

A Sure Start To Old Age?

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1. The latest official news on poverty is good. This year Tony Blair will hit his first milestone on the way to the eventual “abolition” of child poverty by 2020. The number of pensioners living in relative income poverty after housing costs has fallen by over 5% since Labour took office. An impressive half a million fewer older people lag substantially behind the norms of income, though this may be less about pensioner gains than about younger people hit by rising house prices, and the income measures before housing costs are just treading water. Remarkably, though, pensioners are now less likely than non-pensioners to be poor on a key poverty measure.
2. All of us – especially campaigning charities such as Help the Aged - should applaud this progress wholeheartedly. In so doing we should respect the magnitude of the achievement in making inroads in poverty during periods of rising prosperity, which historically has been so difficult to bring about. We should welcome the injection of some £10 billion a year of taxpayers’ money, additional to existing pensions funding, into the fight to support the poorest in later life. And we should be working with the government to share and drive forward a vision for the future eradication of pensioner poverty. Though in an example of official policy ageism, there is no set of targets for the elimination of pensioner poverty, unlike child poverty, no declared Grail to which we might all bend our efforts.
3. In partnering to fight poverty, however, we had better recognize that the climb we are on is a steep one. Even after the good news, and using the more positive measure, we still have 2.2 million pensioners, 1 in 5 of all our senior citizens, living without the means to a decent life. The strategy to combat ‘fuel poverty’ (having to devote over 10% of your income to keeping warm) is worthy, but one in three pensioners still live in accommodation that is cold, damp or in poor repair.
4. Despite the undoubted passion of Gordon Brown, and to their dismay and disgust, nearly five million older people need propping up with benefits. Perhaps because of those very emotions some 20% of all our pensioners do not take up their entitlements. Ominously, as

the state pension slides steadily downwards in value, only half of those working are saving for a pension. All the more reason why we badly need a sense of direction, as well as policy adjustment.

5. These figures should shock us. Perhaps our senses are numbed to them by a political battleground of statistical claim and counter-spin. Yet they hint at the reality of day-to-day exclusion: the inability to buy things or do things that most people around you are doing. In Adam Smith's day it was the linen shirt that gave a labourer a sense of dignity while not being strictly necessary. In 2004 not being able to afford to eat or heat properly, to replace the washing machine, get out to the cinema or to have the comfort factor of a mobile phone are the routine exclusions of too many in the fourth largest economy in the world. Relative poverty is real hardship.
6. But this is not the heart of the problem. The true scandal, which many commentators ignore, is the *persistence* of poverty for many. Nearly one in five pensioners have been poor for the last three or four years and on fixed income with no prospect of clambering out. Some languish hidden far below the conventional poverty line and are not identified by headline measures.
7. While the government trumpets decreases on familiar measures we should confront the fact that the high level of persistent poverty has not dropped at all over the last decade. Many people have to cope with painful but temporary dips in their cash flow. It is the relentless grind of living, week in week out, year on thrifty year, that causes you to give up and withdraw, back away from daunting opportunity, and which wipes out the capacity for hope.
8. It is those mired in low income, living often in difficult neighbourhoods, to whom we should address our targets. Our work with Keele University showed that the most impoverished are also the hardest to reach with support including benefits, often experiencing multiple disadvantages linked to gender, ethnicity and frailty. The Institute of Fiscal Studies' recent suggestion that the pensioner poverty target should simply be take-up of Pension Credit is relevant, and certainly the government ought to stretch itself much more here. But such a benefits take-up target is hardly visionary. Nor would it directly capture deep-seated long-term social exclusion.

9. In reaching the hard to reach we can get some ideas and some political energy from the extraordinary drive to assist the young. We must recognize the lifelong, multi-faceted nature of pensioner poverty. Help the Aged cheers on the Child Poverty Action Group and others, and we join with the mainstream agenda for better neighbourhoods. The Social Exclusion Unit, which a fortnight ago took stock on its progress, should turn the volume up on its commendable work, and give more emphasis to the inclusion of older people.

10. We also need policy adjustment that will directly help older people at their different life stages. We know from our own Income Index, mapping deprivation amongst older people, that older generally means poorer means poorer health. The logic of a special boost to income from 75 onwards is compelling. It has been implicitly recognized by the Chancellor in the graduation of tax allowances and in the uncoordinated scattering of concessions to the 'older older' in successive Budgets, recently with the £100 sweetener on Council Tax. As things stand, the 25 extra pence a week at age 80 doesn't buy a postage stamp on a letter of complaint to Gordon Brown.

11. The principle behind the government's crusade against child poverty is the earlier the help – good, solid, practical help - the bigger the impact. Older people deserve to be part of this principle though. If we could invest a little in signposting those at risk of low income and associated poor health about their wellbeing and prospects as they enter mid-life, we could make a lot more of the contribution that older people make through work and more widely, to their own prosperity and ours. A 'health, wealth and skills check', targeted at disadvantage areas and chiming with the vital new Health Inequalities programme, delivered through the planned Third Age Service is the obvious counterpart to the highly successful children's and young people's programmes. No less than is fair to *all* ages, surely, from a government committed to fairness. A 'Sure Start' for older people, indeed.