

EMBARGOED UNTIL 08:00 BST MONDAY 15 APRIL 2019

NEW TOOL REVEALS LONDON'S POCKETS OF POVERTY

- *Study of 550,000 families shows 15% of London's low income households can't pay the bills week to week*
- *Biggest growth in cash-strapped families since 2016 was in Sutton (79%), Camden (40%), Southwark (43%)*
- *The number of London families who can't pay the bills is expected to triple to 238,000 by 2021 if nothing changes*

A new [Living Standards Index for London](#) tracks the financial security of 550,000 low income families to reveal the pockets of poverty in our nation's capital. Policy in Practice, the socially-minded software company behind the nation's leading benefits calculator, has built the tool using data drawn from 18 London councils. The latest findings, released today, show that 1 in 7 (15%) of the London low income families studied can't pay the bills. The tool makes it possible for people to analyse one of the largest data samples about low income Londoners, and will be regularly updated with new information.

Policy in Practice's Index identifies Enfield, Barnet, Camden and Sutton as 'poverty hotspots' with the highest proportion of families in dire financial straits. 20% of low income families in Enfield and 25% in Barnet reported a regular cash shortfall. The data suggests much of the hardship is driven by rising rents in the private sector. In Enfield, 47% of low income families rent privately, and 45% of families in Barnet - the highest rates in London.

Policy in Practice Director Deven Ghelani says his firm found a concerning rise in the number of cash-strapped households in the last two years. Using data from 18 participating councils, analysts were able to track the soaring financial insecurity of low income households on a monthly basis, and forecast their living standards into the future given rising rents, frozen benefits and comprehensive Universal Credit rollout.

"The data we've brought together through our London Living Standards Index shows what a lot of councils and community organisations have been saying: rising living costs and frozen benefits have combined to push more families into real hardship - where they simply don't have enough money to pay the bills each week."

"This Index allows service providers and charities to see what low income families are experiencing in their area, and to see the pockets of need that are currently below their radars."

Mr Ghelani says that between 2016 and 2018 the number of London families in the sample facing a weekly budget shortfall has risen by 21% to 81,000. The sharpest rises have been in Sutton (79%), Camden (40%) and Southwark (43%).

"Too many families facing a cash shortfall are one bill away from being evicted or running into dangerous debt. This is a wake-up call for councils and housing providers," says Mr Ghelani.

Mr Ghelani says the index will be useful for London-based volunteers, charities, change campaigners, as well as London's councils.

“Our leaders should harness this information to drive how they spend resources to reach those families in most need and prevent shortfalls from leading to hardship or homelessness. If the trends we've identified continue, London is going to see an extra 157,000 families at the end of their financial rope by 2021, putting strain on support resources, local authorities and charities.”

Deven Ghelani says many of the 18 councils involved in the project, which is funded by the Trust for London, are already using the Index and its tracker tools to better target support to families in need. He says more councils should get on board with sharing and using data to target and support families in need, given the benefits freeze and the impending rollout of Universal Credit.

Londoners themselves can also use Policy in Practice's [award-winning budget and benefits calculator](#) to get a personalised assessment of support they may be eligible for.

London's poverty hotspots

Borough	% of Low Income Families with cash shortfall (2018)	Number of Low Income Families with cash shortfall (2018)	% increase in the number of Low Income Families with cash shortfall (since 2016)	Increase in the number of families who can't pay the bills (since 2016)	% increase in the number of families expected to face cash shortfall by 2021	Number of new families expected to face cash shortfall by 2021
Barnet	25%	8,515	+33%	+2,010	+53%	+4,523
Enfield	20%	8,427	-8%	-736	+60%	+5,057
Sutton	16%	2,055	+79%	+981	+37%	+763
Camden	16%	4,270	+40%	+1,242	+31%	+1,325
Brent	16%	6,268	+39%	+1,543	+83%	+5,195
Haringey	14%	5,242	+10%	+204	+136%	+7,106
Southwark	14%	4,586	+43%	+973	+24%	+1,109
Ealing	13%	4,639	+7%	+129	+89%	+4,136

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About Policy in Practice's Living Standards Index for London

The [Living Standards Index for London](#) is a visual tool free to access for Londoners and our leaders to identify the vulnerability hotspots of London's low income families and how families' financial security changes over time. The data comes from anonymised housing benefit and council tax support records from 18 councils as part of a project funded by the [Trust for London](#). This data set represents 550,000 low income families, or about 25% of households in those council areas.

The Index is publicly available, with borough-by-borough breakdowns at www.policyinpractice.co.uk/LSI-London

About Policy in Practice

Policy in Practice is a socially-minded software company that works with councils, government, housing and community organisations to target and improve welfare support for people. Combining cutting-edge tech, insightful data and expert analysis, Policy in Practice is the leader in helping bodies to understand what's working, what can be improved - and how.

The firm's [award-winning budget and benefits calculator](#) helps around 10,000 people every day find out what support they may be eligible for.

Media Contact

Policy in Practice Director **Deven Ghelani** is available for comment. Please contact our media officer below to arrange an interview:

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A hi-res headshot of Deven is available [here](#).

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