

More than 16 million people in poverty in UK, including one in three children

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The Social Metrics Commission (SMC) annual report reveal a staggering increase in social inequality in the UK.

In 2022/23, more than 16 million people, almost a quarter of the population (24 percent) were living in poverty. Over one in three children, 5.2 million (36 percent) are included in the figures.

The SMC's *Measuring Poverty 2024* found that the COVID-19 pandemic and cost of living crisis plunged 2.1 million additional people into poverty since 2019/20, raising poverty rates by two percentage points. An extra 260,000 children are in poverty, an almost five percentage point increase since 2019/20 and the highest of any social group.

The SMC gives a more accurate understanding of poverty by providing an analysis of “poverty depth” and the “persistence of poverty”, its magnitude and longevity. It analyses “below average resources”, includes costs such as childcare, the extra costs of being disabled, and factors in rent and mortgage payments.

The SMC finds:

- “Deep poverty” has increased in Britain over the last two decades. 4.1 million people, 6 percent of the population, live in the deepest form of poverty. This is defined as being more than 50 percent below the poverty line—compared to 2.7 million people (5 percent of the population), in 2000/01.

- Persistence of poverty—defined as an individual being in poverty in the year in question, in addition to two out of three years prior to that—has risen to almost six in ten. 57 percent of those in poverty were living in persistent poverty in 2022/23, a rise of four percentage points since 2014/15.

- More than half of the people (8.7 million; 54 percent) in poverty live in a family that includes a disabled person. Over three in 10 (31 percent) of those

in poverty are disabled: a total of 4.9 million people.

- Poverty rates in workless families have risen rapidly, by seven percentage points, to 75 percent.

- Those in poverty are more likely to have poor self-reported mental health. More than one in three (33 percent) live in a family that includes someone with poor self-reported mental health.

- The poor are more likely to be living on their own, as 45 percent of those in poverty live in a household with only one adult.

- Those in poverty experience poorer physical health outcomes as over a quarter; 27 percent, are in a family that includes at least one adult self-reporting poor physical health.

- Nearly four in 10 (38 percent) people living in poverty in London are in deep poverty—at least 50 percent below the poverty line. The South East of England, despite a lower overall poverty rate than London, sees three in 10 (31 percent) of those in poverty in deep poverty.

- Persistent poverty affects almost four in 10 people (38 percent) living in London.

- Those in the deepest levels of poverty are the most likely to be in persistent poverty. 57 percent in deep poverty are also in persistent poverty.

- Around 17 percent of the population is less than 50 percent below the poverty line, but either in persistent poverty (5.7 million), or non-persistent poverty, (5.8 million).

The SMC's data is more accurate and detailed than the UK government's current definition of poverty, which measures only average income and housing costs. With such a limited calculation, a still terrible 18 percent of the population was defined as living in absolute poverty in the year to March 2023, including 3.6 million children. But according to the SMC figures

9.3 million people (14 percent), exist more than 25 percent below the poverty line. A further 4.1 million (6 percent of the UK population) are 50 percent beneath the poverty line

Another 4 percent (2.5 million people), live less than 10 percent above the poverty line. Those only just above the poverty line are some of the most likely families to fall into poverty.

The SMC explain their poverty measurement is a “hybrid between the traditional absolute and relative approaches to measuring poverty.” Absolute poverty is based on subsistence, i.e., the minimum needed to sustain life. Those suffering absolute poverty literally do not have enough money to live on. Relative poverty is a social measurement evaluating prevalent living standards. In his 1847 work, *Wage Labour and Capital*, Karl Marx wrote:

“Our desires and pleasures spring from society; we measure them, therefore, by society... they are of a relative nature”.

The SMC sliding scale of “poverty depth” brings more nuance and continuity between levels of poverty severity than can be provided by static binary concepts, absolute and relative—as crucial as they are.

The SMC is led by commissioners from several thinktanks across the political spectrum including the Sutton Trust, Institute for Fiscal Studies, Centre for Social Policy Studies, Trussell Trust, with input from academics. Its chair is Baroness Philippa Stroud, who stood but failed to win a seat for the Conservatives in 2010 in a marginal seat taken by the Liberal Democrats. The Tories ruled in coalition with the Lib Dems for five years, imposing brutal austerity. Stroud co-founded the Centre for Social Justice with former Tory leader Iain Duncan Smith and was an adviser to the Secretary of State for Work and Pensions helping create and implement the punitive Universal Credit welfare system.

While the SMC claims to be independent in their prescriptions to combat poverty, its main call is that the unemployed must accept work regardless of the paucity of wages. “Work provides an effective protection from poverty, with poverty rates for those in workless families having risen rapidly since the pandemic,” it states. But contrary to successive government’s “work is the only route out of poverty” mantra, echoed by the SMC, nearly two thirds (62 percent) of people in

poverty today live in a family where someone works at least part time.

The expected acceptance of the SMC definition of poverty by the Labour government will do nothing to halt its austerity agenda defined by Chancellor Rachel Reeves as she outlined October’s budget as, “If we cannot afford it, we cannot do it”.

Labour has intensified poverty by refusing to scrap the two-child welfare benefit cap, introduced by the Tories, meaning 5.2 million children (55 percent) live in families with three or more children but who receive zero benefits beyond the first two. The Tories introduced the cap to make billions in welfare cuts, with the Malthusian justification of blaming the poor for having too many children.

Further tens of billions of pounds are to be raided from public spending with Labour’s plan to increase military spending to 2.5 percent of GDP within months—on top of their commitment to renew Britain’s nuclear weapons arsenal costing many billions more.

Poverty is a product of capitalism, in which all economic, social and political life is controlled by a tiny super-rich elite. The entrenched and growing poverty revealed in the SMC study can only be removed by the working class fighting for a socialist programme and the creation of a society based on human need and not profit.



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