

# Deepening poverty in the UK under Starmer Labour government says major charity

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The social inequality charity Joseph Rowntree Foundation summarised two decades of UK poverty data starkly: “Nothing’s changed? Everything’s changed. It’s worse.”

Its report published last month, “UK Poverty 2026: The essential guide to understanding poverty in the UK,” paints a devastating picture of worsening impoverishment for a substantial section of society, with no prospect of alleviation.

Poverty remained consistently high the last 20 years and the JRF anticipates no change under the Starmer led Labour government due to continuing low economic growth and stagnation—the trajectory since the global financial crash in 2001.

Overall poverty blighted between 20-22 percent of the population from 2005/06 up to the general election 2024. This translates to one in five or 14.2 million people, including two in every 10 or 7.9 million adults of working age, three in 20 pensioners and three in every 10, or 4.5 million children.

The areas with the highest poverty rates include the capital, London, at 26 percent, the West Midlands region at 24 percent, the North West at 23 percent and Yorkshire and Humber at 23 percent. Across the UK, figures for Wales are 22 percent, Scotland 20 percent and Northern Ireland 17 percent on average from 2021-24.

Most disturbing, the number and proportion of children living in poverty rose the last three years, up 600,00 from pre-pandemic levels. In 2017, the Conservative government introduced the sadistic two-child benefit cap that limited benefits to the first two children in a family.

The Starmer government have trumpeted their row back of the two-child benefit limit, but the JRF points out that Labour’s Child Poverty Strategy will still leave 4 million children in poverty by 2029/30.

Relative poverty in the UK is defined as earnings 60 percent below the national median income, at present

£39,000, less than £23,400. The small reduction in the latest overall poverty figure to 21 percent reflects the fact that average incomes have fallen.

Bad as this is, on further examination the picture is much worse. Of the 13 million people classed as living in poverty, close to half or 6.8 million are living in deep poverty—with an income below the poverty line by 59 percent on average. The absolute numbers in deep poverty and the proportion out of the total number in poverty is at a record high since 1994/95.

The number of people classed as destitute, “unable to stay warm, dry and fed,” more than doubled from 2017 to 2022 to 3.8 million, including one million children. Between 2021/22 and 2023/24 the number of people classed as food insecure increased by 60 percent.

The disabled, some ethnic minorities, larger families or single parent families, informal carers, and those in rented accommodation are at particular risk.

JRF statistics show that in 2023/24 a quarter of people in social housing and a third in privately rented homes were in poverty, compared to one in seven mortgage holders.

Disabled people are at higher risk of poverty than the general population, due to extra health costs and inability to work. The poverty rate for this group is 28 percent (8 percent higher than those not disabled). The disabled are caught in the crosshairs of the Starmer government’s intent to massively reduce the welfare bill.

The policy of both Labour and previous Tory governments is to get the sick and disabled off benefits and into work, enabled by tortuous assessments and the trap of benefit sanctions which are easily incurred.

Previous Labour Secretary for the Department of Work and Pensions (DWP) Liz Kendall declared “too many young people are being written off” as employable and that the government must “resolve”, i.e., cut, “the rising cost of health and disability benefits.”

Last year Chancellor Rachel Reeves announced plans to cut the welfare bill, complaining about the rising number of people with mental ill-health associated with anxiety and depression and declared, “We will build a Britain where those who can work, will work.”

The *Disability News Service* criticised Reeves’ “false claim” that the welfare bill is ballooning out of control. This claim is reiterated by the opposition Tories and right-wing media pressing Labour to accelerate its agenda on welfare cuts. A headline in the *Telegraph* for example screams “Sick Britain to spend most on benefits in G7.”

*Disability News Service* cites figures produced last autumn by the Office for Budget Responsibility showing the benefits bill as a share of GDP was projected at 11 percent for 2025/26, and the same the following two years—lower than in 2015/16.

More stringent rules to qualify for Personal Independence Payment—a top-up support designed for those in greater need—are expected to be implemented in late 2026, specifically targeting those unable to work because of mental illness.

Labour is also planning to limit access to the Motability scheme with cuts of up to a £1 billion. The scheme provides a grant for wheelchair users or people with limited mobility so they can lease a car and are no longer confined to home.

Blaming the unemployed and welfare recipients for the UK’s dire economic situation, the government states that its Get Britain Working plan “is central to the Government’s efforts to repair the damage done to the economy, fix its foundations and rebuild Britain so it becomes a country of growth.”

More people, however, are expected to be plunged into poverty due to the rising number of AI-related layoffs and automation, while the government aims to destroy the social safety net.

Despite the government promising to invest in the most deprived districts, a study by the Independent Commission on Neighbourhoods predicts higher unemployment and crime in the industrial wastelands of the Midlands and the North.

The claim by Labour—repeating the mantra of every right-wing government before it—that employment is a route out of poverty is disingenuous. Being in work is far from guarantee against poverty due to abysmally low wages and insecure or part-time employment overseen by the corporatist trade unions over decades.

According to the JRF, while the number of disabled in work increased from 42 percent in 2010/11 to 53 percent

in 2023/24, the poverty rates in this group remained the same. Around two thirds of adults in poverty live in a household with someone employed.

The JRF concludes by noting “the poverty rates of people claiming different income-related benefits are much higher than the national average poverty rate.”

After the two-child benefit cap was lifted, a study by the Centre for Social Justice—a right-wing think tank set up Sir Iain Duncan Smith, a former DWP secretary in David Cameron’s Tory cabinet (2010-2016)—asserted that someone would have to earn £71,000 to match the benefits of a workless family with two adults and three children.

The *Telegraph*, and Tory MPs including current leader Kim Badenoch repeated this tired vitriol that welfare recipients are living in luxury and disincentivised to work at the expense of “hard-working people” —to justify slashing welfare further.

A BBC Radio 4 programme, *More or Less*, examined the veracity of statistics in the media, explained that someone earning £71,000 would take home pay of £46,000 after deductions. *More or Less* stated that the aforesaid family would in fact receive just £25,000 in benefits on average in London and £22,000 outside the capital—a far cry from £71,000 and well below the poverty line—unless a family member was disabled or too ill to work.

Having identified surging poverty, the JRF has no answers—appealing to Labour for Keynesian style reforms with increased benefits to stimulate growth. Such timid proscriptions are incompatible with a government of the self-declared “party of business” which is committed to raising military spending by tens of billions of pounds to 3.5 percent of GDP over the next decade to meet NATO commitments.



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