



**Older People's Commissioner for Wales**  
**Comisiynydd Pobl Hŷn Cymru**

## **EQUALITY & POVERTY FACTSHEET**

### **Introduction**

Poverty is **not** a 'protected characteristic' in the Equality Act 2010. The UK Government decided not to bring into force Part 1 of the Act which would place a 'socio-economic equality duty' on the public sector.

The Tackling Poverty Action plan 2013 sets out how the Welsh Government intends to target resources across departments to prevent poverty and alleviate its impact on people's lives. The devolved Welsh administration has also recently committed to exploring the possibility of implementing a Welsh socio-economic equality duty. Unfortunately, neither of these strategic drivers explicitly reference older people.

### **The issues**

There are over 100,000 pensioners living in poverty in Wales and approximately 20% of older people, and single older people in particular, live below the poverty line. Somewhere in the region of 80,000 pensioners are reliant on the state pension and other benefits as their only source of income. 42% of pensioner households experience fuel poverty (where 10% or more of annual income goes on paying for heating).

The Joseph Rowntree Foundation have highlighted that the drop in pensioner poverty in Wales has been half the rate of that in Scotland over the last decade. In 1977, 54% of older people were in the bottom three groups of UK income distribution whereas in 2011 this was 26%. In the third group the proportion of older people represented increased from 8% in 1977 to 23% in 2011.

Office for National Statistics (ONS) data in 2011 shows that if older people have no private pension and no other income then they have a 60% chance of being in the bottom two income groups. The ONS states that single people with no private pension are the least likely to be in the top two income groups and couples with no private pension were the most likely to be in the bottom two groups. A protective factor in getting older people out of the bottom two groups was for them to have savings of at least £20K.

The ONS study also argues that two thirds of older women (age 60+) live in relative poverty. This is because there are more older women than men and because older women have lower income levels. There are a number of contributory factors here. The gender pay gap during working lives, and interrupted pension contributions due to caring responsibilities, combine with the fact older women are often widows and the level of occupational pension for a widow is generally only half the level of the pension received by the couple when the man was alive.

Being single, being a women and having no private pension are strong indicators that a person is more likely to be in poverty in older age. Couples where one partner is retired and one in work are the most likely to be in the highest group in terms of income distribution.

## **Conclusion**

There are many factors that can converge to cause poverty in later life. Unfortunately, the extent and nature of older people's experience of poverty is often not appreciated by the devolved and UK Governments alike. Until we address the misconceived notion that older people are immune to the challenges of the current economic climate and the UK Governments programme of welfare reform, many older people will remain at substantial risk of living out their latter years, excluded and suffering the effects of social deprivation.

To see the evidence base for this factsheet and further resources visit [www.olderpeoplewales.com](http://www.olderpeoplewales.com)