balance.

Contributors

We are grateful to the following organisations for contributing evidence to this inquiry, either through written submissions or verbally during the evidence sessions.

Borough Care

Child Poverty Action Group

Covid Realities

Joseph Rowntree Foundation

Linklaters

Living Wage Foundation

National Survivor User Network

Peabody

Policy in Practice

ReGenerate

Union of Shop, Distributive, and Allied Workers

Women's Budget Group

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The All-Party Parliamentary Group on Poverty

The APPG's aim is to increase understanding of poverty among parliamentarians and to seek all-party solutions, while drawing on a range of outside people and knowledge.

Officers in post when the initial inquiry took place (2021-2022):

- Kevin Hollinrake MP - Co-Chair
- Neil Gray MP - Co-Chair until March 2021
- Baroness Ruth Lister - Vice-Chair until March 2021, then Co-chair
- Afzal Khan MP - Vice-Chair
- Lyn Brown MP - Vice-Chair
- Lord Bird - Vice-Chair
- Tony Lloyd MP - Vice-Chair
- Baroness Christine Blower - Member

Officers most recently elected (2022-2023)

- David Linden MP - Co-Chair
- Baroness Ruth Lister - Co-Chair
- Baroness Philippa Stroud - Officer
- Afzal Khan MP - Officer
- Lyn Brown MP - Officer
- Tony Lloyd - Officer
- Beth Winter MP - Officer
- Cat Smith MP - Member
- Robin Millar MP - Member

Contact us:

Child Poverty Action Group and the Equality Trust act jointly as an independent secretariat to the APPG.

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