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‘You end up with nothing’: the experience of being a statistic of ‘in-work poverty’ in the UK

Abstract

Set in the context of the recent unprecedented upsurge of in-work poverty (IWP) in the UK – which currently exceeds out of work poverty – this article presents an account of the realities of experiencing poverty and being employed. Central issues of low-pay, limited working hours, underemployment and constrained employment opportunities combine to generate severe financial complexities and challenges.

This testimony, taken comparatively over a year, reveals the experiences of, not only IWP, but of deep poverty, and having insufficient wages to fulfil the basic essentials of nourishing food and adequate clothing. This article contributes to current academic and social policy debates around low-paid work, IWP, the use of foodbanks and underemployment. New dimensions are offered regarding worker vulnerabilities, given the recent growth of the IWP phenomenon.

Keywords: Deep poverty, Foodbanks, In-work poverty, Low-pay, Underemployment, Vulnerable workers.

Introduction

There is a general misconception that people in the UK who are 'in poverty'¹ are only those who are unemployed and receiving welfare benefits. However, for the first time on record in 2011/12, the majority of people in poverty were in working families (MacInnes et al., 2013). In 2014/15 IWP continued to rise with 7.4 million people in working families experiencing poverty (Tinson et al., 2016). Of considerable concern relating to increasing poverty per se is that the Joseph Rowntree Foundation (JRF) (2012) claim that one in four families will be in poverty by 2020. Successive governments have viewed employment as the best route out of poverty, with the aim of 'making work pay' (Shildrick et al., 2012); but there remain crucial issues over wages, working hours, underemployment and poverty.

Therefore, the social phenomenon of IWP deserves critical investigation in order to identify barriers and provide interventions to this escalating problem. Wills and Linneker (2013) note that it is only recently that low wages have resurfaced as a major contributor to poverty rates. They argue that the 'real' foundation living wage (currently £8.45/hour and £9.75/hour in London) is part of the solution as it is set at a level at which people can afford to 'live' and is more effective than the more market-led national minimum wage² and the new national living wage. Indeed, compared to other developed countries, Schmuecker (2014) notes that the UK has a large number of low-paid, low-skilled jobs. She also points out that between 1993 and 2012, semi-skilled jobs have fallen dramatically (down by 9.5 %) and low-skilled (therefore lower paid jobs) have increased (up 1.6%). Therefore, as there are wider opportunities for employment in lower skilled work, she argues there will naturally be a larger pool of people on lower wages. Indeed, it is estimated that 5.6 million UK

workers are paid below the foundation living wage (Moore and Fiddes, 2016), and such work is typically inflexible, insecure and offers limited progression (see Goulden, 2010). However, low-pay is not the only dimension of IWP, and Warren (2015) illuminates the financial constraints of working time underemployment. Around 3 million workers would like to work more hours than they are currently employed to do, and the highest rate of underemployment is in the North-East of England, being 11.5% (ONS, 2014). Moreover, Shildrick et al. (2012) identify the low-pay, no-pay cycle of job insecurity and recurrent IWP. While labour market statistics – and indeed interventions – look at individuals, poverty is generally assessed and experienced at a household level (Schmuecker, 2014).

With a focus on the household, it is pertinent to note that the UK has also seen a dramatic rise in the use of foodbanks providing emergency food to people in need. The Trussell Trust state that in 2015/16 over 1 million food supplies were provided to people in crisis (Garthwaite, 2016); although this figure does not include the many other people using alternative local foodbanks across the country, as is the case in this particular testimony. Garthwaite (2016) also emphasises that there are no 'typical' foodbank users, which can include those experiencing IWP, thereby demanding further investigation.

Yet, as is evident, there has already been a rise in research conducted by third sector organisations in relation to concerns of IWP. However, there is relatively little academic literature, and that which has been conducted, is often larger scale, comparative statistics across the EU (see for example Fraser et al 2011). Whilst we acknowledge that these figures highlighting the escalation of IWP provide a significant, and concerning, insight into the scale of the problem, we would suggest

that the 'voices' and experiences of people living in this situation are currently lost in the statistics. Hence, it is argued here that only by listening to first-hand accounts of people living through IWP can their experiences be more deeply understood. Indeed, what follows is the voice of an individual experiencing low-pay, underemployment, IWP and vulnerability, which provides us with some in depth insights into these circumstances. It also demonstrates how the traditional definition of poverty needs to be rearticulated in the light of the recent transformations of the labour market.

Introducing Marcell

Marcell is 26 years old with a family, a 9 year old son and estranged partner, who are based in London. After leaving school he secured a place at college to study health and social care, but after 6 months he had to leave to find work to help financially support his partner and new child. He found working and living in London expensive and moved to Newcastle in 2014, as he believed it was less costly to live and work. He assumed that he would be able to earn more in the North-East to help support his family in London. However, for some time, Marcell was only able to acquire 15 hours part-time work as a cleaner for a large employment agency. He has become trapped in underemployment (Warren, 2015) and is experiencing deep poverty (Shildrick et al., 2012), as he struggles to adequately feed himself and pay the bills. Pollert and Charlwood (2009) rightly identify low-pay as one of their indicators of vulnerable work, and this can be extended, as is demonstrated here, with new dimensions of in-work poverty, underemployment, being incorrectly paid and having to make use of foodbanks. What follows is Marcell's personal story of

the employment path he has taken from coming to the North-East as he attempts to improve his work/life situation.

We met at a foodbank in Newcastle's West End where the author/s was/were volunteering whilst searching for participants to take part in a wider research project. Marcell was quite a flamboyant and popular regular of the foodbank and he offered to take part in the research, as well as help to find more participants. His account was not expected of his character and his experiences prompted the author/s to strive to get his story heard. As a co-author, Marcell has been involved at different stages during the writing process of this paper. This process gave us an opportunity that a fieldwork one off interview would not normally offer, for it provided us with a firsthand insight into the continuing familiarity of Marcell's life. This enabled the researcher/s to follow his lived experience in low paid work, underemployment and poverty to be even more deeply understood. It seemed, therefore, logical to conduct another in depth interview, to pursue his story and this was held by coincidence, a year after our first.

His narrative provides a powerful account of the lived experience of being a statistic of IWP. The narrative not only reveals the mundane and routine nature of low-skilled work, but the fact that Marcell has been unable to secure employment that offers both the wages and hours to enable a reasonable standard of living; and like thousands of others he is facing severe financial hardship with health and well-being implications (Tinson et al., 2016). Despite all of this, what shines through is Marcell's overwhelming and enduring spirit of altruism with his future plans for charitable work to help people in need, together with his current unpaid voluntary work despite being in poverty himself.

We have divided the entire testimony into two phases. The first in-depth interview took place in December 2015. Questioning was guided by Marcell's work/life situation, then the literature was considered, a draft was written up and we met him to discuss the content and make any changes suggested. The second in-depth interview was conducted a year later, in December 2016, and demonstrates that one year on, Marcell continues to face severe challenges of IWP, underemployment and constrained opportunities.

Marcell's story 2015

I have a part-time cleaning job, 15 hours/week working for an agency called Moors. I work Monday to Friday, 5-8pm. I started working for this company almost two years ago, but I don't have an employment contract.

I am in charge of two floors - each worker has set floors to clean. Sometimes I come in early because they have a gaming area and I play a little bit. Then I go up, log-in, put my things in my locker and go down to my floor and start cleaning. I clean the kitchen first of all, and then go down onto the floor where the offices are, do the Hoovering, mopping and cleaning. If the supervisors need me to do something on a different floor, or if somebody hasn't come in, then I will go and support elsewhere. I am only there for three hours, so it's pretty straightforward.

There is a certain way to do the work - there is an appropriate cloth for certain things and there are different products that you need to know. Sometimes you let the office staff know, "Tomorrow I am cleaning, I haven't cleaned your table for two or

three days and I would like to clean it”, and sometimes they remove items and then you just come and do your job.

The problems at work that we have are people stealing each other's buckets and hoovers, because each floor has got a set amount of hoovers and cloths, and sometimes people if they don't find theirs, they go onto a different floor and they grab it. So if I need to do the floor in twenty minutes, and I am thinking “Oh god, she is looking for the hoover” and she might take it before I can start - it has happened to me many times. I have raised this with the manager and said, “Look, I haven't been able to do my job properly today, because I haven't managed to find a hoover”.

The company is not bad, but when it comes to pay and if you do extra hours, they don't pay you accurately. So I got paid last Friday, but they paid me half of what I was owed. I called my manager and he said, “I'll sort it out, there was a mistake made by payroll, and they will pay you next month”. But I have to wait four weeks to get the right pay. Last month they didn't pay me accurately yet again, so I ended up calling him again. I know that I'm not the only person that this happens to; sometimes it can take three or four months for people to get their money. Some people have had to actually drag the manager to the office where they do the payroll in order to get it paid the same week, as they have kids to feed and bills to pay. I have been late on certain bills because of them, so I have to say, “Look, I can't wait until the end of the month. I have got bills to pay. I have had to postpone my bills for this month”. I have had to borrow money from people, so it isn't fair on me. The manager will say, “I will sort it out, I'll do my best”, but it took me two or three weeks to get paid this week. I thought they owed me £150, but I am now finding out that

they owe me about £300! If I had not worked out my hours, then I would never have found out that they owed me that much money.

The problem is the log-in, which you put your finger on and it records that you have started work. It's supposed to go green and then grey to register you. If it doesn't do that, you have to use the phone and call them to say that you are logged-in.

Sometimes you don't notice, it goes green but if it doesn't come back, it hasn't logged you in, so it doesn't count that you are actually in work. The bookings place is shit, which is where you have to sign in, but payroll calculate your wage based on the hours recorded on the computer program and they end up forgetting the sheet, so we end up getting paid way less.

My pay is £6.70 an hour and my monthly net pay is only £420. I'd like more work. I am trying to get into the security sector, because I did my diploma to be a supervisor and security officer, but I have got to pay £220 for the badge, so I am struggling to send off the application³. I was nearly able to raise the funds, but then I ended up receiving an electric bill, so I had to take the money I was saving for the badge to pay the bill. Hopefully, in January/February I will be able to send off the application. The diploma was free to do through the company, but you have to pay for the security badge. I have tried to apply for jobs with employers, saying "I will work for you for a month, and the money for the hours that I put in, could you take it and pay for my badge?" Most of the security companies in Newcastle won't do that, but in London they will just deduct this from your wages. I'm not happy because I am not doing what I want, but I understand that I have got to do it in order to pay the bills and support my son. I have to pay child support every month. I work just to get paid. I feel like I am just passing through.

My family is down in London, I used to live with my missus but we broke up. So I thought, "I have got my brother happy in Newcastle" and, even though he has got his missus and his kids, I could stay maybe two weeks with him. He said, "three weeks, and then try to get into a hostel". That's what I did; I managed to get into a hostel in Newcastle. I stayed there for four or five months.

This is the only job I've managed to get here. I need extra hours, but I only managed to find this part-time job and I've got heating to pay, electric, water bills, TV licence, child support and rent. It's a nightmare. Food, transport to work...you end up with nothing, sometimes you end up in debt.

I was surviving on noodles. To be able to put a carpet in the house. They [the council] give you a house and you want to have a sofa to sit on, a bed to sleep in - you have to make sacrifices to pay for these things. So, I was buying packs of noodles and I was just eating them as I had no money. But I was mentally prepared, because I knew I had to go through that in order to achieve what I wanted. At the beginning it was hard but I thought, "It's worth it", I am putting in a carpet, so my son can come up to visit me and the house is in a good condition. So, I was just eating noodles, noodles, noodles - for five months. But sometimes I would go to my brothers and he would give me a doggy bag, with some food to take home with me.

I found out about the Peoples Kitchen⁴ and then I thought, "Oh, they have got this place so close to my home; I could come here and have a meal". When I went to the Peoples Kitchen, I enjoyed it and appreciated the food there even more. They do clothing too, I got these shoes yesterday [they are actually a sturdy pair of slippers] and this is how I have been surviving – through bread, foodbanks. I only managed to find out about the foodbank two or three weeks ago. Fruit, apples, oranges, I

managed to get these yesterday, they are comfortable for the house at nights, you know? So I was really happy.

It's very good. Last year, I would have been spot on in terms of food because you can stack it, because they do give you rice, beans, pasta that stores well. If you are vegetarian, they also give you vegetarian food which I am into. They are really helpful, I love it. You can go there and also sit down and have a cup of tea, chat with people and really get to know people that I don't usually meet in everyday life, it's good and they are very nice.

I like socialising and I like socialising with friends. But at the moment, I have been by myself for the last three months now, because it has been really hard to get down to London because of the money issues. My ex-partner helps me out sometimes, she books my coach ticket and I go there, spend two days and come back. I am a family type of guy, I like spending time with family, friends, I like playing football and going to the movies - just a simple life, nothing special really.

I want to study and get a career. I would like to finish my studies, and hopefully, travel around the world and work for different organisations; and support myself and my family. I fancy going to University for more opportunities and to have a better life. I have one goal that is close to my heart, which is to do voluntary work. I have done this type of work before but I'd like to do voluntary work in different countries, such as, working with Unicef in vulnerable countries. This is one thing that is close to my heart; I have got to contribute somehow - that is one of the things I want to do.

I am at the point where I feel, "Stuff this job, I will find a better job, stick the job", or I will stay in this job for another year and see if anything changes. I would like a job

which is close by, so that I can pay my bills and go and see my son more often, have more of a life and have a social life. This is what I am thinking, but I am at breaking point. I need to make a really big decision, both for me and my family.

Marcell's story 2016

I no longer work where I was before; I have transferred to a large supermarket but I still work for the same agency. I wasn't given a contract, but I now work 22 hours/week doing cleaning. The pay has gone up. It's £7.20 now, the minimum wage, so I get about £500 a month now.

It's just normal cleaning duties. I come in, deactivate the alarm, that's the first thing I do, log-in, Hoover, clean the machines and mop. I don't have any more problems with people stealing my Hoover because I work by myself now. I've got the keys to the place and I work mornings. I start at 5 or 6am, and sometimes even 4am, and I work three hours and 45 minutes a day. I can choose to work mornings or nights, but I prefer to do early mornings so it gives me the day to do something else. Also, once a week I work in a community centre from 9am until 1 o'clock. So I have two jobs now, but the other one is a voluntary job. I've been working there since February last year and I just come in and help. We provide food and clothing to people given to us from charities. I want to contribute to charity work because I have been there myself.

I'm still having problems with Moors as they're not paying me all the money that they're supposed to pay for doing extra hours. I've been chasing the managers, and the managers' managers in order to get the money back.

The hours are going down as well because Moors have lost contract hours with the supermarket, as some cleaners haven't been doing the job properly. They've been leaving early. So the supermarket used to pay three hours, now they only pay two hours. So it's affecting certain cleaners as well who are contracted full-time who need that wage to pay their bills. But that's the fault of the managers because they don't do their job properly. So I need more work.

I couldn't get the security badge because the certificates went out of date. When I went to the Jobcentre to try and get support, to see if they could fund it, they said, "We can't fund it unless you've got a job or a job offer." So I couldn't get funding because I couldn't get a security job without the certificate. Before I did that, they said they would help me with the badge when I finished the training. So I did retraining – the whole course again - for over two weeks. I got my certificates (again) about two weeks ago. I went back to the Jobcentre and they said, "We won't be able to help you unless you've got a job offer." So I went back to the training company and they told me the same thing so I just thought, "What's the point of doing the training course twice if you guys can't support me?"

I have just filled the application online and I'm waiting to get paid and send it off. That's got to come out of my own pocket - £220.

In the last two weeks I've had phone calls with security job offers; I just need to pay for the badge. I'm just going to have to cut down on food to be able to send in the application. I've got to the point I feel like I've **got** to do it, otherwise I won't be able to move on. It will mean having more hours of work and being able to organise my own life properly.

As I work by myself now, I really don't see anybody. It makes me so sad, but I do have more hours work. Where I used to work, we'd come in early and have a small Christmas party and bring in food, drink and exchange gifts. We'd do that on Christmas Eve, but I got transferred to a different contract so I'm missing out.

I'm not a person that goes out there and tries to socialise with everybody. I try to find people that have the same mind-set. I used to go to church. I don't anymore. I go to the movies sometimes. I took a girl on a date, but she had to pay for everything because I'm always broke. I haven't seen her since.

Last year I was so isolated. I needed to be isolated to really understand where I fit in, what I need to do. But this year I decided to socialise more. The way I like to socialise is for people come to my house, or I go to their house and bring something for them. Whatever I have in the house I offer. I always save £10 just go out with a friend. Sometimes I catch up with people, we go for a coffee and just talk. Or get a pint, just to feel a bit different.

I haven't seen my son for a while. I get to talk to him on the phone. He will be nine on Sunday. I'm going down to see him, but the distance plays a big part. The mother also makes things a bit difficult. He hasn't been here because she wants me to go down there. She doesn't like Newcastle very much.

It's still the same situation. The fact that I'm doing more hours doesn't mean anything, it just means that I've got to pay more rent. I was better off when I was doing 15 hours a week, because I had help with Housing Benefit. So I have to pay for rent, water, broadband, transport, have some food, pay my child support and be able to save at least maybe £20 or £10 a week.

I haven't been using the foodbank much because I've managed myself well with food, but I do point friends of mine to it. But some of the food that they do give out, it's not the food that I really eat. So what I try to do is save up as much as I can to buy the food that is good and healthy for me.

One of the foodbanks is close to me, but the other one is really far in the West End. The one that's close to me, they say you can only use three times, after that they refer you to another one, which is just too far for me to get to. I went there once but I can't walk there and back carrying all those bags. I do get help from the community centre where I work because they give food away and some clothing.

I'm left with next to nothing usually at the end of the month because I've got debts as well, which come straight out of my direct debits. I'd rather pay it now than when I'm 40 or 35; it's because I took out a loan for a mobile phone and laptop when I was only 16, so I still have to pay that off.

We're far behind on the national living wage because everything else has gone up, but the wages don't really meet that. It should be £9/hour for people to be able to afford to live. I'd like to know how they came up with £7.20 an hour. It must be somebody with a big belly.

I took uni out of my plans. I just want to move back to London and be closer to my little man, be a father and find better work, maybe work as a security guard down there and raise my child. That's what I want to do.

I'd really like to work for a charity, travel away to other countries where there is real poverty and help others. But for now, I'm still on the same roundabout.

Notes

1. The JRF define poverty as when a person's resources are not enough to meet their basic needs. That is, they live in a household with an income below 60% of the national average.
2. The calculation of the national minimum wage (NMW) is based on what the market will bear rather than on what someone needs to live (see Wills and Linneker 2013). The national living wage was introduced in April 2016 at £7.20/hour, but is only applicable to those aged 25 or over.
3. The 'badge' that Marcell is referring to is the Security Industry Authority (SIA) Licence. It is a legal requirement to hold a valid licence before commencing work in the UK Security Industry. It costs £220 for a licence, or 'badge' to work.
4. The People's Kitchen in Newcastle provides a safety-net and a vital lifeline of friendship, food and clothing for the most disadvantaged in society, the homeless and the vulnerable.

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