

ANTI POVERTY

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**AGE CONCERN NORTHERN IRELAND'S RESPONSE TO THE
ANTI POVERTY STRATEGY - August 2005**

1. Introduction

- 1.1 Age Concern Northern Ireland is a major voluntary organisation committed through campaigning and service provision to promoting the rights of all older people as active, involved and equal citizens. We act as a Northern Ireland-wide campaigning body and support a network of local Age Concern Groups operating throughout Northern Ireland.
- 1.2 We offer policy advice on a range of issues which impact on the lives of older people. These policies are based on:
- the expressed views of older people throughout Northern Ireland based on on-going contact and research;
 - a knowledge of older people and an ageing society.
- 1.3 Age Concern Northern Ireland is pleased to have the opportunity to respond to the Anti Poverty Strategy, but are disappointed that calls from consultees to extend the consultation period beyond the summer holiday period to allow the community and voluntary sector to consult fully within their organisations was rejected.
- 1.4 Age Concern Northern Ireland responded to the first phase of the consultation as one of the 180 organisations endorsing the views of the Northern Ireland Council for Voluntary Action (NICVA) – we are therefore disappointed that many of the issues raised in that response have not been addressed in the second stage of the consultation.
- 1.5 We believe that there is still not clarity about the concept of an anti poverty strategy and the benefits a clear and robust strategy could bring. We believe that a clear strategic aim of any anti poverty strategy should be to clearly define what is meant by 'poverty' and to reduce it by a ambitious but realistic % within a defined timescale.
- 1.6 Over the next twenty years it is estimated that the population of pensionable age will rise in Northern Ireland by over 50%. Twenty-

five of the twenty-six District Council areas here will see at least a 15% increase in this age group in the next ten years. While the financial circumstances of older people can vary greatly, the reality in Northern Ireland is that it is estimated that around 50% of pensioner householders are below the poverty line and that the gap between rich and poor pensioners will continue to increase. A report by the Audit Office in July 2003 estimated that around a third of all pensioners in Northern Ireland (approx 81,000 people) live in households in the bottom 30% of gross household income.

- 2.1 The Office of the First Minister and Deputy First Minister produced, under New TSN a Promoting Social Inclusion of Older People strategy 'Ageing in an Inclusive Society'. Age Concern Northern Ireland was part of the working group that assisted in drawing up the strategy and facilitated the consultation on it. The final document was launched March 2005.
- 2.2 We are happy at the proposals to continue with the PSI model, as long as concerns about some previous PSI Groups from some sectors are taken on board. We would however state that strategy produced under this model contain firm targets for each government department and see them fully financially resourced. Only then can they contribute to a robust and clear Anti Poverty Strategy.
- 2.3 With this in mind Age Concern Northern Ireland would call for specific ring fenced funding for any new TSN / PSI activities instead of diverting it from mainstream public expenditure.
- 2.4 We would welcome the attempt to produce a strategy which is consistent with the NAPsinc approach, but would argue that the lack of detail on a Northern Ireland Regional Action Plan means that it is simply aspirational in tone, lacking any firm objectives or targets, or detail of how they might be achieved.
- 3.1 The emphasis on employment and employability as a route out of poverty ignores the fact that paid employment is not always an option for many older people. Enforced retirement of those who may wish to continue to work, coupled with the fact that many older people having worked for 40 or so years feel they have earned the right to retire, excludes many from employment as a route out of poverty. Indeed many of the older population most at risk of poverty in retirement are those who have had no or low paid jobs, were self employed or had broken patterns of employment, particularly those, mainly women who have had time out of the workplace because of caring responsibilities. These older people

have had little or no opportunity to save for their retirement. The strategy does not fully recognise this.

- 3.2 We welcome the fact that legislation prohibiting discrimination in training and employment on the grounds of age is due to come into effect in October 2006. This may, coupled with a strong 'age positive' campaign amongst employers, increase the capacity of older people to undertake paid work, or retrain or learn new skills to enhance their earning potential. We are aware that this concern is shared by disabled people, some of whom who are not able to work and would be similarly sidelined in an approach to tackling poverty which concentrated on employment.
- 3.3 In addition to 1.8, we would highlight the fact that whilst the UK may meet the EU target for 2020 for the number of people over 50 in employment, there are significant regional variations. In Northern Ireland female non employment rises from 40% for those aged 45 – 54 to almost 60% for those aged 60-64. The equivalent figures for men are 25% in the 45 – 54 age group, 40% for those aged 55-59 and almost 60% for 60 – 64 year olds. If these people are classed as economically inactive, it ignores the fact that many older people act as carers or volunteers, or commonly look after grandchildren to allow their own children to be in employment.
- 3.4 Age Concern Northern Ireland would argue that increasing employment and employability is only one part of what a fully comprehensive Anti Poverty Strategy would contain. A robust strategy would contain measures to reduce social and economic inequalities by tackling issues such as low pay, pensions, benefit levels, health, education, childcare, transport, housing and the environment.
- 4.1 Older people not in the labour market are reliant on inadequate state benefits to keep them out of poverty. Pensioner poverty is exasperated by the fact that even inadequate state benefits are means tested and many do not apply for them for a variety of reasons. These reasons may be a lack of understanding of what they may be entitled to, a perception of being stigmatised for being 'on benefit' and practical difficulties in getting a claim together and getting it processed.
- 4.2 A report produced by the Audit Office in July 2003 estimated that between 24,000 and 36,000 pensioners were not claiming Minimum Income Guarantee (now Pension Credit) that may be entitled to it. Age Concern Northern Ireland runs an Advice Line which handled 4383 pieces of casework last year, approximately 48% of them related to benefit queries. As a result the average caller is £1711

per year, or £39.42 a week better off, and this does not take account of those we have assisted to claim for whom we do not have outcome figures, or those for whom we have arranged visits by Pensions Advisors. We welcome any initiatives the government takes to promote benefit take up, and indeed have been, and will continue to be partners in many of them, but this is no substitute for a decent and adequate state pension which is not means tested. The Strategy does not recognise this.

4.3 We would argue that if a firm definition of poverty was established then benefit levels should be 'poverty proofed' so that the government is not, under its own definition, consigning those on benefits into poverty.

5.0 In conclusion we would state that the Anti Poverty Strategy should contain

- A clear definition of poverty
- A clear target to eradicate it
- A clearly defined **additional** budget
- A recognition that employment is only one route out of poverty and that it is not an option for all
- Benefit levels that are 'poverty proofed'

5.1 We submit this as the Age Concern Northern Ireland response to the Anti Poverty Strategy, and would be happy to discuss it with you further.