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"High cost of living and low wages leaves those in 'in work poverty' struggling to make ends meet this holiday period"

Asif Anwar Wednesday 04th January 2017 07:56 EST

The holiday season is an expensive one, with Christmas presents, work parties, train tickets home and the cost of getting across the country to see family ever increasing, January is often a time for everyone to tighten their purse strings. However, for the 1 in 8 workers living in poverty who still have high rents to pay out of a low income the holiday period and subsequent months can be very difficult.

The number of families who are living in temporary accommodation or considered homeless has continued to rise for five consecutive years with evictions by landlords reaching a ten-year high. This is happening, despite the fact that the number of working-age adults in full-time employment is at an all-time high. Dr. Peter Kenway, director of the New Policy Institute, noted that "an adult in poverty today is much more likely to be young, working and a tenant living in the private rented sector than 15 years ago". Property agent Savills are predicting a sharp 19% increase in rent prices over the next five years.

According to the Monitoring Poverty and Social Exclusion report (2016) rent accounts for at least 33% of income for 70% of private renters. Add the cost of Christmas and New Year into the equation and the pressure of eviction is ever looming for many of this demographic who range from single parents to those on zero hour contracts and even young professionals.

The Joseph Roundtree Foundation (JRT) has identified three ways the situations could be improved:

* Reverse cuts to the Work Allowance. These cuts currently means that a lone parents with two children working on the National Living Wage (NLEW) will be £2,600 worse off, whilst a family of four with both parents working on the NLW will be almost £1,000 worse off.

* End the current freeze on working-age benefits, which are currently not rising with inflation. The projection for inflation next year is 2%, which means that with the current freeze on benefits those who depend on help from the government will, in real terms, be getting less money, unless we see an increase in wages and the value of social security.

* Build more homes by investing £1.1 billion extra a year in affordable housing through a Living Rents scheme. If successful, this would provide 80,000 genuinely affordable homes each year and link social rents to local wages which would make rents affordable to those earning the NLW.

Although these recommendations are tailored to assist those most affected by the current poverty and housing crisis, even if the government do take on board these recommendations, progress will be slow and it is unlikely the cost of renting will fall anytime soon. This is of little comfort to those who have struggled to make ends meet and keep a roof over their through the holiday period and will continue to struggle to keep up with the increasing pressures on their budget in the New Year.

Asif Anwar, the author, is a Trainee Solicitor, works in the Housing Department for Duncan Lewis Solicitors, mainly assisting vulnerable clients in their Homelessness, Disrepair, Possession and other housing law matters. Duncan Lewis Housing Solicitors can guide clients in any matter or issues arising with local housing authorities, housing applications, tenants, landlords, ownership and repairs. With a niche expertise in Possession and Unlawful Eviction cases, the Department holds a significant presence in County Court Possession Duty Schemes. The Housing Department also offers representation in all housing relating proceedings. If you or your family have been affected by any of the issues in this article and feel that legal advice could aid your situation please do not hesitate to contact our team of expert housing solicitors on 03337720409.



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