

THE HIDDEN CRISIS OF IN-WORK POVERTY A FRONTLINE PERSPECTIVE



St Vincent
de Paul Society

England and Wales

Turning Concern into Action

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Executive summary

Despite historically high employment rates, in-work poverty has been rising steadily in the UK for nearly two decades. This reality challenges the assumption that work alone is a reliable route out of poverty.

The St Vincent de Paul Society (SVP) has seen a significant increase in working individuals and families seeking support across England and Wales. Through our eleven regional centres and over 800 local volunteer groups, many in areas of high deprivation, the SVP provides essential frontline services. These include access to food, white goods, energy and debt advice, and help with transport costs, all tailored to local needs.

This report offers a unique and grounded perspective on in-work poverty, combining lived experience from the SVP's grassroots network with national data and analysis. A survey of SVP members and advisers conducted over the past year reveals that in-work poverty is a complex and evolving issue. It disproportionately affects certain demographics such as part-time workers, single-parent families, and those in precarious or low-wage sectors like hospitality and support services.

Three key findings emerged from the SVP's research:

- 1** While anyone can experience in-work poverty, the highest risk groups are households with children, single parents, and those relying solely on part-time work.
- 2** There is no single cause. Low pay, high living costs, childcare and caring responsibilities, health issues, housing costs, and insecure employment all contribute to in-work poverty.
- 3** Affected individuals often face stark daily choices between food, heating, and rent. Many fall behind on bills, rely on foodbanks, and suffer from poor mental health, even while employed. While the SVP's work on the ground can mitigate some of the impacts, we recognise the importance of tackling the structural causes leading to in-work poverty. The report concludes with practical, evidence-based policy recommendations aimed at creating lasting, preventative solutions to tackle in-work poverty across the UK.

76% of respondents told us how people they supported and who were in work had to face the daily choice between essential items.

Introduction

In-work poverty has been a steadily growing issue in the UK for nearly two decades. Despite historically high employment rates, which are currently at 75% (1), and the introduction of measures such as the National Living Wage and in-work benefits, millions of people continue to experience poverty whilst in work. In 2022/23, over half (63%) of those living in poverty were in households with at least one working adult (2).

This issue has become a priority for the St Vincent de Paul Society (SVP) as a growing number of people in work are seeking our support across England and Wales. Increasingly, those who turn to us for help are in employment; working adults who, despite earning an income, struggle to afford the basics. Our eleven regional centres and network of over 800 local volunteer groups, many based in areas of high deprivation, deliver vital frontline services tailored to the specific needs of local communities.

These include providing food, white goods, helping with transport costs, providing energy and debt advice and other practical support.

Through this on-the-ground presence and direct engagement with people experiencing in-work poverty, the SVP has developed a deep and nuanced understanding of its diverse causes, complex realities, and evolving nature. This report brings together that insight, drawn from lived experience and frontline expertise, to offer both a comprehensive overview of in-work poverty and a set of evidence-based policy recommendations aimed at addressing it.

There exists an ever-growing number of reports and studies on the prevalence, causes and consequences of in-work poverty in the UK. They show how in-work poverty impacts individuals, families and communities unequally, with London, the north of England and Wales, and specific societal groups, often experiencing higher levels. These groups include workers in certain sectors, such as administration and support activities and accommodation and food services, as well as part-time and self-employed workers, ethnic minorities, and single-parent and larger households.

Crucially, in-work poverty is neither uniform nor static—it changes over time and is shaped by a complex interplay of personal, household, and structural factors. This report combines SVP's frontline knowledge with the existing evidence base to present a detailed picture of in-work poverty as it is experienced today. Its foundation is a survey conducted over the last twelve months with our volunteer members, regional centres and specialist advisers. While our services play a vital role in supporting those affected, the scale and persistence of in-work poverty demands systemic, preventative change. That is why this report also puts forward practical and achievable policy proposals grounded in the reality of people's lives.

59% of our respondents said that the most affected group were households with children.

(1) <https://commonslibrary.parliament.uk/research-briefings/cbp-9366/>

(2) <https://www.health.org.uk/evidence-hub/money-and-resources/poverty/in-work-poverty-trends>

Who is the St Vincent de Paul Society (England and Wales) (SVP)

We are a nationwide front-line charity, dedicated to tackling poverty and supporting individuals and families facing loneliness, hardship, and the many challenges that life can bring. Our approach is practical and non-judgemental, supporting those in need, whether they require a second chance or just a friendly helping hand. We offer help and support to those in need – irrespective of their faith, race, gender, sexual orientation, age, background or circumstances. We work closely with individuals and communities in some of the most deprived areas in England and Wales to develop and implement local solutions and help lift people out of poverty. Each year we reach over 80,000 people in communities across England and Wales. This support includes material and practical assistance, as well as visiting and befriending.

We have 11 regional centres – known as Community Support Projects – placed in communities where the need is greatest, working to break the barriers to inequality and diversity in a non-judgmental environment. These are thriving community hubs that offer support and services such as debt advice, warm spaces, free hot meals, food parcels, ESOL classes and counselling.

The backbone of the organisation are our 8,900 volunteer members (encompassing all faiths or none), operating in 800 communities across England and Wales. We also have approximately 8,500 volunteers aged from as young as 7 up to 35, actively participating in our Young Vincentians programmes. They come from schools, youth hubs, universities and communities across England and Wales. They bring a special energy to our volunteering activities, making an impact with dedication and enthusiasm.

We are committed to social justice and our work in this area is a central aspect of the Society's vision and mission. We advocate and campaign for those suffering from poverty, hardship and discrimination by collecting, interpreting and sharing evidence from our frontline services across England and Wales. This helps us inform and influence policies, practice and public opinion.



(2) <https://www.jrf.org.uk/news/jrf-annual-figures-show-unacceptable-increase-in-poverty#:~:text=In%2Dwork%20poverty%20remained%20stubbornly,high%20for%20certain%20racialised%20communities.>

Key findings

1 Our national survey shows that **households with children, single-parent families with children, and households with only part-time workers are most at risk of experiencing in-work poverty.**

2 **In-work poverty is caused by multiple and interrelated factors.** There is no silver bullet which can solve this issue. Our research shows how many factors increase the risk of experiencing in-work poverty. **The leading causes of in-work poverty are the cost of household bills, low pay, personal circumstances such as childcare responsibilities, caring responsibilities, health issues, the cost of housing and insecure work.**

3 **The consequences of in-work poverty are very real for households and can lead people and families to some very challenging everyday choices.** Our findings show the extent of the impact in-work poverty can have on households. Some of the main consequences we identified include people needing to choose between and/or live without everyday essentials (food, heating, clothing), people falling behind on household bills and rent, people needing to use a foodbank to meet their essential needs even if in-work, and people experiencing poor mental health.



The research

This report's findings and conclusions are driven by the results of an online survey that we launched in April 2024. Consisting of 11 open- and closed-ended questions, the survey captures the SVP's frontline services' experiences and expertise in helping, supporting and working with individuals, households and communities affected by in-work poverty across England and Wales. We received over 200 responses from our regional staff, volunteer members, and people with lived experience across England and Wales. These direct responses were augmented by additional one-to-one discussions and engagement.

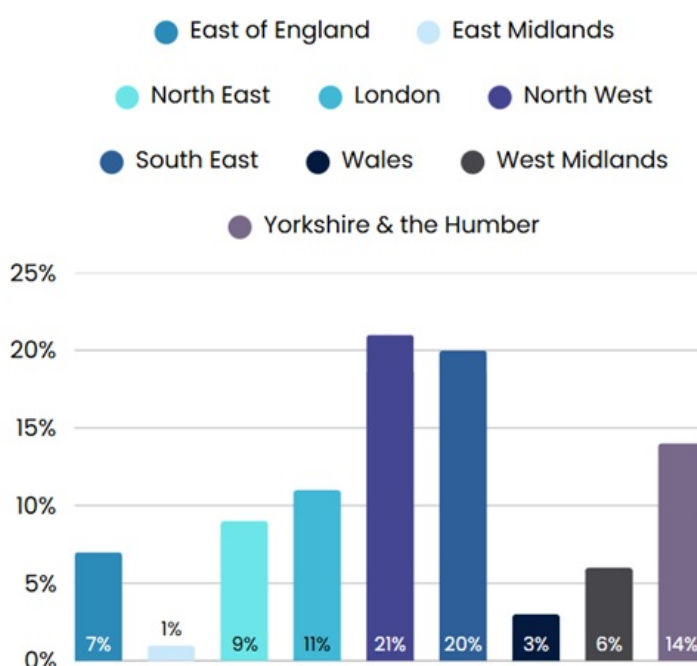
The survey uncovers rich and diverse insights. These address the prevalence, causes and consequences of in-work poverty, the people and the societal groups affected, and if, how and why in-work poverty has changed in recent years. The responses also uncover the different ways in which our frontline services help and support people affected by in-work poverty.

This report is also informed by our engagement with diverse expert stakeholders, including charities, think tanks, academics and our own frontline staff. Through formal and informal conversations, we gained insights that helped us broaden our understanding of in-work poverty in the UK, including its prevalence and causes, as well as potential solutions and preventative strategies. We organised and hosted an online workshop in November 2024 which allowed us to both secure feedback on our research data and analysis, and collaboratively shape and strengthen our policy recommendations. We would like to thank all participating organisations for sharing their expertise and insight with us.

For the purpose of this research, we understand in-work poverty as a phenomenon that occurs when the total net income of a working household, where at least one working-age adult is employed, is insufficient to meet the household's needs.

Where are the responses from?

Our survey received responses from across England and Wales, reflecting the geographic spread of the SVP's groups and services across the country.



The findings - Which groups are most at risk of experiencing in-work poverty?

Overall, in-work poverty has become more prevalent amongst our beneficiaries, yet it does not affect everyone equally. On the contrary, the survey reveals that although in-work poverty impacts diverse societal groups, it affects some much more than others. When asked who in-work poverty is affecting the most, the top six groups affected are set out below (see graph on page 9).

While other characteristics also seem to impact the likelihood of a household experiencing in-work poverty, these findings can help understand the additional barriers faced by people with specific characteristics.

59% of our respondents said that the most affected group were households with children. Within this group, single-parent families are particularly vulnerable to in-work poverty. Having children increases the likelihood of experiencing poverty, even if both parents are in work. This is likely because of the additional costs of raising children as well as the compounding impacts of other issues including the cost of childcare and the two-child benefit cap. This figure echoes findings from research from Action for Children which found that there are around 300,000 families with children in poverty despite all parents being in full-time work (3).

Our survey, as well as conversations with our advisers and volunteers on the ground, revealed that **households with only part-time workers are particularly vulnerable to in-work poverty.** This is partially due to part-time workers not being able to earn enough to cover life's essentials. Crucially, however, what also emerged is how many people were forced into part-time work because of the cost of childcare or because of caring responsibilities, which prevented them from increasing the number of hours they worked.

This finding is important as it highlights the complexity of this issue and how multiple factors can prevent work from being a meaningful route out of poverty.

This echoes findings from the Health Foundation who found that 63% of children and working-age adults in poverty in 2022/23 lived in families where at least one adult was working part-time or more, up from 56% in 2012/13 and 44% in 1996/97 (4).

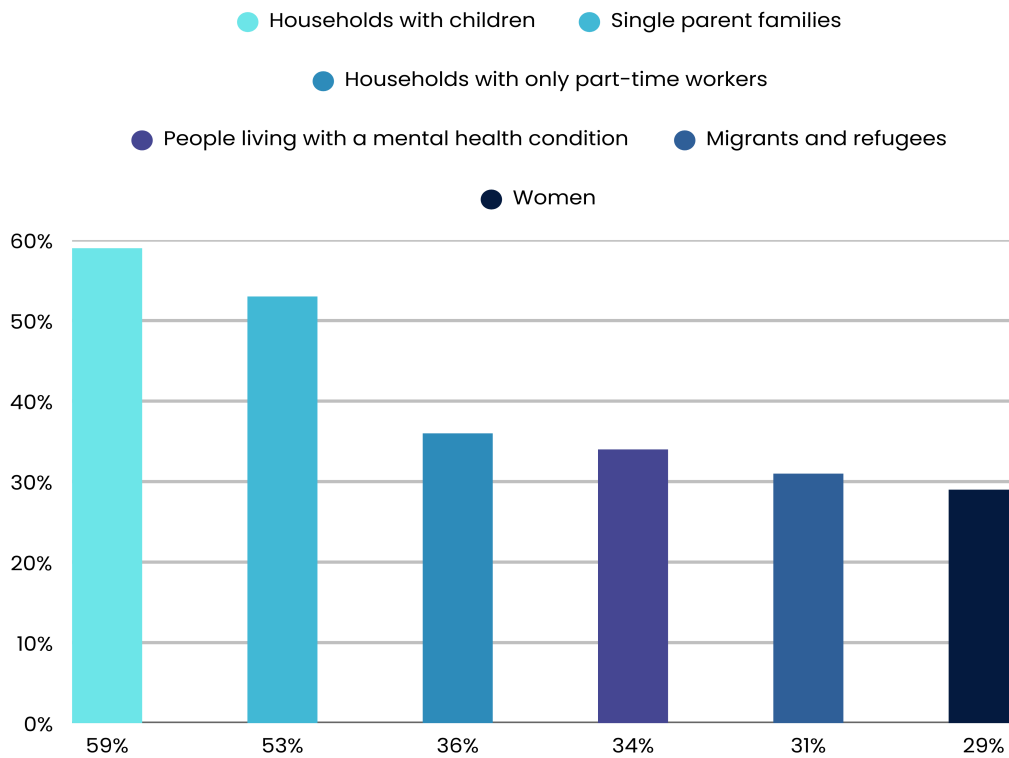
People living with a mental health condition followed closely as the group with the highest incidence of in-work poverty. Many of our respondents spoke about the additional and complex needs faced by people with mental health issues and the barriers they faced in finding suitable work.

One of our volunteer members noted how in-work poverty affects primarily migrants in their community and notes how *"Most are migrants whose qualifications are not transferable, resulting in well skilled and qualified individuals having to undertake menial work in poor conditions and pay. Mostly they are forced to take up jobs with zero hours contracts with no job or pay security"*.



(3) <https://www.actionforchildren.org.uk/our-work-and-impact/policy-work-campaigns-and-research/policy-reports/families-in-full-time-work-and-poverty/#:~:text=These%20include%20low%20pay%20and,being%20in%20full%2Dtime%20work.> (4) <https://www.health.org.uk/evidence-hub/money-and-resources/poverty/in-work-poverty-trends>

Q. In your experience, who is in-work poverty affecting the most?



Other prominent groups affected by in-work poverty and highlighted in a sizable number of the survey responses include people who struggle to budget effectively (28.90%), people with low(er) educational attainment and no / few qualifications (26%) and people living with physical health conditions (23%).

A few respondents mentioned that in-work poverty affects “everyone”, showing that although some groups are disproportionately affected, its prevalence and impact can stretch far beyond them.

Our research shows how in-work poverty impacts individuals, families and communities unequally, with specific societal groups often experiencing higher levels thereof. These groups include workers in certain sectors, such as administration and support activities and accommodation and food services.

The Government’s ambitious Child Poverty Strategy is a welcome commitment, however, without adequate policy responses to address growing rates of in-work poverty, efforts to reduce child poverty may be hindered. This strategy will need to tackle poverty from several angles, particularly when it comes to supporting families with children who are experiencing in-work poverty. This should include a focus on tackling the childcare market and reducing rates, as well as a focus on in-work progression and skills.

“**Most people are working hard but they still can’t make ends meet. Some are too shy to ask but children are not having enough food at home.**”

SVP volunteer member in the North West

What are the leading causes of in-work poverty?

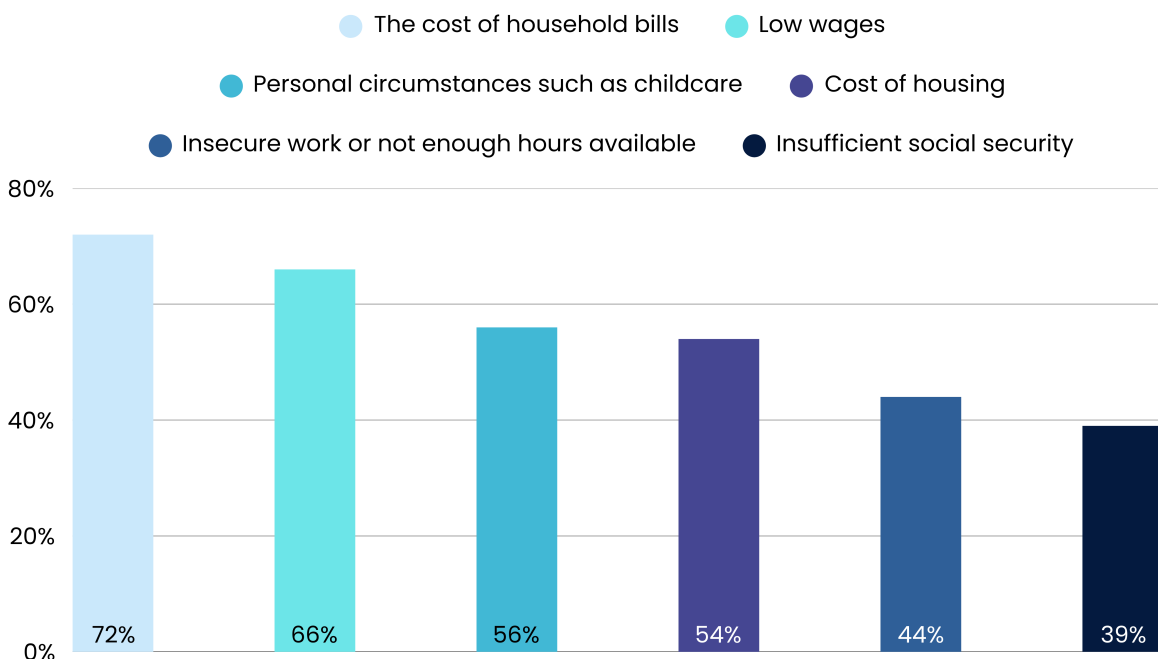
Work is often described as the best route out of poverty. As our research shows however, this is increasingly too simplistic as people and families face multiple and complex barriers preventing them from escaping poverty. For many families, their ability to work more hours or find alternative or better paid work is severely constrained by external factors such as lack of secure work or work with enough hours, and personal circumstances such as caring responsibilities.

Through our research, we wanted to understand what are the leading causes of in-work poverty. Our research identified several causes leading households to experience in-work poverty. These findings can help us better understand some of the factors that can exacerbate households' financial struggles and compound levels of in-work poverty. These findings also point to a need to reform markets, which have a big impact on the level of in-work poverty. Without reforming markets, including the energy market and the housing market, efforts to tackle in-work poverty risk failing.

By far the biggest issue driving levels of poverty amongst working households is the cost of household bills.

72% of respondents told us that the cost of essential household bills including gas, electricity, and council tax were the biggest issue preventing working people from escaping poverty. Even in households with full-time workers, the cost of household bills prevents people from having enough to meet essential household costs.

Q. What are the main causes of in-work poverty amongst the people you help and support?



Perhaps unsurprisingly, **low wages were the second biggest reason identified by our advisers and volunteers as being the biggest driver of in-work poverty.** 66% of respondents identified this as the main cause of rising rates of in-work poverty. We found this was consistent across different areas of England and Wales and was often exacerbated by the inability to find jobs with more hours or that offered more security (as opposed to zero-hour contracts).

Interestingly, our research shows that **56% of respondents found that personal circumstances such as childcare responsibilities and health issues are also one of the leading causes of in-work poverty.** This finding is echoed by research from groups such as the Resolution Foundation, which found that “...many families with children in poverty will have constraints that clearly affect their ability to do paid work (5)” and that for many of these families, “...the availability, cost and coordination challenges involved in managing childcare could be an issue.” (5).

One of our respondents summarises the range of challenges faced by families in-work who are in poverty: *“The individuals and families we advise and support who are experiencing in-work poverty face a range of challenges. Many are working multiple part-time jobs but still struggle to make ends meet due to low wages and limited hours. Some are single parents or carers who find it difficult to balance work with caregiving responsibilities. They often face difficulties affording basic essentials like food, heating, and clothing, and may fall behind on bills. Mental health issues, such as stress and anxiety, are also common due to the financial strain. Additionally, the rising costs of living and childcare, housing, and everyday living expenses create additional barriers, making it even harder to break the cycle of poverty. These families frequently rely on community or charitable support such as food banks to get by.”*

Our advisers also tell us that many of the people they support are only able to find temporary or zero-hour contract roles. They say *“These are often zero-hour contracts, which lead to unstable income and ‘bouncing back’ into charitable support on a regular basis. Yesterday, whilst working on reception, I had a lady come in for the foodbank. She laughed and told me that she works for our local council so finds it incredibly ironic she is using the foodbank.”*

“People are often bewildered to find themselves in the position of working, yet still experiencing financial hardship. For many years, we have been led to believe that work is a route out of poverty, however, this is not true anymore”

– SVP Member



(5) <https://www.resolutionfoundation.org/publications/working-poverty-out/>

Childcare and in-work poverty

In West Yorkshire, members of the SVP responded to a referral from a local primary school concerning a family facing significant economic challenges after being moved to social housing four miles from the closest school. The family, comprising two parents, three school-aged children, and a baby didn't have access to private transport and was reliant on a very limited public transport network. Because of the two-child benefit cap, only two out of the four children qualified for child benefit.

The father was employed in a low-wage factory role, while the mother held a zero-hour contract as a cleaner. The inflexibility of their employment conditions, coupled with a lack of affordable childcare, created a complex logistical challenge. As the baby was ineligible for free early years provision, the mother was unable to accompany the older children to school and ended up having to rely on the school's headteacher to drive the children to school.

The local SVP volunteer group researched transport options and identified a solution through a partnership with a local taxi company. This arrangement ensured that the same driver provided a consistent, safe journey for the children to and from school. Through funding provided by the SVP's Cost of Living Fund, the group was able to cover transport costs for two academic terms, providing temporary relief during a critical period.

To further support the family, the SVP group supplied regular food parcels to alleviate the financial pressure resulting from rising food prices. The parents, despite their demanding and often conflicting work schedules, made efforts for the family to spend quality time together—an important emotional need identified by their children, who had expressed concern over the limited time spent with both parents together.

Working collaboratively with the local authority, the SVP successfully secured placements for the children at another nearby school within walking distance of the family's home. This outcome not only eliminated the need for external transport assistance but also improved the family's ability to manage daily routines more sustainably.

This case highlights the critical role of community-based organisations in identifying and addressing the multifaceted barriers faced by low-income families, particularly around transport, childcare, and access to essential services. It also underscores the value of coordinated efforts between voluntary groups, schools, and local authorities in creating effective, dignified support solutions.

How housing costs compound in-work poverty

Amy (not her real name), a 21 year-old single mother to a four year old child, represents the growing number of working individuals experiencing severe in-work poverty. Despite being in part-time employment as a cleaner, which she carefully schedules around school drop-offs and pick-ups, she continues to face significant financial hardship.

Due to her age, Amy is only eligible for the lower rate of Housing Benefit, which does not reflect the true cost of her privately rented accommodation. She rents a flat from a private landlord, and while she carefully budgets, her limited income barely stretches to cover essential living costs. She does not spend money on social activities or personal items, and her day-to-day life is consumed by the effort of making ends meet between benefits and wage payments.

In April 2023, her rent increased by £25 per week. Amy applied to Gateshead Council for a Discretionary Housing Payment to cover the shortfall, but her application was declined. As a result, she was forced to absorb this cost from her already limited food budget, pushing the household into food insecurity. The situation worsened when she received notification of a further rent increase—this time by £70 per month. With no additional income to meet this rise, Amy is facing an unsustainable financial situation and possible homelessness.

St Vincent's Newcastle has been a lifeline for the family, providing regular food parcels and access to cost-of-living grants. These interventions have enabled Amy to meet basic needs such as warm clothing and toiletries, which would otherwise be unaffordable.

This case highlights the intersection of insecure work, inadequate welfare support, and rising housing costs—factors which disproportionately impact young single parents. Amy's experience underscores the urgent need for policy reform in three key areas: housing support, in-work support and discretionary payments.

St Vincent's Newcastle continues to raise emergency funds to support Amy and her daughter, offering them some short-term financial stability. **However, without systemic change, many more families like Amy's will remain trapped in the cycle of in-work poverty.**

What are the consequences of in-work poverty?

The consequences of in-work poverty are very real for households and can force individuals and families to make some very challenging everyday choices. We asked our support staff and volunteers what the impacts are of being in work and still experiencing poverty. The findings shine a light on the urgent need to tackle this problem.

A staggering 76% of respondents told us how people they supported and who were in work, both full and part-time, had to face the daily choice between essential items. In most cases this means choosing between buying food, paying for household bills, or buying baby and children's items.

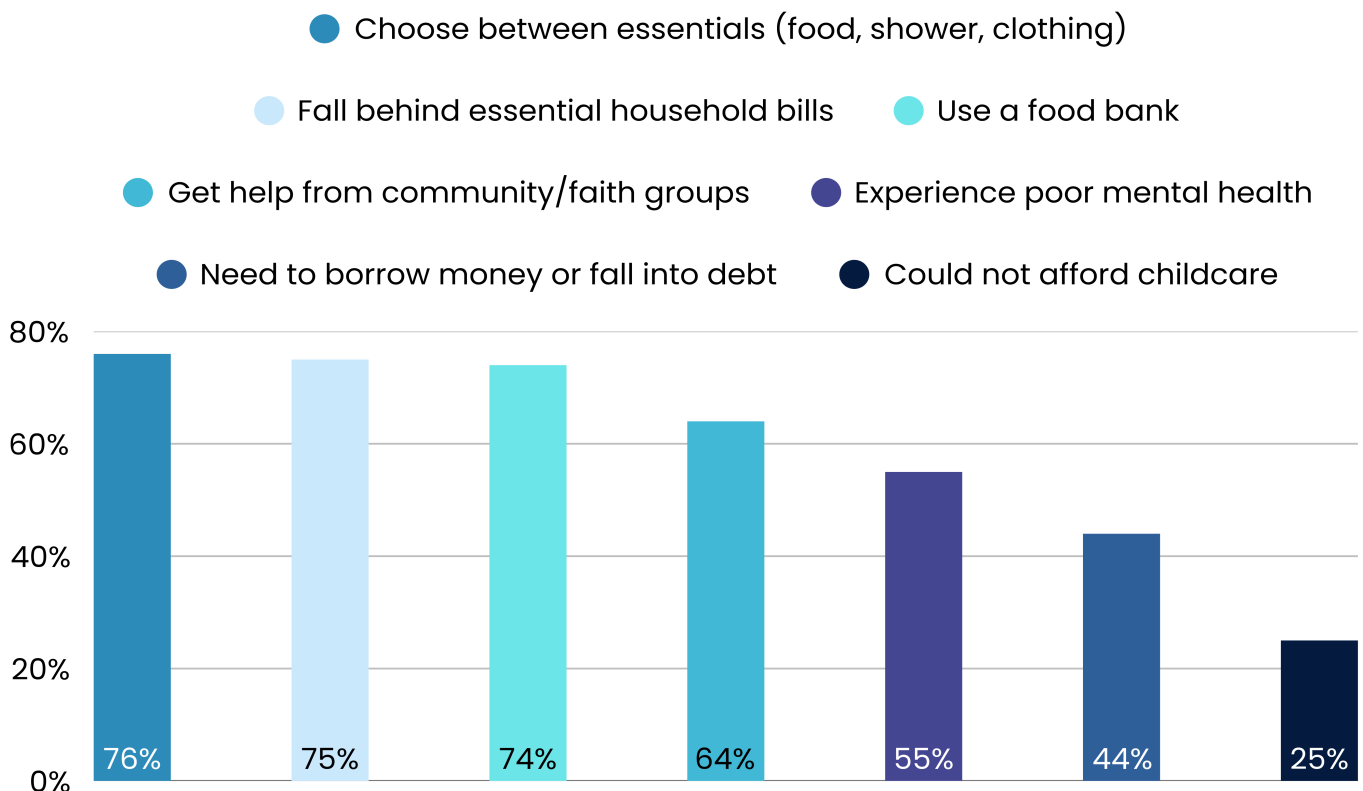
Almost the same amount of people, **75%, told us that people they supported and who are in work, were falling behind on essential household bills.** These were most often critical bills such as gas and electricity, water and council tax. Several of our respondents told us about the severity of this during the colder months when people could not afford to heat their houses. This also highlights the risk of people facing eviction and homelessness if unable to keep up with rent or council tax payments.

Food poverty ranked amongst one of the highest consequences of in-work poverty, as 74% of respondents told us that working people they supported were relying on foodbanks to meet their needs.

Our frontline services have told us of a steady rise in the number of people in work who are accessing our emergency food services which include foodbanks, free hot meals, and food pantries.

Our research also points to the devastating impacts on mental health of in-work poverty. One of our respondents said, "The individuals are constantly stressed about living and seem to have lost hope with no solutions in sight."

Q. What are the main consequences of in-work poverty for the people you help and support?



Work disincentives and Universal Credit

A recent account from a volunteer with the SVP reveals the hidden hardship faced by a teacher struggling to provide for her family while navigating the constraints of the welfare system.

Despite being employed, she was sleeping on a broken sofa due to being unable to afford a bed, while her teenage children were studying in a small, windowless room with barely enough table space for their schoolwork. When the family's washing machine broke down, she resorted to using the laundry facilities at the school where she worked, as replacing the appliance was unaffordable to her.

Crucially, she had turned down additional work hours—despite being offered them—for fear that the extra income would result in a reduction of her Universal Credit entitlement. She was also concerned that taking on more hours would reduce the time she could spend supporting her children at home. This situation illustrates the perverse disincentives embedded in the benefits system, which can penalise those who attempt to increase their earnings, particularly in households with caring responsibilities. This case also demonstrates the limitations of current welfare provisions and the way in which Universal Credit can inadvertently trap individuals in a cycle of low income. Even skilled professionals with steady employment can fall into in-work poverty when systemic structures fail to provide adequate support or flexibility.

This case highlights that in-work poverty is not limited to the unemployed or underemployed. It affects individuals across a wide spectrum of professions, and it demands urgent, systemic responses to ensure that work provides a genuine route out of poverty.

“We have witnessed people appear to display a sense of isolation and shame in being unable to support the family whilst working hard in a poorly paid job”

– SVP Volunteer Member in Wales

How have rates of in-work poverty changed over the years?

Our survey results reveal that in-work poverty is prevalent amongst the people our frontline services help and support. When asking respondents how many people experiencing in-work poverty they had helped and supported over the past 12 months in their local area, 31% of respondents said that they had helped and supported more than 20 people, and 17% supported between 10 and 20 people.

More than two-thirds of survey responses reported an increase in the number of people experiencing in-work poverty that the SVPs' Support Centres, volunteer groups and projects had helped and supported over the last five years. **42% of respondents have seen a large increase in the number of people experiencing in-work poverty and 26% saw a small but noticeable increase over the last 12 months.**

One of our respondents said, "I work in a primary school as a pastoral manager and in just over two years I have seen growing numbers of families needing support with food, white goods, housing and debt and mental health cases double. Due to long waiting lists or parents not meeting specific criteria they are turning to school and voluntary services for support and food."

“In 50 years with SVP, never known it as bad as it is at the moment.”

*SVP Support Member
in the South East*

In-work progression challenges

Katy (not her real name), a single mother of two, approached one of our St Vincent's Centres for debt advice after receiving a notice seeking possession from her housing association due to significant rent arrears. Katy works part-time at a local Asda, covering five evening shifts per week, and supplements her income through Universal Credit (UC). Her two children are aged 14 and 4. Her eldest has a diagnosis of autism, placing additional care demands on the family.

Despite working, Katy was struggling to manage financially. Her monthly rent was £500 yet her UC housing element covered only £411, leaving a shortfall that she could not meet. Over time, this deficit contributed to rent arrears amounting to several thousand pounds, putting her tenancy at risk.

The case was assigned to one of the centre's debt advisers, who immediately negotiated a pause in possession proceedings with the housing association to allow time for a full financial assessment. During this process, the adviser identified a total of £14,300 in debt, including rent arrears, energy debts, council tax arrears, water charges and deductions from her UC due to historic debt. Crucially, part of the rent arrears were found to have been accrued by Katy's late mother, prior to the tenancy being formally transferred. The centre successfully challenged this portion of the debt, reducing the overall arrears.

Katy was also referred to the centre's in-house benefits adviser, who supported her application for a Discretionary Housing Payment (DHP). This temporary increase in her housing award provided some immediate relief while a longer-term solution was explored.

Following a full debt review, the centre identified a Debt Relief Order (DRO) as the most appropriate course of action. The centre supported Katy throughout the application process, resulting in the full write-off of her qualifying debts. Importantly, this outcome also triggered the cessation of monthly deductions from her UC, increasing her disposable income and easing the financial pressure.

Katy is no longer at risk of eviction, and with improved financial breathing space she is better able to meet her family's basic needs. She has been invited to attend the centre's financial skills course, equipping her with the tools and knowledge to maintain stability and prevent future crises. This case illustrates how low-paid work, combined with caring responsibilities and structural shortfalls in the benefits system, can drive individuals into unsustainable debt. With the right support, families like Katy's can move from crisis toward stability—but policy change is essential to ensure this support is not the exception, but the norm.

Work, a route out of poverty?

Josy (not her real name) works as a bank staff cleaner in a hospital, a school support worker, and a freelance school photographer. Despite working across three jobs, she remains in a precarious financial position, exacerbated by insecure contracts and fluctuating income. Josy said: “I worked a few cleaning shifts at the hospital over the last three days. After tax, I’ll get £172. I’m on bank staff, so I grab the shifts when I can. I’ll work the next two days at a school—paid less per hour there—doing quite possibly the most important job out there.”

The volatility of bank and freelance work leaves her income highly unpredictable. With no shifts available at the hospital in the coming weeks and school photography work delayed, her household faces nearly five weeks without sufficient earnings.

Her experience highlights the structural imbalance in a system that fails to reward essential, people-focused work fairly: “On paper I have three jobs. In reality, I’m drowning in the juggle and the financial stress. But it’s ok, because that extra 77p increase in the minimum wage is really going to save us all—right?”

Rising electricity, council tax, petrol and food prices continue to eat away at her income: “How dare I want clean clothes and fresh fruit? When the cost of getting to work swallows up most of what I earn to be there.”

She reflects on having once made a conscious decision to prioritise family and meaningful work, only to now be told to “strive for progression” by people who are disconnected from the realities of frontline roles. “Who will clean the toilets and hold hands and go swimming when we’re all in management posts?”

Her story illustrates the deep disconnect between government rhetoric around ‘progression’ and the lived experience of working-class people in essential roles. It poses a powerful question: What does ‘striving’ look like when the system offers no fair reward for work that matters?

This case calls for a fundamental shift in how society recognises, supports, and rewards essential but traditionally low-paid workers. Without fair pay, families will continue to struggle—regardless of how many jobs they hold.

“Everything is much more expensive than it used to be, and households are not just making choices between heating or eating now – they are denying themselves heating and not purchasing fresh foods in order to afford their rent. Among our beneficiaries, we have found that a lot of people are struggling to meet their monthly rent obligations and therefore falling into arrears. This often can lead to eviction – having unstable housing quite often means you’re not able to sustain employment”.

– SVP Welfare adviser in the North East

Policy recommendations

The SVP plays a vital role in supporting people and their families experiencing in-work poverty. However, this work alone cannot address this growing problem. There is a need for action at a national level through policy change. This report highlights several areas where change is needed:

1. **Higher wages**
2. **Support with household costs**
3. **Expansion of in-work support for people with additional needs**
4. **Strengthen the social security system**

This list isn't exhaustive, there are many other areas where policy change could support people who are experiencing in-work poverty. However implementing some of the specific recommendations we detail below could have a significant impact.



1. Higher wages

As the results of our national survey and the testimonies shared throughout this report demonstrate, low pay remains one of the most significant drivers of in-work poverty. While the recent increase to the National Minimum Wage is welcome and reflects a growing recognition of the issue by the government, this policy remains insufficient to meet the real cost of living, especially amid soaring inflation in housing, energy, and essential goods.

The SVP supports efforts to raise minimum pay, but we believe further action is needed to ensure that work genuinely provides a route out of poverty, rather than perpetuating financial hardship. Many of the individuals supported by our services are working in roles that are essential to the functioning of society— care workers, cleaners, shop workers— yet their wages fall short of covering basic living costs.

What we recommend:

Strengthen enforcement of the National Minimum Wage (NMW)

The SVP welcomes the inclusion of stronger enforcement provisions in the proposed Employment Rights Bill, but urges the government to ensure adequate funding and resources for HMRC and other enforcement bodies.

Support wider implementation of the Real Living Wage

The government should take steps to encourage and incentivise employers to adopt the Real Living Wage, as set by the Living Wage Foundation. This independently calculated rate reflects the true cost of living and is higher than the statutory NMW.

2. Support with household costs

The cost of essentials such as energy, water, food, rent, and council tax continues to rise sharply, placing unsustainable pressure on low-income households. As demonstrated by the frontline work of SVP advice services in Leeds, Bradford, Newcastle and Southend and the practical support provided by our community centres nationwide, many families are being pushed into crisis simply by trying to meet everyday household bills.

These services regularly support individuals and families experiencing fuel poverty, food insecurity, and arrears on rent and utilities—often while juggling work and caring responsibilities. Many are trapped in a cycle of financial instability, reliant on short-term emergency funding that lacks consistency and predictability.

While the government has implemented temporary support measures, including the Household Support Fund (HSF), a long-term, sustainable approach is now needed. In the absence of such a strategy, demand for voluntary sector services continues to rise, even as their capacity is stretched thin. To address this, the SVP calls for the following actions:

Sustainable funding for advice and crisis support services

Advice services play a vital role in preventing homelessness, managing debt, and maximising income, especially for vulnerable groups. Yet many operate on precarious or short-term funding models. This must include provision for face-to-face support, which remains essential for individuals with complex needs, low digital literacy, or limited access to online services.

Targeted action to address rising utility costs

The increasing cost of gas, electricity, and water has had a disproportionate impact on households with low or insecure incomes. Many of the people supported by SVP are forced to choose between heating and eating or fall into arrears on essential bills. This includes expanding targeted support, such as social tariffs for energy and water, and increasing the generosity and reach of existing schemes like the Warm Home Discount.

Reforming the household support fund (HSF)

The Household Support Fund has provided a crucial safety net during the cost-of-living crisis, helping families cover emergency expenses such as fuel, food, and clothing. However, the short-term and ad-hoc nature of the fund limits its long-term impact. The SVP supports the continuation of the Household Support Fund in the short term but urges the government to develop a more strategic, long-term funding model to replace it. This replacement should be locally administered but nationally guaranteed, providing reliable crisis funding to families in need, without the uncertainty of piecemeal renewals.



3. Expansion of in-work poverty support for people with additional needs

Many of the individuals supported by the SVP face additional barriers to stable and secure employment, whether due to disability, caring responsibilities, or other complex needs. These barriers are often compounded by inflexible job roles, inadequate support from employment services, and a lack of affordable childcare. As our case studies show, even when individuals secure work, they are often unable to progress or sustain employment without tailored, long-term support.

Despite the emphasis on getting people "back into work," the current model of support offered through Jobcentres and Universal Credit job coaches frequently falls short for those with additional needs. Services are often generic, target-driven, and not equipped to provide the personalised, compassionate support required for those facing complex circumstances.

We recommend:

A comprehensive review of the role of Jobcentre job coaches, with a focus on how they support individuals with additional needs. Including:

- Enhanced training for coaches on working with disabled people, carers, and people with additional needs.
- Greater flexibility for work expectations and conditionality for those with caring responsibilities or health challenges.
- Stronger links with local voluntary and community organisations that offer holistic, person-centred employment support.

Improved access to affordable and flexible childcare: Childcare remains one of the biggest obstacles to employment for low-income parents, particularly single parents and those working irregular hours. Many cannot increase their hours or even accept work due to childcare costs or limited availability.

Expanding in-work support for people with additional needs is not just about helping people into any job, it's about ensuring they can thrive in work, without sacrificing their wellbeing or that of their families. With the right systems in place, work can be both achievable and sustainable for everyone.

4. Strengthen the social security system

The current design of the welfare system often fails to protect low-income working families from poverty. Instead of providing a stable safety net, it can penalise those attempting to increase their income or balance work with caring responsibilities. The SVP supports reforms to ensure the benefits system is fair, adequate, and supportive of work.

We call for the following reforms:

- End the two-child limit on benefits, which unfairly penalises larger families and is a significant driver of child poverty.
- Increase the basic rate of Universal Credit so that it covers essential living costs, ensuring no one falls into destitution. A review of sanctions is also needed to ensure they are not applied unfairly or punitively, especially to those in low-paid or insecure work.



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