

A report from
the Baptist Union of Great Britain,
the Methodist Church,
the Church of Scotland
and the United Reformed Church

The lies we tell ourselves: ending comfortable myths about poverty



Truth and lies about poverty



A report from
the Baptist Union of Great Britain,
the Methodist Church,
the Church of Scotland
and the United Reformed Church

Contents

Page

4 Executive summary

6 Introduction

8 Telling the truth about poverty

9 Troubled Families and Troubled Statistics:
A case study in misrepresenting the most vulnerable

Convenient myths about poverty:

13 Myth 1: 'They' are lazy and just don't want to work

18 Myth 2: 'They' are addicted to drink and drugs

19 Myth 3: 'They' are not really poor - they just don't manage their money properly

21 Myth 4: 'They' are on the fiddle

23 Myth 5: 'They' have an easy life on benefits

27 Myth 6: 'They' caused the deficit

29 Conclusion

30 References

Executive summary

In 1753 John Wesley, the founder of Methodism said, “So wickedly, devilishly false is that common objection, ‘They are poor, only because they are idle’.” Yet today many churchgoers and members of the general public alike have come to believe that the key factors driving poverty in the UK are the personal failings of the poor – especially ‘idleness’. How did this come about?

The myths exposed in this report, reinforced by politicians and the media, are convenient because they allow the poor to be blamed for their poverty, and the rest of society to avoid taking any of the responsibility. Myths hide the complexity of the true nature of poverty in the UK. They enable dangerous policies to be imposed on whole sections of society without their full consequences being properly examined. This report aims to highlight some comfortable myths, show how they have come to prominence and test them against serious evidence.

Churches have a special interest in speaking truthfully about poverty. Both the biblical warnings of the prophets and the example of Jesus teach us to pay special attention to the voices of the most vulnerable and underprivileged. The systematic misrepresentation of the poorest in society is a matter of injustice which all Christians have a responsibility to challenge.

The report begins with a case study, *Troubled Families and Troubled Statistics*, showing how facts and evidence were bent to meet the needs of policymakers. The reputations of society’s most disadvantaged families became collateral damage in the rush to defend a new policy. Perhaps we are not surprised by this but we should be appalled.

The myths challenged are not a comprehensive list but were chosen because of their prominence in public debate, and their widespread acceptance.

MYTH 1

‘They’ are lazy and don’t want to work

The most commonly cited cause of child poverty by churchgoers and the general public alike is that “their parents don’t want to work”. Yet the majority of children in poverty are from working households. In-work poverty is now more common than out of work poverty. It is readily accepted that across the country there are families in which three generations have never worked. Examples of such families have not been found, and the evidence suggests it is unlikely we ever will. How did we come to believe these things?

MYTH 2

‘They’ are addicted to drink and drugs

Churchgoers and the wider public cite addiction as the second most common cause of child poverty. While addiction is devastating for the families and communities touched by it, fewer than 4% of benefit claimants report any form of addiction. How did we come to believe this is such a big factor in the lives of the 13 million people who live in poverty in the UK today?





MYTH 3

'They' are not really poor – they just don't manage their money properly

Nearly 60% of the UK population agrees that the poor could cope if only they handled their money properly. The experience of living on a low income is one of constant struggle to manage limited resources, with small events having serious consequences. Statistics show that the poorest spend their money carefully, limiting themselves to the essentials. How did we come to believe that poverty was caused by profligacy?

MYTH 4

'They' are on the fiddle

Over 80% of the UK population believe that "large numbers falsely claim benefits". Benefit fraud has decreased to historically low levels - the kind of levels that the tax system can only dream of. Less than 0.9% of the welfare budget is lost to fraud. The fact is that if everyone claimed and was paid correctly, the welfare system would cost around £18 billion more. So how did we come to see welfare claimants as fraudulent scroungers?

MYTH 5

'They' have an easy life

Over half the British public believes benefits are too high and churchgoers tend to agree. Government ministers speak of families opting for benefits as a lifestyle choice. Yet we know that benefits do not meet minimum income standards. They have halved in value relative to average incomes over the last 30 years. We know the ill and the unemployed are the people least satisfied and happy with life. Why have we come to believe that large numbers of families would choose this a lifestyle?

MYTH 6

'They' caused the deficit

The proportion of our tax bills spent on welfare has remained stable for the last 20 years. It is ridiculous to argue, as some have, that increasing welfare spending is responsible for the current deficit. Public debt is a problem but why is it being laid at the feet of the poorest?

Conclusion

As a coalition of major British Churches, we want to create a new story; one grounded in truth, compassion and hope. Part of our calling as Christians is to seek after truth, and that means facing up to our own blindness as well as calling others to account.

Collectively we have come to believe things about poverty in the UK which are not grounded in fact. We need to develop an understanding of the depth and breadth of UK poverty that is compatible with the evidence available. Just as importantly we need to match the language of public debate with the reality of people's lives. It is a task we must approach with humility; one which puts the lived experience of poverty at its heart, and one which is committed to truthfulness – no matter how uncomfortable we find those truths to be. Please join with us in this challenge.

Introduction

Neil used to be a long-distance lorry driver, travelling all over Europe. Ill health has meant that he has had to give up work. He receives disability benefits and has a car, without which he would be housebound. Neil lives in a two-bedroomed property and is in danger of losing his home because of benefit reforms. He is active in his local community association, but if he has to leave his house, he will have to move out of the area. He feels desperate, fearful and uncertain of the future. He is also very clear about the extent to which he feels demeaned and stigmatised by his situation:

“I can no longer work. I was a proud man, I always worked, but I can no longer afford that luxury. Benefit changes reduce my ability to eat properly. I can’t afford to keep the fridge on all the time, and I can’t afford to heat my home all the time.

“I can’t pay my way if I go out with my family or friends. I feel like my children and my friends no longer look up to me because I have nothing. I feel like a failure. I don’t feel like a person anymore.

“I do try and look for positives in life, like helping out (when I can) at my local community centre, providing meals for the elderly and vulnerable - this gives me a few hours to look forward to.

“Having no money when all the television ads say ‘buy this’ or ‘buy that’ or ‘have a wonderful holiday’ is so frustrating, because I am in poverty - one of the countless millions in this country. The worst thing is that I know that it is going to get a whole lot worse and that it will never get better.”

Case study provided by Church Action on Poverty
www.church-poverty.org.uk

Do you recognise this story?

We live in a broken society. As hardworking families strive to do the best for their children, there is a feral underclass which creates a disproportionate number of social problems and is a constant drain on the nation’s resources. Through living off state benefits for generations, this group has developed a culture of dependency and worklessness in which vices such as substance abuse flourish. Through idleness or dishonesty, making a fair contribution to society has become alien.

Or that is what you would think is the accepted truth about poverty in the UK from reading our newspapers, listening to our national political debates and engaging in everyday conversations. This convenient myth is a long way from the daily experiences of the 13 million people, including 3.6 million children, living in poverty in our nation. For those who live outside this group, however squeezed they may be, it can be comforting to believe poverty mainly visits those who deserve it.¹

Poverty can be measured in many ways. Income levels and deprivation indices tell an important part of the story. In 2010 the Methodist Church said that “those living in poverty still suffer consequences in term of health, life chances and opportunities for their children. In short, lack of material resource prevents many from realising the potential that God has given them.” And in the words of some people living in poverty: “poverty means having no choice, if you’re lucky you can afford the cheapest things... poverty is being given endless bowls of soup and cups of tea when what you want is a proper meal.... to be poor is to be written off.”

A comfortable story which assigns blame to those living in poverty has become easy to believe because it is so widespread and often repeated. Yet there is danger in comfort. The typical family in poverty in the UK is not made up of the feckless, workless scroungers of popular imagination. More typical is a person in low-paid work, or a person recently unemployed and soon to find another low-paid job. More typical is someone who scrimps and saves and does without to make sure their family is able to make it to the end of the week.

The comfortable story of poverty allows the majority of people to live in comfort and security, largely unaware of the difficulties that many others face. It neutralises our response to people who struggle - not with criminality and anti-social behaviour, but to cover the essentials of feeding a family, clothing growing children and heating homes. The comfortable myths about poverty allow us to believe that people in poverty are deserving of their poverty, and that it is neither our fault nor our problem.

The conversation about poverty has concentrated on fraud, addiction and a culture of entitlement. The implication is that if you tackle these faults, then you tackle poverty. It also suggests that poverty can be confronted without impacting on the lives of anyone else – except perhaps reducing the tax we pay. Politicians and parts of the media have reinforced this belief and told us what we want to hear. These myths have been a distraction from the reality of spending cuts that will continue to have, a dramatic effect on the living standards of the most vulnerable in our country.

It is always possible to find examples of individual good or bad behaviour, including by people living in poverty. It is also possible to use a story of this example to justify an opinion. However we should not attempt to understand a large group of

people on the basis of a single story, rather than on a wide range of evidence.

This report, produced by the Baptist Union of Great Britain, the Church of Scotland, the Methodist Church and the United Reformed Church is intended to lay bare some of the myths about the poor and to be as truthful as we can about UK poverty.

We hope that this report will help people to weigh prejudice and anecdote against evidence. We hope that it will help to challenge the myths which enable the majority to live with the comfortable assumption that both poverty and wealth are deserved. We hope it will instead make us look at the reality of life for all of our neighbours. The first stage of justice has to be an understanding of the truth.

Basic numbers poverty and welfare in the UK⁷⁶



Numbers in Poverty (millions)

- Out of work
- In work
- Pensioner



£ Billion

- Unemployed
- Families with Children
- Low income families
- Housing Benefits
- Disability and Carers Benefits
- Pensioner

Telling the truth about poverty

When Jesus said “the poor will always be with you”, he did not then add “so that’s all right then”. This Bible quote has been used over the centuries to justify an acceptance of the injustice of poverty and complacency in the face of the poor, but it is really a challenge that our responsibility as individuals, and as a society, to those most vulnerable never goes away.

Rheinold Niebuhr wrote of the need to “comfort the afflicted and afflict the comfortable”. This is apparent in Jesus’ encounters with people on the margins: the poorest, the vulnerable, the outcast. His response is to comfort those on the margins, but also to challenge the dominant ‘truth’.

Jesus hears the voice of Bartimaeus, a blind beggar sitting by the roadside, ignored by the crowd around him. Jesus refuses to walk by, and responds to his call by healing him. Jesus shares food and drink with outcasts, sinners and tax collectors. When asked to condemn a woman caught in adultery, he responds by challenging those who are without sin to cast the first stone. He refuses to listen to the loudest voices or the most dominant story, and instead sees, hears and encounters those who are excluded. And at the same time he issues a sharp challenge to everyone, including those with the power in a situation, that they are in need of change. The rich young ruler is challenged to decide what to do with the burden of his wealth and the Pharisees who value tradition more than God’s commandments are left in no doubt as to Jesus’ challenge to their powerful position of complacency.

If our society misrepresents those who are at its margins, blaming them for their poverty and ignoring the massive injustices at work, then we are all set to fail. We will see greater depths of poverty; greater suffering as children are entrenched in circumstances which are damaging to body, mind and soul. We will see a society which is unsustainable and divided, where those with power or privilege are wilfully blind to those without.

Christians today, as through the generations, have responded to Jesus’ example. Many shelters, foodbanks and community projects have been started by churches or people inspired by their faith. Perhaps, however, we are not so good at “afflicting the comfortable”; at telling the truth about injustice, or recognising when we are complicit in perpetuating convenient myths.

The Bible is clear in its warnings about injustice. The prophet Micah warns that when privileged people oppress those at the bottom of the pile, society will fail. Likewise the prophet Isaiah warns that without truth there cannot be justice and righteousness in a society. “Justice is turned back, and righteousness stands at a distance; for truth stumbles in the public square, and uprightness cannot enter.” Isaiah 59:14 (NRSV). What are the truths that we are called to recognise and proclaim about our society today?

We are called to tell the truth. The truth is that every human being is valued, honoured and loved by God, regardless of their material wealth. The truth is that we are all created to be interdependent upon one another. And we have a responsibility to speak these truths even when they are uncomfortable or unwelcome.

Troubled Families and Troubled Statistics: A case study in misrepresenting the most vulnerable

The report begins with a case study showing how facts and evidence were bent to meet the needs of policymakers. The reputations of society's most disadvantaged families became collateral damage in the rush to defend a new policy. Perhaps we are not surprised by this but we should at least be appalled.

The 'Troubled Families' programme was set up in 2011 to help some of the most disadvantaged families in England. The aims of targeted intervention, better coordination of public services, and marshalling resources to help the disadvantaged will hopefully have a beneficial effect. However the announcement and media coverage is a case study in the misrepresentation of the poorest. The evidence used to support the assertions about the families was distorted to fit preconceived ideas and grossly stigmatised them in the process.

Speaking in November 2011² Prime Minister David Cameron said:

... today, I want to talk about troubled families. Let me be clear what I mean by this phrase. Officialdom might call them 'families with multiple disadvantages.' Some in the press might call them 'neighbours from hell'. Whatever you call them, I think we have all known for years that a relatively small number of families are the source of a large proportion of the problems in society....

... Drug addiction. Alcohol abuse. Crime. A culture of disruption and irresponsibility that cascades through generations. We've always known that these families cost an extraordinary amount of money but now we've come up with the actual figures. Last year the state spent an estimated £9 billion on just 120,000 families. That is around £75,000 per year per family.

Now there are some who say 'yes, this is terrible, but this 'Shameless' culture is now a fact of modern British life, and there's nothing we can do'. They're the same people who believe that poverty and failure, like death and taxes, will always be with us I don't think people are pre-programmed to fail because of where they come from...



Families with troubles, not families *causing* trouble

The Prime Minister's speech, and many other government announcements since, have linked these families to crime, drug abuse, irresponsibility and anti-social behaviour. They have been called "neighbours from hell" and blamed for a "*Shameless* culture". Yet to be counted in the 120,000, a family had to exhibit 5 of the following 7 characteristics:

- no parent in the family is in work
- family lives in overcrowded housing
- no parent has any qualifications
- mother has mental health problems
- at least one parent has a long-standing limiting illness, disability or infirmity
- family has low income (below 60% of median income)
- family cannot afford a number of food and clothing items.



Despite the Prime Minister's claims of "disruption and irresponsibility" in his speech, there is no measure of criminality included in these categories. In fact at least 90% of the children in this group had no reported involvement in criminal or anti-social behaviour³. Neither is there a measure for drug abuse, or for whether they were the "source of a large proportion of the problems in society". The largest shared characteristic of the families identified was that the mother had mental health problems. By his own measures, David Cameron's "troubled families" are not "neighbours from hell" that he describes, but instead 'neighbours in need'.

There are not 120,000 'Troubled Families'

In fact we do not know how many such families there now are. The figure of 120,000 originally comes from a secondary analysis of data collected in 2004, and first published in 2007 by the Cabinet Office⁴. The margin of error of this study is large - around plus or minus 200,000. This means that the Prime Minister could be speaking about any number of 'troubled families' between very few families and over 300,000. The later reporting of the policy in terms of 120,000 actual families is statistically flawed and highly misleading.

These families do not cost £9 billion

Not only is the number of families not known, but the financial estimate is based on a Department for Education study of a different set of 46,000 families identified by *different criteria* to the Prime Minister's 120,000 families⁵. The £9 billion number also includes the health, education and welfare costs that any 'untroubled' family would normally accrue.

Bad statistics followed up with a 'dipstick analysis'

In July 2012 a report *Listening to Troubled Families*⁶ was published containing 16 case studies of "the kinds of families who will be targeted" by the Troubled Families Unit. It acknowledges that the case studies were not representative but suggests it "is a good starting place to inform our thinking and policy development". It was later revealed⁷ that the case studies did not come from research as commonly understood but from a novel process termed 'dipstick analysis' by the Department for Communities and Local Government. As such it was not required to meet the ethical, statistical or methodological standards expected of decent research. In publishing such sensitive data, the lack of ethical approval is particularly concerning as many distinctive, potentially identifiable, characteristics were divulged in the stories, presenting a real fear that the anonymity of interviewees may have been compromised.

The report makes for harrowing reading and it is clear that there are many families in the UK which need substantial assistance. But it is also very clear that the case studies are highly unrepresentative of the families in the original 2004 data. For example the families initially identified had an average of two children. The families in the case studies had an average of four to five children. In 2011 there were 130 families with 10 children in the whole of Britain on out of work benefits, and only 10 families on such benefits with 12 children. Yet one of each family type appears in the *Listening to Troubled Families* report⁸. This is extraordinarily unlikely using any respectable sampling technique.

The clear implication is that the families in the report were selected to tell a similar story to the Prime Minister's. The consequence was to repeat an unjust story of fecklessness. The author described the problems of families with too many children without mentioning the unrepresentative nature of the family sizes in the report, and shockingly made statements about the high frequency of rape and incest in the case study families, incorrectly implying that such occurrences were therefore common in the "120,000" families.

The subsequent press coverage was almost uniformly misleading. The *Sun's* take on the report was "Child Abuse Rife in Hell Families – report exposes 120,000 worst households". The most commonly used quote from the report was "The prevalence of child sexual and physical abuse [and sometimes child rape⁹] was striking and shocking"¹⁰. Complaints made by the website "*FullFact*" have led the Press Complaints Commission to require a number of newspapers to publish corrections to their reports¹¹.

What remains clear is that the "*Listening to Troubled Families*" report provides no more substantial evidence for a "*Shameless culture*" than the statistics quoted in the Prime Minister's speech eight months previously. The wide spread coverage in the press alongside the Prime Minister's statistics provided the general public further reason to believe that there are 120,000 actual families, deeply dysfunctional and anti-social, who cause huge amounts of harm and cost the public purse £9 billion. No serious evidence was ever put forward to support this.

Making the evidence fit: “what we have all known for some time”

There are many families in need of help in the UK. The Troubled Families Unit marshals resources with the aim of joining up the work of many different state, private and charitable organisations that offer help to families. This is an excellent intention welcomed by many experts inside and outside government.

But why, when announcing this policy, were honest families with multiple disadvantages so badly misrepresented? Why were irresponsibility, criminality and economic disadvantage presented as shared characteristics of one set of people? And later, when the policy was being criticised, why were 120,000 disadvantaged families represented as being the victims or perpetrators of incest, without any reputable evidence? Why is it acceptable to twist the facts to in order to support what the Prime Minister said “we had all known for some time” – that disadvantaged families are also dysfunctional families?

For many, 120,000 families is a comfortable number of people to be in ‘real’ poverty. Big enough to superficially explain the symptoms

of poverty around us; small enough that the problem is contained and does not require an inconveniently large effort to tackle it. The number allows the understanding of poverty to be compacted and simplified – it encourages the idea that poor behaviour and poverty are synonymous. It is also untrue.

The myths around the ‘Troubled Families’ have entered into countless government statements and policies, including the Social Justice strategy¹². Just as importantly they have entered into public debate around the causes and effects of poverty in the UK. This only serves to pollute the debate by providing untrue or skewed ‘evidence’ to those who wish to attribute poverty to a small number of dysfunctional families, and those who wish to believe these families are part of a “*Shameless culture*”.

Misrepresenting disadvantaged families as what one national newspaper called “Britain’s worst scumbags¹³” will only make their difficult lives more demanding as well as making the good work of the Troubled Families Unit harder.

Convenient Myths about the Poor

The story of the ‘Troubled Families’ is a case study of excellent initial research being misused for political purposes. The original study showed there were a large number of families, highly disadvantaged and mainly in poverty, who were in need of help. This fact was misused to tell a story of 120,000 dysfunctional, anti-social families costing the nation a fortune; a story which makes the existence of poverty far more acceptable to those who are not affected.

There are many other myths about poverty and the lives of the poorest. Each one allows us feel better about living in a society where so many people just scrape by, existing rather than thriving. Placing the blame for poverty on the bad behaviour of the poorest encourages us to accept inequality and the damage it does to our society, and it hides the complex nature of poverty in our nation. Without facing up to the realities of poverty, we will never come close to tackling it and enabling those who are trapped to begin to fulfil their potential.

Myth 1: 'They' are lazy and don't want to work

Amanda* says: "My husband worked for many years when our two children were young. I too worked part-time. In 1998, I became ill with a long-term and life-threatening heart condition. Due to the stress, my husband had a nervous breakdown. He still has depression and anxiety to this day. That greatly impacts on his quality of life and ability to work (his condition varies in severity on a day to day basis)."

"Currently, apart from being a carer to my husband, I have trained and qualified as a counsellor, and currently work voluntarily within a local mental health charity. I also am a befriender to a person with mental health issues, within the same service provider. I have also applied to volunteer at a local foodbank. My point being, is that I believe 'I give back' to society. I do not sleep in until 2pm and mooch around in my pyjamas watching Jeremy Kyle as the media portrays."

** Not her real name. Case study provided by The Anti-Bedroom Tax Campaign
www.facebook.com/#!/groups/antibedroomtax/*

There has been a resurgence of the idea that many of the UK's poor have a 'culture of worklessness', implying that worklessness is a state of mind, along with a new affliction called 'welfare dependency', portraying the benefit claimant as a perpetual child forever taking from the parent state.

The idea of a culture of worklessness bears the hallmarks of the age-old prejudice that the poor are poor because they are lazy. In 1753 John Wesley said, "So wickedly, devilishly false is that common objection, 'They are poor, only because they are idle'." History points to Wesley being correct then, the evidence points to Wesley being correct now.

'Poverty only affects those who are old or don't work'

The perception that most people in poverty owe their situation to laziness runs counter to the most basic of facts. The majority of families that live in poverty do so despite being in employment. Excluding pensioners, there are 6.1 million people in families in work living in poverty compared with 5.1 million people in poverty from workless households.

The bottom end of the UK labour market is characterised by a large number of people (1.4 million) who work fewer hours than they would want, and a large turnover of people moving from an insecure low-paid job with minimal employment rights to unemployment and back again.

In the last 20 years the proportion of pensioners living in poverty has more than halved: in 1991 they were the age group most likely to experience poverty. Now 16% of pensioners live in poverty, which makes them the age group least likely to experience poverty. This welcome decrease in the pensioner poverty rate has been achieved in large part by substantial increases in welfare spending on that group.

“There really are far, far too many people sponging off the taxpayer right now with their fake or exaggerated disabilities”

James Delingpole, *Daily Telegraph*, 26 January 2012

The number of people claiming out-of-work benefits because of sickness or disability has steadily decreased since the mid-1990s, whilst the severity of the claimants' conditions have in turn increased. The accusation that incapacity benefits were used to hide people more properly described as unemployed may have had some validity in the aftermath of the de-industrialisation of the 1980s. However, today's claimants are not the hidden unemployed.

The Work Capability Assessment, used by the Department of Work and Pensions (DWP) to determine whether a person is fit to work, has been much criticised, including by the British Medical Association¹⁵, and has led to an extraordinarily high rate of successful appeals¹⁶. In Glasgow the Assessment Centre is locally known as 'Lourdes' as many go in sick but come out deemed 'fit for work'. Yet, as the headlines printed here show, even these flawed results have been subject to inaccurate reporting that further promote the laziness myth.

The Work Capability Assessment uses a scoring system to determine whether people are eligible for the Employment Support Allowance (ESA), a disability benefit. People are put into one of three categories depending on their score after a series of questions. To be placed in either the Support Group or the Work Related Activity Group, and therefore be eligible for ESA, a person must demonstrate, that their “capability for work is limited by their physical or mental condition, and the limitation is such that it is not reasonable to require the claimant to work¹⁷”. Sections of the press have regularly described people in the Work Related Activity as “fit to work” in their reports on the issue.

“Eight out of ten claiming [incapacity] benefits are fit to work”¹⁴

Daily Mail, 24 January 2012

The implication of the *Daily Mail* headline is clear – lots of disability benefit claims are fraudulent. In case that was not obvious the article is with a picture of a man doing heavy lifting despite making a claim for arthritis. A DWP report showed that only 10% of people went back to their old jobs after being found fully “fit for work”, and only 18% found any other employment¹⁶. It is a truly an inhospitable job market for people leaving benefits, especially incapacity benefits.

“About 1.4 million people spent almost ten years on out-of-work benefits under the last government”

Iain Duncan Smith, *New Statesman*¹⁸, 11 June 2011

The myth that people don't want to work is often backed up by the assertion that many of them have been unemployed for years. Iain Duncan Smith's remark (left) is repeatedly quoted to promote the idea of a culture of worklessness. For example, in the Cabinet Office publication *State of the nation report: poverty, worklessness and welfare dependency*, it is presented as the key fact demonstrating that the benefit system encourages people not to work¹⁹. Yet in that context the number and its subsequent use is profoundly misleading.

Using other figures produced by the DWP at the same time it is clear that only 0.1% of decade-long benefit claimants are unemployed. The rest are carers (2.2%), lone parents of young children on income support (6.5%) and those on incapacity benefits (90.5%)²⁰. Although the analysis document used to make the 1.4 million claim states that the number does not only reflect the number of unemployed, it fails to provide a breakdown of claimants.²¹ Because of this the number has commonly been misunderstood – and misused – as a count of the number of people in long-term unemployment. While finding a suitable job would transform the lives of many of these people the reason they weren't working was due to an understood and proven disability. That disability was not welfare dependency.

Astonishingly, according to the government's own statistics, more people received benefits due to terminal illness and yet survived for a decade, than were unemployed for a decade.

'Unemployed people choose to stay on benefits'

The average length of time spent on Job Seeker's Allowance (JSA) is 13 weeks²²

Unemployment in the UK is typically short but frequent. This is the so-called “low-pay/no-pay cycle”, with people moving between insecure low-paid employment and benefits, a trend that increased during the 1990s and 2000s. People's willingness repeatedly to re-enter a hostile labour market for limited rewards is evidence, not of a culture of worklessness or welfare dependency, but of a determination to gain a decent income, and to do that through work.

They do this in the face of significant disincentives. There is a shortage of employment across the United Kingdom. In addition the majority of jobs available to young people or those with few skills or qualifications are often 'flexible'. For people on low pay, this means variable hours, late night shifts, few protections and being at the whim of the employer, making it hard to juggle with family and caring responsibilities. And whilst people are almost invariably better off in work, the delays and uncertainty of moving back and forth between different benefits can make these transitions dangerous and costly. The introduction of Universal Credit should eventually make some of the processes simpler, but rule changes in the tax credit elements have made people working small numbers of hours considerably worse off.

“Behind the statistics lie households where three generations have never had a job”

(Tony Blair, June 1997, to an audience at Aylesbury housing estate, London)

“Three generations that have never worked” is perhaps the oldest and most pervasive misleading statement promoting the myth of a culture of worklessness in the UK today. It remains part of the common language in the debate around poverty in the UK. The reference is as inaccurate as it is ubiquitous, and yet church websites²³, police statements²⁴ and local government²⁵ reports all refer to this phenomenon, clearly in good faith.

It is more worrying when government ministers or experts use this type of language to refer to those whose lives their policies most affect. Advisors²⁶, ministers at the DWP, and even the Secretary of State, Iain Duncan Smith²⁷ have repeated this claim. Minister of State Chris Grayling went even further to talk about four generations of worklessness²⁸. Yet there is no credible evidence that such families actually exist.

The DWP says it does not collect relevant data on the issue²⁹. Other evidence³⁰ suggests that in less than 0.1% of the 20 million working age households there are 2 generations that have never had a permanent job. The numbers of such families, if any exist, are so vanishingly small that no survey has yet been able to detect the much cited three generations of worklessness. Importantly, despite strenuous efforts, researchers have been unable to find any families where three generations had never worked.

The term “generations of worklessness” deliberately implies laziness, and suggests an entire family sitting for their whole lives in front of the television. It is important to note that the statistics for those who have “never worked” will include people who cannot work due to disability or caring for a family member, and that any temporary or seasonal work is ignored in the government’s statistics.

Those few in the “two generations of worklessness” category tend to live in areas of high unemployment and usually the youngest person of working age is a recent entrant to the job market, so has not been unemployed for long.

For example, a family would be counted as two generations of worklessness if one parent was seriously disabled, the other parent was their long term carer in temporary employment and their child had just turned 16 but did not have a college place.

The “three generations of worklessness” myth is often mentioned when contrasting the good example set by a parent going out to work against the ‘bad’ example of a parent staying at home³¹. It suggests that a lack of motivation is inherited from parents. However, the few studies available show that the children of the long-term workless value work, understanding its financial and social benefits³². The lesson they appear to be learning from their parent is that they don’t want to live a life on benefits.

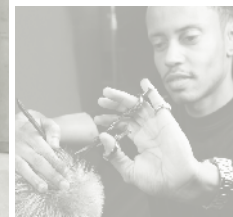
Poverty, on the other hand, is passed down through the generations. In the UK, the wealth of a parent has more effect on determining a child's future wealth, education and health than in any other developed nation³³. The question of how disadvantage is passed down generations is important and merits serious thought, but blaming it on an inherited laziness is not a credible option.

The idea of "generations of worklessness" is appealing as it embeds inherited poverty firmly in the failing of the family, but it does not reflect reality.

A Culture of Worklessness?

Ideas of a "culture of worklessness" became popular in the late 1990s and have been a mainstream part of public debate from the mid 2000s onwards. Yet as the idea was developed the numbers pointed to people having an increasing engagement with the workplace. The number of people receiving out-of-work benefits fell for over a decade until the banking crisis of 2007. Long-term unemployment (over 12 months) had decreased markedly since 1994 alongside a decline in the number of people receiving incapacity benefits and lone parents claiming income support. At the same time, for the low-paid the workplace had become more insecure and wages had declined relative to the rest of the population, yet people continued to engage with it in greater numbers. The evidence better lends itself to telling a story of the UK developing an increased work ethic, people working despite lower rewards, but few choose to tell that story. Despite evidence to the contrary, the majority

of the British public believes that the welfare system has created a culture of worklessness and dependency which often runs through entire families³⁴. This belief may arise from knowing, or more likely hearing about, single individual stories. When the government and sections of the media abuse evidence so wildly, is it any wonder that these individual stories are believed to be representative of whole sections of society? The idea of a "culture of worklessness" hinders the development of effective policies to help those who can't work. Just as importantly, it drives a wedge of stigma between those who need support and the rest of their communities.



Myth 2: 'They' are addicted to drink and drugs

"The house of children whose parents are addicted to crack cocaine. Dad has passed out on the mattress in his own vomit; mum is crouched over a table, preparing her fix. What you don't see is the child hidden in the corner crying."³⁵

This passage is taken from the first page of the government's *Social Justice Strategy*, using a quote from children affected by drug abuse. The Strategy immediately then refers to the "120,000 troubled families", even though there was no evidence of a link between drugs and these families.

The idea that addiction is a major driver of poverty is a powerful one. When asked to identify potential causes of child poverty from 15 options, people choose "Their parents suffer from alcoholism, drug abuse or addiction" as the second highest option after "Their parents do not want to work"³⁶. Churchgoers have the same view³⁷.

The idea of poverty being caused by addictions to drink and drugs is powerful one because like many of the best stories, it has an element of truth. These addictions have the power to ruin lives and like many illnesses (and bad decisions) the consequences of the misuse of drugs are often much greater for those in poverty. But it is a myth that these are problems only of the poorest, or that a sizeable proportion of the poorest are poor because of their addictions.

In England 6.4% of adults demonstrated some form of alcohol dependence with 0.5% showing moderate or severe levels of dependence. National scale research has failed to demonstrate a correlation between alcohol dependence of any degree and income levels³⁹. Despite this the government is proposing to use the alcohol dependency of a parent as an indicator of child poverty. Parental alcohol abuse is certainly a very serious cause of childhood neglect, and should be tackled for this reason. But it is not a measure of poverty and should not be used as such.

Use of illicit drugs is much rarer than use of alcohol (especially Class A drugs) and is also surprisingly evenly spread throughout the income spectrum. Drug dependence is more common in people with lower incomes, but even then the majority of people with drug dependency live above the poverty line⁴⁰.

Around 100,000 people, or 4% of claimants, of the main out-of-work benefits, claim because of alcohol or drug abuse. These are major problems but by no stretch of the imagination the major cause of welfare bills or poverty³⁸. Drug abuse is the first story in the ministerial foreword of the government's *Social Justice Strategy*. Given that the majority of people in poverty are also in work, then arguably in-work poverty should be at the forefront of any strategy.

Today churches continue to seek to end the vast array of personal and social problems caused by alcohol and drugs. They do so for the benefit of society as a whole and for those affected who come from all spheres of society. Addictions have the power to devastate families and communities, but they should not be mistaken as afflictions mainly of those living in poverty, nor can they realistically be described as the major cause of the poverty experienced by 13 million people in the UK today.

Myth 3: 'They' are not really poor - they just don't manage their money properly

Kibria* is a single mum in her early 30s. Originally from India, she lives in Oxford with her three daughters. The four of them live in a two-bed flat. Her oldest daughter is 14 and she has twins who are 13.

She works 21 hours a week as a cleaner. As a result, she is not entitled to receive free school meals for her children, though this would help significantly. She asked the school if she could get them, but they said no. "I wanted the children to have them [free school meals] so they could get more – not just bread.

"Day to day life is very hard. It is a struggle to provide the uniform the children need because they grow so quickly. I can't just go out to shop to buy anything I need. Food, bills, necessities – everything is expensive now, harder than before.

"I have had to reduce the amount of meat we eat compared to last year [2011]. We can only afford to eat soup and vegetables most days.

"I want to be able to give my children more than just the basics but can't afford to. There is no money to get out of the city as it is too expensive, or to go to a restaurant. There are no extras."

*Not her real name.

Case study provided by The Children's Society www.childrenssociety.org.uk

On 18 December 2012 a private members' bill was introduced in Parliament by Alec Shelbrooke MP. Mr Shelbrooke proposed that all benefits to working age families should be paid using an electronic card which would prevent claimants from spending their money on non-essential items such as "drugs, cigarettes, alcohol" or "Sky TV". The bill, though unlikely to become law, was born of a common belief that families in poverty are unable to afford the necessities of life because they waste their money.

In a survey 59% of people thought "the poor' could manage if they budgeted sensibly."⁴¹

As the survey suggests, this is a common belief and one which is also expressed in churches. A single luxury or purchase that is viewed by some as unnecessary is often all that is required to perpetuate this myth in one's own mind. The experience of people working with families in poverty and detailed analysis of spending habits refutes this idea.

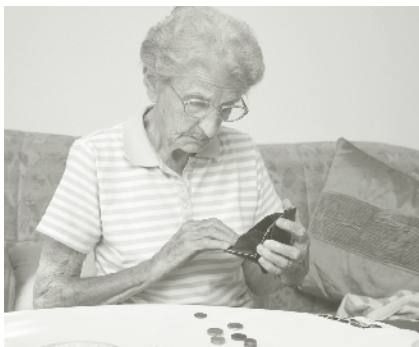
Save the Children, in its recent report *It shouldn't happen here*, expresses admiration that parents on a low income are often adept, out of necessity, at managing on tight budgets and protecting their children from the worst effects of poverty. Even with good budgeting they have recently found in one community that well over half (61%) of parents in poverty say they have cut back on food, and over a quarter (26%) say they have skipped meals in the past year⁴². It is telling that this is occurring as welfare payments are decreasing and the price of essentials such as food and energy are rising considerably faster than inflation⁴³.

The Office of National Statistics produces an annual series of data on how the UK population spends its money, and breaks down the information by income group. It may come as no surprise that in every broad area of spending the poorest spend less – both less than the average and less than the wealthiest. This includes expenditure on alcohol, tobacco and gambling. Alcohol expenditure and consumption increase greatly as you go up the income scale. The most recent data from the NHS⁴⁴ shows consumption, including harmful levels of consumption, increasing with socioeconomic group and with income. Importantly it also shows that alcohol is consumed less by the unemployed than by those in work.

The most recent data (2010/11) shows that, while the top tenth of families earn over eight times as much as the bottom tenth, the wealthiest only spend around five and a half times as much as the poorest, largely because wealthier people are able to save while those on low incomes are usually unable to. The poorest spend a much larger proportion of their budget on essential items such as heating and energy, staple foods, and buses as the cheapest form of transport. The areas where the poorest spend a much lower proportion than the average are recreation, culture, leisure, eating out and going out for a drink. For instance, the wealthiest tenth of households will spend thirty times more going out to the cinema than the poorest tenth. Holidays and more expensive forms of transport such as car purchases or train and air travel, are almost entirely absent from the budgets of the least well-off.

The stereotyped image⁴⁵ of a person on benefits watching satellite television on an expensive flat screen TV is undermined even more by the figures. The average spend on TV and internet for the least well-off tenth of families is considerably less than the cost of the most basic subscription TV package and is barely enough to pay for a TV licence.

Of course it is impossible to say that everyone on low income spends their money wisely. It would be foolish to think that any of the income groups behave uniformly or completely responsibly. However, poorer families, out of necessity, tend to become good at managing their money⁴⁶. The data gives enough information to say that as a whole people in poverty spend their money fairly wisely. We can also say with confidence that bad spending habits and profligate lifestyles are not the reason why many struggle to afford the basic necessities of life.



Myth 4: 'They' are on the fiddle

Melanie had her first child, Max, almost a year ago. The transition into motherhood has not been as easy as she would have hoped – especially financially. The local Action for Children centre was able to give her support through these early months.

"It's quite a jump to go from working to only receiving Child Benefit. You're constantly having to budget. And I have my little one, so I'm trying to do swimming and things like that with him. My partner is self-employed and works full-time. I'm paying for half of everything, but we're mostly relying on his income at the moment. It's starting to get a bit of a struggle. He is hoping to earn a bit more of an income, so hopefully he will pay off the debts really soon as well. It's on the [credit] cards at the moment.

"We are bidding for a slightly bigger place as we are in a one bedroom flat, and Max is seven months: we need another bedroom. Being put up a band would be helpful, but they don't seem to think it's very urgent... I can manage with the money, but for how long I don't know. I am hoping it will go up when I go back to work."

Melanie recently returned to work and everything is going well for her, Max and her partner.

Case study provided by Action for Children www.actionforchildren.org.uk

"The fake disabled are crippling our economy"

James Delingpole, *Daily Telegraph*,
26 January 2012

One of the biggest poverty myths is that benefit claimants are fraudulent and fiddling large sums of money. Over the last 15 years, between 80% and 90% consistently agree with the statement that "Large numbers falsely claim benefits"⁴⁷. The truth is that benefit fraud, whilst unacceptable, accounts for a relatively small part - 0.9% - of the welfare budget, whereas the government estimates tax fraud to be between 4% and 6% of tax income⁴⁸.

"We estimate that £5 billion is being lost this way [through benefit fraud] each year."⁴⁹

Chancellor of the Exchequer, House of Commons 20 October 2010

Despite Chancellor George Osborne's claim in the Commons, the correct figure for benefit fraud was at the time £1.6 billion⁵⁰. The £5 billion figure was reached by combining the fraud figure with that for errors made by government as well as claimants.

The latest (2011/12) figures for welfare fraud across the benefit and tax credit system show a figure of £1.9 billion, which is less than the amount underpaid to claimants because of errors, giving an historically low fraud rate of 0.9%⁵³. The estimated fraud rate for taxation⁵⁴ is around four to seven times higher. If you are looking for fraud, a tax return is much a better place to look than a benefit statement.

'I know someone fiddling their benefits'

If you believe you know someone claiming benefit fraudulently, you might be right but it is well worth thinking again. In a survey, only one in five disabled people said that their disability was usually "obvious to anyone when they see me in the street". Nearly twice as many said that people usually "only know about my disability if I tell them". Many people are very private about the fact they claim benefits and wish to keep the reasons for claiming to themselves. Growing stigma around benefits has increased this tendency⁵⁵⁺⁵⁶.

It is striking that when people are moved to report someone for benefit fraud they are very rarely correct. The benefit fraud hotline receives over a quarter of a million calls a year. Only a fifth of calls are deemed to have sufficient merit to be investigated, and in less than a tenth of those investigated is fraud found. In 2009/10, 74 out of 75 of people who thought their neighbour was committing benefit fraud were wrong,⁵⁷ and tens of thousands of genuine claimants were subjected to expensive and sometimes intrusive investigation unnecessarily.

The myth that benefit fraud is prevalent is a popular one, stoked by the misuse of statistics, lazy headline writers, and lack of knowledge about individual circumstances. If all benefits were paid completely accurately and without any fraud the welfare system would actually cost much more. The cost of errors in the benefit system that lead to people getting underpaid are larger than the bill for fraud. But more importantly the amount of benefits that go unclaimed is over ten times the amount lost in fraud⁵⁸.



Myth 5: 'They' have an easy life on benefits

Alex moved out of his foster carer's a few years ago. Like many young people his age, he is trying to stand on his own two feet.

In spite of his best efforts, including volunteering and taking courses, Alex has been unable to find work. Alex has dyspraxia and Global Development Delay.

Rather than feeling comfortable within the welfare system, Alex struggles to cope with the weekly panic of having to claim benefits. Earlier this year, a reduction in his Disability Living Allowance started a domino effect on his other benefits and he had to move from his one bedroom flat into a bedsit. "Every two weeks, I panic in case I haven't done something right on the [Jobseeker's Allowance] form.

"It's horrible. I have a little money, but if they did cut my money for, say, two weeks I wouldn't know what to do... There's been a few changes with my money this year, which has been quite worrying. Very worrying, actually. It's a bit complicated, but because I'm sort of more able to live on my own they cut my Disability [Living Allowance]."

Despite the instability in Alex's life, he feels that his confidence is growing and says he is more "able to deal with knock-backs." However, a stable job is still the ultimate goal; not only offering the prospect of a secure income, but the difference between make or-break.

Case study provided by Action for Children www.actionforchildren.org.uk

The majority of those on out-of-work benefits are sick or disabled. The second largest group is the unemployed. The government's new Wellbeing Index showed that, with the exception of those in bad health, the unemployed were the least happy and least satisfied with life. In general these families give little outward sign of having an easy life.

Skivers vs Strivers?

"Let's face the tough truth – that many people on the doorstep at the last election, felt that too often we were for shirkers not workers."

Liam Byrne MP, Labour Party spokesman for Work and Pensions, 26 September 2011

"But fairness is also about being fair to the person who leaves home every morning to go out to work and sees their neighbour still asleep, living a life on benefits"

Chancellor George Osborne, Autumn Statement 2012

The theme running through these remarks and many others, is that a life on benefits is a good one – a privileged one even. This is the mythical life of someone on benefits; one where you can enjoy lying in bed all day, get paid to do whatever you want and have as many children as you want without worrying about the cost. The debate about 'bringing fairness' has fed this myth of the privilege of welfare. However, it lacks a firm grounding in the reality of the lives of the families supported by the welfare system.

Choosing welfare as a 'lifestyle choice'

The belief that families are choosing to live on welfare as a 'lifestyle choice' is common. The 'lifestyle' which people living on welfare experience is one with a very low income, on average less happy, and one with poorer than average health for themselves and their children. It would appear to be a strange choice to make.

Claiming benefits is far from easy. To claim any benefit a family must prove they qualify and they must keep proving it. Thirty years ago the unemployed had to 'sign on'. They turned up once a fortnight to sign a declaration that they weren't currently working but were prepared to work; for most little else was asked of them. Today it is very different. Claimants for the new Universal Credit and Jobseeker's Allowance have to be able to demonstrate they have engaged in work search, been available for work, and undertake courses and interviews that their Job Centre advisor believes will be of help. Most claimants assessed to have a disability severe enough that they cannot immediately work will still be asked to do tasks intended to prepare them for work, and will be subject to at least an annual reassessment of their condition.

If claimants do not comply they can be 'sanctioned' or, in reality, fined. For example, failure to attend an appointment at a Jobcentre leads to benefits being stopped for a month. Failure to attend three interviews can lead to twelve months without any financial support. Sanctions for more serious breaches of the jobseeker's agreement can leave a family with no support for three years.

These fines can be imposed for minor breaches of the jobseeker's agreement. They do not require any judicial process, challenging them does not qualify for legal aid, and in the experience of many can be unjust and arbitrary. A number of organisations have examples of people being sanctioned because they were sick or attending job interviews rather than an interview at the Job Centre⁶⁰. The number of sanctions has risen sharply since early 2010, and appears to be the largest single cause of people needing help from food banks⁶¹.

Navigating the welfare system can be confusing and frightening. Many people feel the process is designed to catch them out. The *Spartacus Report*⁶² provides eloquent testimony to the experience of claiming disability benefits. Claimants describe the most stigmatising part of being on benefits is the process they must repeatedly go through to claim their benefits.⁶³

Claiming benefits and staying on benefits is not easy. Living under the threat that one mistake (or perceived mistake), might be able to drive your family to hunger is not comfortable. For most people benefits are a necessary short term stop-gap. For most of those who stay on benefits long term it is because they are forced to through sickness or disability. The life stories of the few remaining long term claimants would be varied – but it is hard to imagine that they could often be characterised as 'choosing a lifestyle on benefits'.

In the UK many people start off with limited choices open to them. People with a real set of choices would not choose a lifestyle on benefits. The challenge is to offer people realistic paths to create for themselves a different lifestyle.

'Benefits are generous'

There is a widespread belief that benefits are too generous and encourage people not to work. Those who believe this also tend to believe that benefits are higher than they actually are. On average the UK public estimates benefit levels to be around a third higher than reality⁶⁴.

Benefit levels have never been set with reference to the cost of living⁶⁵ and since 1979 have halved relative to the average wage⁶⁶. The Joseph Rowntree Foundation calculates a "minimum income standard" by asking the public what they believe is essential in order to have a basic standard of living in the UK today. An unemployed single person over 25 will receive in benefits just 40% of the minimum income standard while a couple with two children will receive 60% of their needs. Only pensioners receive the minimum income standard when solely relying on benefits⁵¹.

'It pays to be out of work and have more children'

When a family is not working having more children reduces its standard of living. An out-of-work couple with one child receive £171 a week below the minimum income standard, which rises to £179 short with two children and £215 a week short with three. For a single parent the drop in their standard of living is even more pronounced. A single parent with one child is £191 below the minimum income standard, rising to £230 and £271 with the second and third child. There are many ways of measuring it, but the message is clear: being on benefits and having more children makes a family worse off.

Large families on benefits are rare. Only 8% of families on out-of-work benefits have three or more children. Around 130 families with 10 children are on the main out-of-work benefits in the whole country, and only 10 families with 12 children⁶⁷. Despite featuring prominently in the media and in the *Speaking to Troubled Families* report referred to earlier, very large families on benefits are in reality extremely rare.

It is also important to note that, despite much rhetoric, there is no serious evidence that benefits encourage people to have children. Families have on average 1.8 children in the UK whatever their socio-economic group⁶⁸.



'If you don't work, housing benefit will let you live in a house that people in work can't afford'

"How can it be fair that taxi drivers, nurses and teachers commute from places such as Hornchurch, Harrow and Hillingdon every day, while a family claiming housing benefit can elect to live in a house [in Westminster] costing up to £104,000 a year to rent, at taxpayers' expense?"⁶⁹

Statement from the Leader of Westminster City Council on Housing Benefit, 29 October 2010

The family claiming £104,000 in Housing Benefit has received a great deal of attention from press and politicians. This case was mentioned by the Chancellor immediately prior to announcing new Housing Benefit caps, yet the family in question was literally one in a million. There are around five million claimants of Housing Benefit; approximately five families had received over £100,000 per year in Housing Benefit.⁷⁰

The average award of Housing Benefit at the time was approximately £85 a week and the majority of families received less than £4000 a year⁷¹. Only 3% of families received more than £10,000 a year support, and 0.04% received more than £30,000 a year. The prominence of just one family disguised the fact that those on benefits get small amounts of help with housing costs which often have to be topped up from other income to meet the rent. It also obscured the fact that families on benefits are not able choose any house 'at the taxpayers expense' and are restricted to affording only the worst housing in an area.

Importantly, Housing Benefit is available to people on low incomes irrespective of their working status and the recent rise in Housing Benefit claimants has been fuelled by a rise of working people needing help with their rent⁷². Although there are no comprehensive figures available for who receives Housing Benefit, at least a fifth of claimants are in work, at least a fifth are unemployed and at least a fifth are pensioners. The high cost of housing means a wide range of families need help paying their rent.

The "Poverty Premium"

There are many disadvantages to having very little money. This report is not the place to detail the poor health, education and employment outcomes of the poorest families nor the increasing importance of parental wealth in determining a child's future. A disadvantage that is immediate and surprising is the so called "Poverty Premium"⁷³ where goods and services – especially financial services – cost the poor more. Pay day lenders often charge hundreds of times the interest of a high street bank. People without bank accounts pay more for utilities and cannot access the prices that wealthier people can. The estimated additional cost of the "Poverty Premium" for a typical low-income family is around £1,280 per year⁷⁴. Living on meagre benefits is hard enough without these additional disadvantages.

The myth that it is an easy life on benefits flies in the face of the stories and the statistics. The allegation that many are "choosing a life on benefits" comes without evidence and with little credibility. The assertion that the very poor on out-of-work benefits are advantaged over their neighbours in low paid jobs is as socially divisive as it is baseless.



Myth 6: 'They' caused the deficit

Robert says: "When I first got kicked out, when I was on my own, I was so lonely. I squatted for a while then lived in a hostel and, through the hostel, I came to Action for Children. They used to give me emergency food packages." "I'm trying to progress myself, get qualifications to get into work."

Robert has a part-time job at Aldi and earns as little as £440 a month. He receives no benefits or financial assistance but put himself through college working evening and weekend shifts after daytime lectures and training. Robert successfully graduated from his Uniformed Services course and is now focusing on his future.

"I've got the qualification and now it's easier to work more hours. So I'm managing a bit better for money. It's not comfortable, but it means I can eat better. I'm trying to volunteer with Young Carers: it's really good for them, and it's good for me as well 'cause, you know, I get a good feeling from it. I'm giving back a bit of what I've been given by Action for Children.

"I don't mean to sound rude, but I don't need people so much anymore. The point of support is to push you, to get you into gear really. I'm doing well, I'm independent."

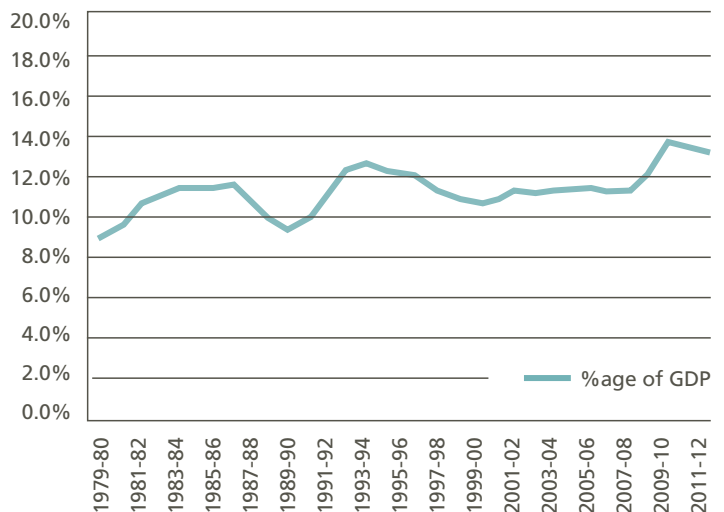
Case study provided by Action for Children www.actionforchildren.org.uk

"...why we got into such problem in debt and the deficit was that in chasing the [Child Poverty] target it got more and more difficult and more and more money had to be spent."

Work and Pensions Secretary *Iain Duncan Smith*, Today Programme, 14 June 2012

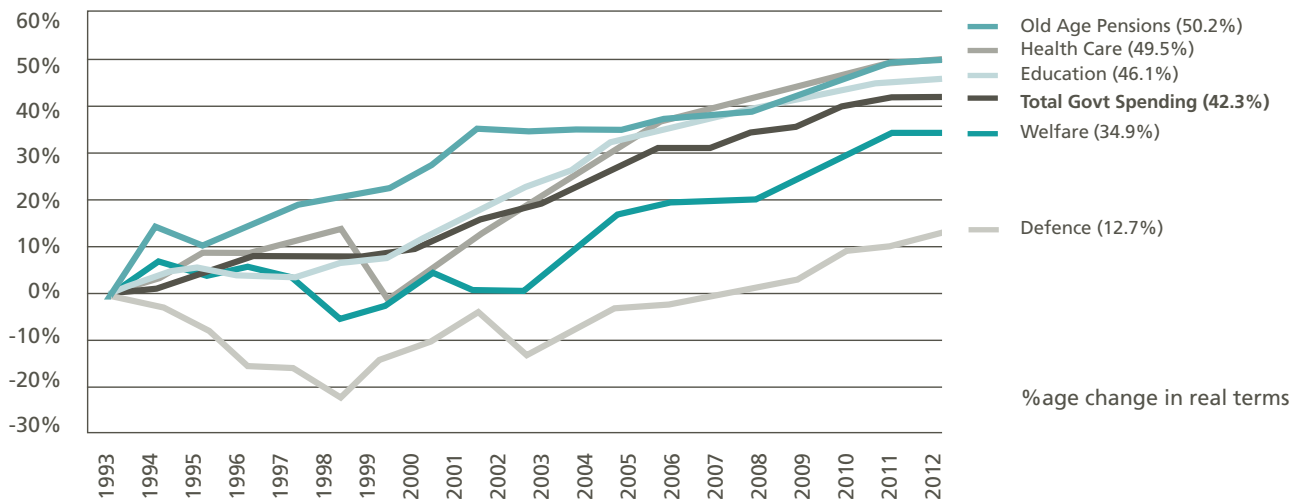
Iain Duncan Smith's claim that the country's deficit was caused by a desire to meet the target for reducing child poverty would be laughable if it wasn't so deep rooted in our myths about poverty. The belief that the deficit was caused because of spending on welfare (and therefore that welfare spending must be reduced in order to shrink the deficit) is worryingly common. To blame the poor, not only for their poverty but also for the nation's austerity, is both unfair and untrue.

Benefit and Tax Credit Spending 1979-2012



Contrary to the common myth, the overall cost of welfare has not been spiralling out of control for years. The proportion of national income spent on welfare has remained surprisingly constant over the past two decades (Graph 1). It is certainly true that spending has increased both in cash and inflation adjusted terms,

Change in Govt Spending 1993-2012



but this can also be said for all the major government budgets (except for ⁵⁵ which contracted post-Cold War) (Graph 2). Government spending, welfare included, increased broadly in line with national income until the banking crisis of 2007.

Welfare spending is cyclical, rising and falling in response to boom and bust, and the proportion of taxes spent on welfare (averaged out over the economic cycles since the 1980s) has actually stayed fairly flat. Some politicians and newspapers have given the impression that Welfare spending has increased massively by comparing spending figures from the high point of the economic cycle with figures from the lowest point. It is also common to express welfare spending rises as many billions of pounds without giving any context as to how this rise compares to previous spending or to other government spending. In this way we are encouraged to believe that caring for the most vulnerable has caused our nation's financial problems."

This does not mean that it is the right level of spending. Some would argue for more and some for less but is disingenuous to argue that spending must decrease because of past trends. Should we as a nation decide to pay a smaller proportion of our wealth in helping the elderly, the sick, the disabled, the unemployed and those on low incomes, we should not allow ourselves the comfortable delusion that we are merely returning to the recent past.

The banking crisis of 2007 brought huge expense to the public purse. The resulting recession led to a rise in unemployment and overall welfare costs, but some other large costs served to protect those who are more advantaged members of society.

- The Quantitative Easing programme has increased the personal wealth of the UK's richest fifth of families by enough to pay for Jobseeker's Allowance for over a century.⁷⁶
- The bank bailout required sufficient government money to pay for Jobseeker's Allowance for over 150 years. It could also pay the costs of benefit fraud for a millennium.

Without judging the wisdom or economic necessity of these huge costs, they do underline the fact that blaming the deficit on the poorest in society is simply untenable. It is also clear that the financial decisions which protected and in some cases enriched the wealthy members of society also came at considerable economic cost to the nation and the taxpayer.

Conclusion

As Christians we are called to have a distinctive and joyful presence in the world. Our calling leads us to seek after truth, and that means facing up to our own blindness as well as holding others to account. This report is entitled *The Lies We Tell Ourselves: Ending Comfortable Myths About Poverty* because it is clear that we are often complicit in the myths that we have been willing to believe about poverty in Britain today. The report has demonstrated how statistics can be manipulated to support a story that is comfortable to hear: that the poor are a distinct group of people, somehow deserving of their poverty, and therefore deserving of the deprivations and cuts which they increasingly face.

It will always be possible to find examples of individual good or bad behaviour, including by people living in poverty. It is also possible to use such a story to justify an opinion. However we should not attempt to understand a large group of people on the basis of a single story. We should look at the evidence and test our prejudices and our opinions against it. We should never allow the evidence to be bent to fit our prejudices, and we should be outraged when others do it on our behalf - even if we find the prejudices reassuring.

If poverty in the UK were caused by the faults and laziness of the poor, then of us might feel more comfortable with it. Our charitable instincts might prompt us to offer help, but there would be no injustice to be righted.

But the truth is that poverty is an injustice crying out for correction and cannot be explained away as the problem of individual families. Responding with charity can help to break down the barriers in society and is a partial solution, but we all have a moral responsibility to build a more just and more understanding society. As Christians we believe that the infinitely loving creator, shared by us all, demands no less of us.

In researching this report, we found many of the facts made us uncomfortable. Reading much of the press coverage around poverty and welfare reform was equally uncomfortable. We hope many readers of this report are a little less comfortable at the end of it than they were when they began, and that some prejudices and assumptions have been challenged. Most of all we hope readers are moved to seek to understand the reality of poverty as it is experienced in Britain today.

As citizens we have the right and duty to expect more from our politicians and the media. We expect them to cease perpetuating myths which, although convenient for themselves, are no longer credible. We ask them to enable real leadership and be willing to say things that we may all find uncomfortable, even unpalatable.

We need to develop an understanding of the depth and breadth of UK poverty that is compatible with the evidence available. Just as importantly we need to match the language of public debate with the reality of people's lives. It is a task we must approach with humility one which puts the lived experience of poverty at its heart, and one which is committed to truthfulness – no matter how uncomfortable we find those truths to be. Please join with us in this challenge.

References

For weblinks and further information go to www.publicissues.org.uk/truthandlesaboutpoverty

- 1 Institute of Fiscal Studies, Living standards, poverty and inequality in the UK: 2012
- 2 www.number10.gov.uk/news/troubled-families-speech/, changes reflect a check against delivery.
- 3 Cabinet Office (2007) Reaching Out: Think Family.
- 4 Cabinet Office (2007), Families at Risk
- 5 Dept for Education and Skills (2010), Families with multiple problems
- 6 Dept for Communities and Local Govt (2012), Listening to Troubled Families
- 7 DCLG correspondence to Nick Bailey, Uni of Glasgow (3 October 2012)
- 8 Dept of Work and Pensions Freedom of Information Request 2012-3222 (2012). The exact age of children and thus benefit status is unclear.
- 9 The words "and sometimes child rape" have been added to the majority of press reports but are not included in the report. It is probable that this selected mis-quote was included in press briefing materials.
- 10 See website
- 11 http://fullfact.org/articles/sun_daily_mail_pcc_120000_problem_families_correction-28602
- 12 DWP (2012) Social Justice: Transforming Lives
- 13 Daily Star, 11 June 2012 "Scum Clans Blitz"
- 14 Daily Mail, 23 January 2012, "8 out of 10 Claiming Benefits ARE fit to work". Current online version altered in response to complaints
- 15 BMA Press release, 28 June 2012 "Scrap work capability assessment, doctors demand"
- 16 DWP (2011) RR 745 Employment and Support Allowance: Findings from a follow-up survey with customers
- 17 Welfare Reform Act (Section 37)
- 18 New Statesman, 11 June 2011, "The poorest deserve a change from our broken benefits system"
- 19 Cabinet Office (2010) "State of the nation report: poverty, worklessness and welfare dependency in the UK"
- 20 DWP Information Directorate: Work and Pensions Longitudinal Study; Data for claimants as of November 2010
- 21 DWP Ad-hoc analysis (2010) "Duration on out of work benefits"
- 22 Department of Justice/DWP (2011) "Offending, employment and benefits"
- 23 See website
- 24 Herald Scotland, 2 January 2012, "New police tactic cuts crime"
- 25 See website
- 26 "Under the previous administration Dame Carol Black, who advised the Government on reforms that would lead to the controversial Work Capability Test, also repeated this claim. She has since been appointed as the first Director of Health and Work in a role shared between the Departments of Health and Work and Pensions. Daily Mail, 10 March 2010""The 'terrible legacy' of the children growing up in families who haven't worked for generations"""
- 27 Iain Duncan Smith to Center for Social Justice 2009
- 28 '...there are four generations of families where no one has ever had a job' (Chris Grayling, Minister for Work and Pensions, BBC 'Newsnight', 15 February 2011)
- 29 Dept of Work and Pensions Freedom of Information Request 2012-2430
- 30 Joseph Rowntree Foundation (2012) "Are 'cultures of worklessness' passed down the generations?" Others on website.
- 31 Daily Mail, 10 March 2010 "The 'terrible legacy' of the children growing up in families who haven't worked for generations"
- 32 Joseph Rowntree Foundation (2012) "Are 'cultures of worklessness' passed down the generations?" Others on website.
- 33 OECD (2010) "A Family Affair: Intergenerational Social Mobility across OECD Countries". OECD membership is used as a proxy for 'developed nation'.
- 34 YouGov/TUC Survey Results, December 2012
- 35 DWP (2012) Social Justice: Transforming Lives
- 36 British Social Attitudes Survey 2012.
- 37 Church Urban Fund (2012) Bias to the Poor?
- 38 DWP Ad-hoc analysis (July 2012) "Local Authority Breakdown: Incapacity Benefits and Disability Living Allowance claimants with main condition of alcohol or drug abuse"
- 39 NHS (2009) "Adult Psychiatric Morbidity in England - 2007"
- 40 NHS (2009) "Adult Psychiatric Morbidity in England - 2007"
- 41 Joseph Rowntree Foundation (2009) "Understanding attitudes to tackling economic inequality"
- 42 Save the Children (2012) "Child Poverty in 2012: It shouldn't happen here"
- 43 Oxfam (2012) "The Perfect Storm: Economic stagnation, the rising cost of living, public spending cuts, and the impact on UK poverty"



- 44 NHS (2012) "Statistics on Alcohol: England, 2012" Tables 2.9-2.12
- 45 Daily Mail 16 October 2010 "Disability checks to force 400,000 back to work", Daily Mail, 3 February 2012 "Sky TV, Special Brew, Superkings... those benefit cuts in full", BBC News Magazine 26 November 2012 "Beveridge report: From 'deserving poor' to 'scroungers'?"
- 46 Save the Children (2008) "Why Money Matters"
- 47 British Social Attitudes Survey
- 48 HMRC (2012) "Measuring Tax Gaps 2012", The Tax Gap £33bn contains many sub-divisions the range of figures varies as it is a matter of judgement if some categories are "fraud".
- 49 George Osborne, 20 October 2010, Announcing Comprehensive Spending Review
- 50 HMRC/DWP (2010) "Tackling Fraud and error in the Welfare System" (online version now corrected)
- 51 Daily Telegraph, 30 December 2012, "Britain hit by £10bn tax credit fraudsters, claims Duncan Smith"
- 52 Daily Telegraph, 31 December 2012, "Number of foreigners claiming tax credits 'unknown', ministers admit"
- 53 House of Commons Library paper SN/SG/2656, "Social security benefits and expenditure" January 2013
- 54 HMRC (2012) "Measuring Tax Gaps 2012", The Tax Gap £33bn contains many sub-divisions the range of figures varies as it is a matter of judgement if some categories are "fraud".
- 55 Turn2Us (2012) "Benefits Stigma in Britain."
- 56 Church Action on Poverty (2013) "The Blame Game Must Stop."
- 57 House of Commons written answers, Hansard 5 April 2011: Column 748W and 7 March 2011: Column 858W www.parliamentonline.co.uk/hansard/hocw/110307w0005.htm
- 58 DWP (2012) "Income Related Benefits: Estimates of Take-Up" & Third Force News, 13 October 2011, "Public urged to grab hold of £19bn of unclaimed benefits"
- 59 Daily Telegraph, 10 September 2010, "Welfare: the 'lifestyle choice' that Britons must make" & George Osborne (2010) BBC Nick Robinson blog "Harsh reality of spending cuts" includes recording.
- 60 For example <http://wearespartacus.org.uk/spartacus-report/>, <http://z2k.org/>, and many other local charities and community organisations.
- 61 BBC Newsnight Blog 4 September 2012 "The growing demand for food banks in breadline Britain."
- 62 "Spartacus Report" (2012)
- 63 Turn2Us (2012) "Benefits Stigma in Britain."
- 64 YouGov/TUC Survey Results, December 2012
- 65 House of Commons Research Paper RP13-1, "Welfare Benefits Uprating Bill" January 2013
- 66 Oxfam (2012) "The Perfect Storm: Economic stagnation, the rising cost of living, public spending cuts, and the impact on UK poverty"
- 67 DWP Freedom of Information Request 2012-3222 (2012)
- 68 Section Draws on Save the Children (2012) "Challenging 12 Myths and Stereotypes about Low-Income Families and Social Security Spending"
- 69 "Westminster Council Press Release, 29 October 2010 ""Statement from the Leader of Westminster City Council on housing benefit""
- 70 DWP Freedom of Information Request 2012-4057 (2012) The response gives the number of families as 5 (+/- 10) households receiving over £100,000 Housing Benefit annually
- 71 DWP Freedom of Information Request 2012-4057 (2012) Figures for August 2010.
- 72 National Housing Federation (2012) "Home Truths 2012: England".
- 73 Save the Children (2007) "The Poverty Premium: How poor households pay more for essential goods and services".
- 74 Save the Children (2011) "The UK Poverty Rip-Off: The Poverty Premium 2010".
- 75 Bank of England (2012) "The distributional effects of asset purchases" & Adam Smith Institute (2012) "What's Wrong with our Economy?", Wealthiest defined as top quintile.
- 76 Chart Data available for download on website: Sources of data: JRF (2012) Monitoring Poverty and Social Exclusion, IFS (2012) A Survey of the UK Benefit System.
- 77 DWP benefit expenditure tables. From 1999/00 figures include HMRC expenditure on tax credits, from 2003/3 HMRC spending on child benefit. From 2003/4 totals from House of Commons library briefing paper SN/SG/2656.
- 78 Chart Data available for download on website: PESA Treasury spending data collated by www.ukpublicspending.org.uk, labelled using PESA spending definitions.
- Bible passage, page 8 and back cover
New Revised Standard Version Bible, © 1989, Division of Christian Education of the National Council of the Churches of Christ in the United States of America. Used by permission. All rights reserved.



Produced by the Joint Public Issues Team: Baptist, Methodist and United Reformed Churches working together on behalf of the Baptist Union of Great Britain, the Methodist Church, the Church of Scotland and the United Reformed Church.

With thanks to: Action for Children, The Children's Society, Church Action on Poverty, the Anti-Bedroom Tax Campaign, Philip Bee and the Churches Regional Commission for Yorkshire and the Humber, and Tim Stacey. Thanks should not imply endorsement of the full text.

For further information:
www.jointpublicissues.org.uk/truthandliesaboutpoverty
www.churchofscotland.org.uk



The **Methodist** Church 



The Church of Scotland



“Justice is turned back,
and righteousness stands at a distance;
for truth stumbles in the public square,
and uprightness cannot enter.”

Isaiah 59:14 (NRSV)