

# London's VCS: **Picking Up The Pieces**

## **Executive Summary**

Soaring housing and living costs, pressurized public services and diminished state support have worsened the capital's child poverty crisis. London's voluntary and community sector organisations are on the frontline, picking up the pieces.

As a pan-London infrastructure body, with over 200 members, 4in10: London's Child Poverty Network work closely with and support London's VCS, whose members are working to tackle child poverty and ameliorate its symptoms. Here we share the sector's knowledge and expertise, deepen the understanding of the concerns they have about families' experiences of poverty in the capital and consider the challenges the VCS faces in supporting them.

# The Statistics

90%

of respondents had seen an increase in the number of families struggling to make ends meet each month

84%

of respondents were very concerned about child poverty in their local area

80%

believe more needs to be done to tackle child poverty in the capital

*“It’s literally like there is no welfare support, no safety net.”*

98%

were concerned about the impact poor quality housing has on the physical and mental health of children

91%

work with families who rely on food banks to eat

*“There’s a double inequity of cuts hitting the poorest areas hardest, while they’re precisely the places where people’s needs for local authority services are highest.”*

Only 19%

had been able to fully meet demand for their services in the last year

95%

expected demand for their services to increase in the next year

Only 22%

Had secured extra funding to meet this demand

117

117 organisations took part

65%

felt low income families are not listened to on matters directly affecting their lives

VCS organisations participated from all  
32  
of London’s Boroughs



# The Findings

## Findings

- VCS professionals are deeply concerned about the impact of ongoing welfare reform, most notably Universal Credit, the benefit cap and freeze to working-age benefits: 69% of survey respondents felt levels of financial hardship had significantly increased following recent welfare reform.
- 50% of respondents had to close or reduce their services in the last year due to a loss of funding. The high running costs of managing a charity in London places huge financial pressure on voluntary organisations.
- The geography of poverty is changing. As low income families are pushed out of inner-London in search of more affordable housing, outer-London areas are experiencing rising poverty. Organisations are concerned that families in these areas could face a postcode lottery of services, with some missing out altogether.

## Voice and Representation

- 98% think low income families should have a greater say in their local area.
- Communities are uniquely placed to identify need and can design a deeply embedded and nuanced response to poverty. However, professionals were concerned that families with lived experience of poverty are often overlooked and marginalised in policy- and decision-making processes in their local area.

*“Everyone is really struggling. Cuts, left, right and centre. Services that were there ten years ago are simply not there now.”*

## Cost of living

- 78% see low income families struggling to afford basics such as food and sanitary products.
- With employment and benefits failing to help release families from the grip of poverty many find themselves in an unsustainable position. Organisations described families falling into arrears on household bills, resorting to high cost credit to pay for essentials or turning to friends, family and local community organisations to survive.

## Housing

- 66% strongly disagreed that low income families should have to move out of the capital if they cannot find affordable housing.
- London's voluntary sector is deeply concerned about the acute housing crisis. Respondents see the transient and unstable nature of housing affecting every aspect of family life. It undermines the health and wellbeing of children and their parents and is harmful to our local communities.

## Employment and Welfare

- 96% of respondents believed wages have failed to keep pace with living costs.
- VCS professionals told us they had witnessed benefit cuts reducing families' incomes, while their costs of living go up meaning benefits are failing to protect families from deep hardship.
- Many felt more needed to be done to tackle barriers to employment faced by low income families, such as personalised employment support and tackling issues with the affordability and flexibility of childcare.

# Conclusion

In picking up the pieces, London's VCS provides vital a life-line for many families who are gripped by poverty. If the sector's concerns for the future go unaddressed, vulnerable families could be left without somewhere to turn.

Published during the capital's first ever Challenge Poverty Week, this report hopes to draw attention to and address the concerns of our colleagues in the sector and support their calls for national government to:

- Protect families from poverty by placing an immediate pause on the roll out of Universal Credit

To ensure families continue receiving the support they need, we would encourage all levels of government to support service provision and protect the VCS in London by:

- Involving the community in strategic decision- and policy-making at all levels
- Supporting the strength and expertise of the VCS through long-term, good grant making
- Mapping the changing geography of poverty against service provision to quickly identify gaps and ensure resources are distributed amongst all areas of need



**At 4in10, we will continue to highlight and champion the great work of our sector.**

Case study examples of great practice responses included: People's Empowerment Alliance for Custom House (PEACH), Toynbee Hall and Evelyn Parents Forum, RedBox Project South East London, Sufra NW London, Mousetrap Theatre Project and Little Village. Single Homeless Project (SHP), The Magpie Project, Generation Rent and Just For Kids Law. PECAN, Z2k, ELBA and a partnership between Coram Family and Childcare Trust, Peabody Housing Association and the New Economics Foundation.

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