Building on broad support for better social security

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How a 'civic minimum' can help address poverty

WHAT IS THE POINT OF SOCIAL SECURITY?

hat impact should our social security system have on poverty and disadvantage? It is a fundamental question for welfare states, but one that inevitably pivots on contested ideas surrounding human need, desert and motivation. To decide the level at which benefits should be set, decision-makers have tended to fixate on questions of work or contribution and neglect more basic issues of adequacy and coverage. While there are all sorts of overlapping functions of social security, arguably the central purpose should be to provide a basic minimum that prevents or alleviates poverty.

"It is questionable whether social security has ever been set at a level to safeguard human dignity in the UK"

In this article, we present new evidence of broad public support for higher benefit levels in the UK, in line with a more generous Minimum Income Standard. Benchmarking entitlements against a publicly agreed Minimum Income Standard could build on this support and better engage with questions of human need in our social security system. Provision of this would contribute towards a so-called 'civic minimum' that serves as a transformative basis on which to redefine the social contract between citizens, the state and markets.²

It is questionable whether social security has ever been set at a level to safeguard human dignity in the UK, but what is certain is that the adequacy of payments has fallen even further below what is needed in recent years. Successive reforms to working-age social security mean many low-income families do not receive enough in benefit payments to cover the basics.³ Highlighting the extent of the problem, a recent survey commissioned by the Joseph Rowntree Foundation found that 9 in 10 low-income households on Universal Credit were going without the essentials.⁴

"Nine in 10 low-income households on universal credit were going without the essentials"

Beyond the current cost-of-living crisis, welfare reforms and austerity measures introduced since 2010 mean the real terms value of non-pensioner benefits has fallen considerably. For example, the value of Child Benefit has fallen by more than a fifth (-22.7 per cent) since 2010 and Universal

¹ Geiger B, Scullion L, Summers K, Martin P, Lawler C, Edmiston D, Gibbons A, Ingold I, Karagiannaki E, Robertshaw R and de Vries R (2020) Should Social Security Reach Further? A study of those not claiming benefits at the start of the COVID-19 pandemic, Welfare at a (Social) Distance. http://www.distantwelfare.co.uk

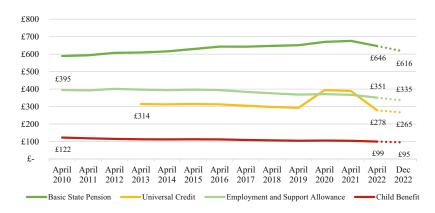
² White S (2003) The Civic Minimum: On the rights and obligations of economic citizenship, Oxford University Press

³ Summers K, Scullion L, Geiger B, Robertshaw D, Edmiston D, Gibbons A, Karagiannaki E, De Vries R and Ingold J (2021) Claimants' Experiences of the Social Security System during the First Wave of COVID-19, Welfare at a (Social) Distance. https://www.distantwelfare.co.uk/winter-report

⁴ Joseph Rowntree Foundation (2023) 'Guarantee our essentials: reforming Universal Credit to ensure we can all afford the essentials in hard times', webpage. https://www.jrf.org.uk/report/guarantee-our-essentials

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Figure 1: Change in the real-terms value of benefits (£ per month), in December 2022 prices



Credit has fallen by 15.5 per cent in value since its introduction in 2013 (See Figure 1). 5 As the value of benefits has fallen, reliance on crisis support and charitable food aid has risen sharply, with food bank use being strongly linked to problems with or inadequacy of social security payments.⁶

As the value of benefits has fallen, the risk and depth of poverty has increased considerably. Progress made towards reducing child poverty has stalled significantly, and children, larger families and black and minority ethnic communities are more likely to be in deeper forms of poverty than they were a decade ago.8 In response, there have been growing concerns about the adequacy of social security payments and their capacity to mitigate against the causes and consequences of poverty.

BENEFITS FALL FAR SHORT OF THE LEVEL THE GENERAL PUBLIC THINK IS **ACCEPTABLE**

Like many other countries across the OECD, the value of social transfers in the UK is free-floating from the amount people actually need to cover basic needs, let alone safeguard human dignity. However, successive cuts and freezes in the value of social security for non-pensioners mean the UK currently has the lowest net replacement rate in unemployment benefit in the G7 and one of the lowest in the OECD. 10 In great part, the failure of UK social security to tackle poverty stems from a lack of shared understanding about what exactly constitutes 'the problem' and what the ultimate objective of welfare policy interventions should be. This is because social security has always had an

Calculations are based on figures collected from the Department for Work and Pensions' annual abstract of benefit statistics, uprating announcements and the Consumer Price Index (CPI). The figures presented are the real CPI value at the date of uprating, except for December 2022 where more recent CPI figures are used.

Trussell Trust (2022) Trussell Trust Data Briefing on End-of-Year Statistics Relating to Use of Food Banks: April 2021-March 2022, Trussell Trust

Edmiston D (2022) 'Plumbing the depths: the changing (socio-demographic) profile of UK poverty', Journal of Social Policy, 51(2): 385-411.

Edmiston D, Begum S and Kataria M (2022) Falling Faster Amidst a Cost-of-Living Crisis: Poverty, inequality and ethnicity in the UK, Runnymede Trust. https://www.deep-poverty.co.uk/publications

The House of Commons Work and Pensions Committee recently launched an inquiry into the adequacy of benefit levels; see UK Parliament (no date) 'New inquiry: benefit levels in the UK', webpage. https://committees.parliament.uk/work/7286/ benefit-levels-in-the-uk/news/194573/new-inquiry-benefit-levels-in-the-uk

¹⁰ The net replacement rate is the level of net household income that is maintained after a period of unemployment, presented as a ratio of net household income received before job loss. OECD data on net replacement rates is available at: https://stats.oecd.org/ Index.aspx?DataSetCode=NRR

uncertain, complicated status as a social right of citizenship, with little substantive discussion about whether benefits should provide "a modicum of economic welfare and security", or more ambitiously, enable claimants to fully participate "according to the standards prevailing". 11

"social security has always had an uncertain, complicated status as a social right of citizenship"

Proponents of a social contract rooted in 'fair reciprocity' argue that the "institutions governing economic life" have a duty to provide a "sufficiently generous share of the social product" to all citizens. 12 They argue that if a set of "core commitments" is not fulfilled, those disadvantaged have a "proportionately reduced obligation" to perform the duties prescribed by the state. 13 Such an argument reframes debates about the permissiveness of welfare, to refocus attention on the duties of economic citizenship held by the government and the legitimacy of welfare contractualism when adequate protection is missing.

Reflecting a thermostatic effect to austerity and focused on the "government's side of the bargain", 14 more than half of the British public now believe that we should increase tax and spend on health, education and social security. 15 On benefits specifically, a slight but growing majority of people also believe that benefits for unemployed people are too low and cause hardship. 16 Less clear are the underlying attitudes and beliefs that are driving changes in these 'headline' attitudes. ¹⁷ Support for social security is invariably shaped by:

- what people consider to be 'genuine' poverty and hardship,
- how much they think existing welfare payments are sufficient to alleviate hardship, and
- · what role they think the social security system should play in helping different claimant groups (which itself is coloured by how much these groups are believed to *deserve* help).

To explore these questions, the Welfare at a (Social) Distance project 18 recently commissioned a nationally representative survey of the British public and benefit claimants to examine perceptions and policy preferences related to the benefits system (Figure 2). 19 Respondents to the survey were asked about the current adequacy of benefit levels and at what level they thought benefits should be set for different claimant groups. Specifically, respondents were asked: "Thinking about a typical person who is claiming benefits, which of the following statements comes closest to your view. The benefits they receive are/should be..."

 Not enough to afford the basic necessities of life, that is, enough food to eat and a home that is safe and dry (Residual Provision).²⁰

¹¹ Marshall TH (1950) Citizenship and Social Class: And other essays, Cambridge University Press: 10–11

¹² White S (2003) The Civic Minimum: On the rights and obligations of economic citizenship, Oxford University Press

¹⁴ Deacon A (2004) 'Justifying conditionality: the case of anti-social tenants', Housing Studies, 19(6): 911-926

¹⁵ Curtice J (2022) 'Taxation, welfare and inequality', British Social Attitudes 39, https://www.bsa.natcen.ac.uk/media/39481/ bsa39_taxation-welfare-and-inequality.pdf

¹⁶ Hudson H, Grollman C, Kolbas H and Taylor I (2020) Key Time Series: Public attitudes in the context of COVID-19 and Brexit, National Centre for Social Research

¹⁷ Edmiston D (2020) 'Solidarity for whom? Selective social rights in a post-Brexit welfare settlement' in Donoghue M and Kuisma M (eds) Whither Social Rights in (Post-)Brexit Europe?, Social Europe Publishing

¹⁸ Welfare at a (Social) Distance (WASD) is a major national research project funded by the Economic and Social Research Council as part of the UK Research and Innovation's rapid response to Covid-19. Further information is available at: https://www. distantwelfare.co.uk

¹⁹ WASD/YouGov survey of the general public conducted 15-17 June 2022, n=3,499. Split sample for in-work claimants question n=1,782. Dataset available via the UK Data Service.

²⁰ The terms in bold were not provided to respondents. Instead, we offered the more detailed, practical description of what each of these might entail to avoid ambiguity.

- Enough to afford the basic necessities of life, but not the other things they really need (for example, money for utility bills, clothing, childcare, transport and a nutritious and varied diet) (a Basic Subsistence Standard)
- Enough to afford everything they really need, but not the other things most people take for granted (a Minimum Income Standard)
- Enough to afford all of the above (a Social Participation Standard).

Our survey found that a quarter of the British public (24 per cent) think benefits are not enough for claimants to afford even the basic necessities of life. A further 37 per cent think that, while benefits may be enough to cover basic necessities, they are not enough to cover everything else that people really need (including money for bills, clothing and childcare). Together, this means that a clear majority of Britons (61 per cent) feel that benefit payments are insufficient to alleviate even basic subsistence poverty.

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What the public think benefit payments *are* is one question. What they think they *should be* is another. Historically, low benefit levels have often been politically justified as necessary to discourage 'welfare dependency' and encourage people to work. These sorts of arguments respond to and reinforce hackneyed caricatures of 'skivers' and 'strivers' and are often assumed to reflect the intuitions of the wider public.²¹ However, the level at which benefits are set or should be is often left ambiguous and rarely specified in public debates and discussion. When asked about the specific level at which benefits *should* be set, the majority of the survey respondents supported more generous payments. Specifically, most British people think that the benefits that claimants receive should be at least enough for them to afford 'everything they really need' (if not necessarily everything that most others in society take for granted) – that is, that benefits should meet a *Minimum Income Standard*.

Public support for a more generous and expansive social security system varies considerably according to the perceived circumstance and characteristics of claimants. For example, 73 per cent of the British public believe that in-work claimants should, at the very least, receive payment levels that mean they can afford 'everything they really need' (that is, a nutritious and varied diet, safe and dry accommodation, money for utility bills, clothing, childcare and transport). Support is roughly the same (72 per cent) for disabled claimants who are unable to work. However, it drops to 65 per cent for unemployed single parents and to 56 per cent for unemployed single people with no children. Nevertheless, this means that, even for the least supported group (unemployed single people with no children), most people support the idea that benefits should cover all necessities.

In terms of support for the most generous *Social Participation Standard* (benefits which would allow people to afford both necessities and things that most people take for granted), attitudes again vary depending on the type of claimant. The British public are most likely to support this standard for disabled people who are unable to work (42 per cent), followed by in-work claimants (33 per cent), unemployed single parents (22 per cent) and finally unemployed single people with no children (16 per cent).

It is also worth noting that the attitudes and policy preferences of benefit claimants themselves broadly mirror those of the general public. While benefit claimants are ever so slightly more likely to support higher levels of social security entitlement, it appears they nonetheless draw similar distinctions between the assumed needs, circumstance and 'deservingness' of different claimant groups. For example, support for a *Social Participation Standard* is highest for disabled people who

²¹ Hills J (2017) Good Times, Bad Times: The welfare myth of them and us, Policy Press

Figure 2: Welfare attitudes of the general public towards different claimant groups

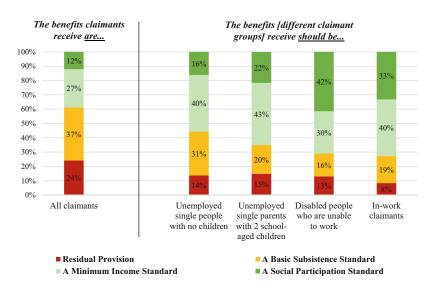
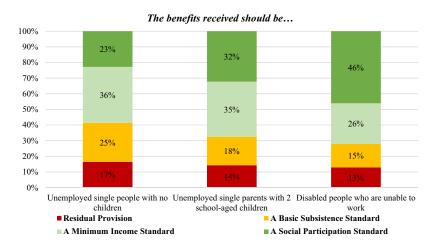


Figure 3: Welfare attitudes of benefit claimants towards different claimant groups



are unable to work, with 46 per cent of benefit claimants supporting this, and lowest for unemployed single people with no children, with only 23 per cent of benefit claimants supporting this (See Figure **3**).²²

²² WASD/YouGov survey of benefit claimants conducted 20 May to 14 June 2022, n=3,608. Dataset available via the UK Data Service.

ADDRESSING ISSUES OF ADEQUACY WITHIN THE SOCIAL SECURITY SYSTEM

Distinctions between so-called 'deserving' and 'undeserving' claimants continue to strongly colour welfare attitudes. However, our research shows that there is support across the board for higher benefit levels within our social security system. Increasingly, pro-welfare attitudes have been evidenced as part of a longer-term trend preceding the Covid-19 pandemic, ²³ but not always in specific reference to questions of human need and the hardship that social security is supposed to address.

"social security payments in the UK are made without any consideration of the extent to which they alleviate poverty"

To build on this, further work is needed to improve public understanding of changes to the social security system that have undermined benefit adequacy and coverage over time. In particular, further evidence and strategic communication is needed around the damaging effects of benefit freezes, the five-week wait for Universal Credit, benefit deductions, the two-child limit and the benefit cap – all of which are pushing low-income claimants into more severe forms of financial hardship.²⁴ This includes challenging public perceptions of claimant circumstance and characteristics - for example, by stressing that many low-income households in receipt of social security are already in work or very much on their way (back) towards it.

Beyond strengthening public support for improved benefit levels, important questions of implementation remain. To improve the design of the benefits system, many have long-argued that the level of working-age social security entitlement should be guided by principles of participation, redistribution and recognition. At the very minimum though, benefits should be set at a level that guarantees sufficient resources to cover the basic cost of living and safeguard human dignity. In this respect, there are operational examples to learn from across the world, such as the Minimum Livelihood Guarantee (Dibao) introduced just over two decades ago to alleviate urban poverty in China. Dibao assesses the resources available to a household and then tops the incomes of that household up to a level that lifts them up to a locally determined minimum standard of living. ²⁵ A similar initiative could be introduced in the UK social security system to ensure people have a minimum level of resources available to them irrespective of their employment status, demographic characteristics or household situation.

"we need to make sure political debate and policy discussions surrounding welfare are strongly tethered to objective living standards"

While this is not the only mechanism through which to achieve this, examples such as *Dibao* offer lessons on how to rethink our approach to the question of benefit adequacy. At present, social security payments in the UK are made without any consideration of the extent to which they alleviate poverty or facilitate social inclusion. This is despite considerable public support for a more generous benefits system. To ensure that this translates into a more meaningful and progressive policy agenda for social security, we need to make sure political debate and policy discussions surrounding welfare are strongly tethered to objective living standards. We know that there is acrossthe-board support for a more generous Minimum Income Standard in the UK social security system.

²³ de Vries R, Baumberg Geiger B, Scullion LC, Summers K, Edmiston D, Ingold I, Robertshaw D and Young D (2021) Solidarity in a Crisis? Trends in attitudes to benefits during COVID-19, Welfare at a (Social) Distance. www.distantwelfare.co.uk

²⁴ Summers K, Scullion L, Baumberg Geiger B, Robertshaw D, Edmiston D, Gibbons A, Karagiannaki E, de Vries R and Ingold J (2021) Claimants' Experiences of the Social Security System during the First Wave of COVID-19, Welfare at a (Social) Distance. https://www.distantwelfare.co.uk/winter-report

²⁵ Gao Q, Yang S and Li S (2015) 'Welfare, targeting and anti-poverty effectiveness: the case of urban China', The Quarterly Review of Economics and Finance, 56, May: 30-42

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So we need to benchmark benefit entitlements against it and assess the performance of welfare on this basis. Without this clear reference point, policy discussions will always drift away from the central question of 'is this enough to live on?'. By failing to seriously engage with this question and provide a 'civic minimum', 26 we not only render social security ineffectual at protecting people against deeper forms of poverty, we also undermine the cogency of the current social contract between citizens and the state in the UK.

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