

Income and poverty

Older disabled people and those of working age are more likely to be living in poverty, while parents of disabled children face higher costs and greater difficulties accessing childcare.

- Disabled people are less likely to be employed, and when they are, their earnings are lower on average than those of non-disabled people. In 2008, median gross hourly earnings for disabled people in London were 21 per cent lower than those of non-disabled people¹
- In 2008, 24 per cent of disabled people earned less than £7 per hour, compared with 15 per cent of non-disabled people
- The risk of poverty among pensioners in London is also higher in households with a disabled adult (24 per cent) than those where there is no disabled adult (22 per cent)²
- The poverty rate of children living in households with at least one disabled adult and at least one disabled child is 55 per cent in London, compared with 25 per cent for children in households with no disabled members
- Fuel poverty disproportionately affects household with children and people over 60. The number of London's households in fuel poverty³ rose in 2005 and again in 2008⁴. Figures for England show that 16.6 per cent households with a disabled person live in fuel poverty, compared to 11.7 per cent of households with no disabled person⁵.

What we have done

The Mayor has continued to support the work of the London Child Poverty Commission (LCPC), to tackle London's high rate of child poverty. 'The LCPC's work has received cross-party support and led the government to set up the Ministerial Delivery Group, to establish a 'London Project' within its Child Poverty Unit and to invest in child poverty projects in London.

The LCPC recommended a need for more integrated support services able to address the diverse needs of people with mental health problems and that agencies such as Jobcentre Plus (JCP should work with and support employers to raise understanding of mental health issues and promote best practices in promoting opportunities for sustainable employment (LCPC 2008)⁶.

The Mayor has signed the London Child Poverty Pledge⁷ and agreed to promote family-friendly working practices as an exemplary employer, to ensure that the needs of poor families are reflected in policies and strategies.

¹ Annual Population Survey 2008

² HBAI 2008/09

³ Households that need to spend more than 10 per cent of their income on fuel to maintain a satisfactory heating regime, as well as meeting their other fuel needs (lighting and appliances, cooking and water heating)

⁴ London's Quality of Life Indicators 2008-09 Report, London Sustainable Development Commission, 2009

⁵ DECC fuel poverty data/CLG English House Condition Survey

⁶ London Child Poverty Commission, 'Capital Gains', LCPC Feb 2008

⁷ see

<http://www.dcsf.gov.uk/everychildmatters/strategy/parents/childpoverty/thepledge/londonchildpovertypledge/>

The London Living Wage (LLW) seeks to ensure that those in low income jobs are paid a wage that helps ensure 'work pays' by taking account of the capital's high living costs. In 2010 the Mayor uplifted the LLW to £7.85 from £7.60 in 2009, This rate has been implemented across the GLA group as contracts allow to ensure that all GLA group employees or contracted staff working on GLA group premises including caterers, security guards and cleaners are paid at or above the LLW. We estimate that so far more than 2,200 low-paid workers across London have benefited.

The GLA published a Fuel Poverty in London report in July 2009 highlighting which households experience fuel poverty.⁸

What we plan to do

The Mayor will continue to work with partners to promote the 'Know your rights' benefits take-up campaign to families, as well as disabled people, carers and older people, to ensure they find out about all their entitlements, whether working or not.

Through the Economic Development Strategy the Mayor has committed to work with partners to lobby government for more support to address the causes and effects of child poverty and ensure that London's agencies develop packages of support that enable parents to lift themselves and their children out of poverty.

The Mayor will continue to encourage London employers to adopt the LLW and will revise it in line with the findings of the Living Wage Unit's annual report. As part of the Health Inequalities Strategy, we will also define a living income for Londoners not in paid employment and identify what constitutes a 'healthy household income' in London. This will inform work to develop a level of household income necessary to sustain a healthy lifestyle.

The Mayor will work with partners to address fuel poverty through initiatives delivered by the LDA, such as the Home Retrofit programme, to make London's homes more energy efficient, and by encouraging older people to take up grants and benefit entitlements.

⁸ Fuel poverty in London, Greater London Authority, 2009