

Meeting: Cabinet
Date: 18 July 2023
Classification: Part 1
Key Decision: Yes
Title of Report: Notice of Motion – Supporting Southend’s WASPIs

Executive Director: Vacant
Report Author: Lauren Dolphin, Research & Policy Officer
Executive Councillor: Cllr Tony Cox, Leader

1. Executive Summary

- 1.1. On 23rd March 2023, a Notice of Motion was submitted to Council asking the Leader of the Council to write to Southend’s local Members of Parliament and the Secretary of State for Work and Pensions (DWP) in support of the Southend WASPI who have suffered financially because of changes to the rise in pension age.
- 1.2. The Motion notes the Parliamentary and Health Service Ombudsman (PHSO) findings that DWP are guilty of maladministration, but that compensation has not been forthcoming. The Motion highlights several impacts including financial destitution, and wider impacts on council services, housing stock, capacity in the voluntary and community sector.

2. Recommendations

- It is recommended that Cabinet:**
- 2.1. **Pass the Notice of Motion which requests that the Leader of the Council to write to the two local Members of Parliament, and to the Secretary of State for Work and Pensions to outline the effects of the injustice to 1950s women on the community in the City of Southend-on-Sea and to seek their support for an immediate compensation package.**

3. Background

- 3.1. The WASPI campaign has been running for over a decade and has won the support of thousands of women across the UK. Women born on or after 6 April 1950 are affected by changes in State Pension age introduced by the Pensions Act 1995 and further changes made in subsequent years. In Southend, 11,317 women are aged 70-84, 6% of the local population.

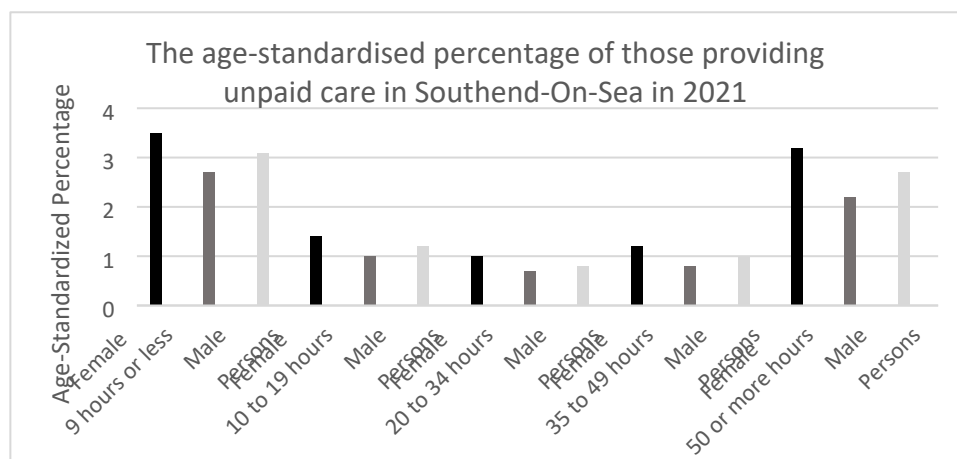
- 3.2. A number of other councils have spoken out against women's state pension inequality. There is growing support for the WASPI campaign and for the call for compensation for women who have been affected by the changes to the State Pension Age.
- 3.3. The Motion outlined that the proposed action of the Leader writing to local MPs, would support:
- The conclusion of the All-Party Parliamentary Group on State Pension Inequality that women born in the 1950s have suffered a gross injustice, affecting their emotional, physical and mental circumstances in addition to causing financial hardship.
 - A swift resolution to this ongoing injustice before more women die waiting for compensation.
 - The WASPI campaign for an immediate one-off compensation payment of between £11,666 and £20,000 to those affected, with the most going to women who were given the shortest notice of the longest increase in their state pension age.

4. Reasons for Decisions

4.1. **The reasons this Motion should be supported are outlined in full below. In summary, the Motion supports the Council's stated equality objectives to work to bring equality, diversity and inclusion issues into sharper focus. The recommended decision would act to minimise groups who experience disadvantage from two of the Equality Act's protected characteristics, gender and age.**

4.2. The below section outlines the potential disadvantaged experienced in Southend-on-Sea.

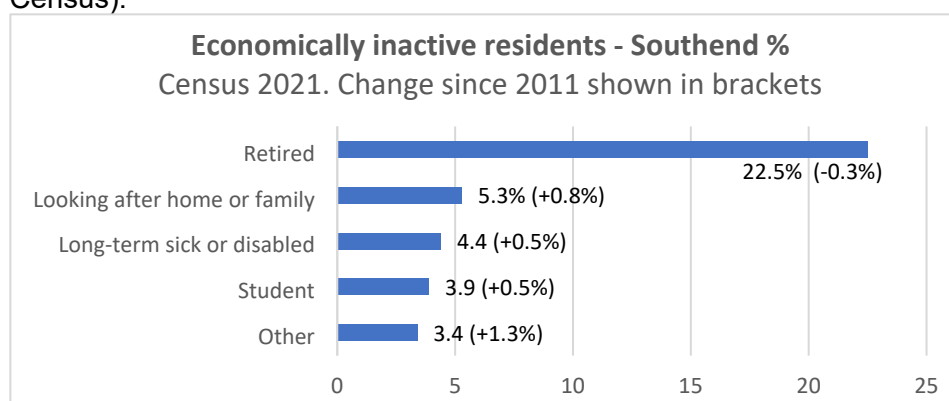
4.3. The 2021 Census asked Southend residents "Do you look after, or give any help or support to, anyone because they have long-term physical or mental health conditions or illnesses, or problems related to old age?". People were asked to exclude anything they did as part of their paid employment. From the results, it is evident that most unpaid care in Southend is provided by women, a reduction of such care would significantly impact Southend.



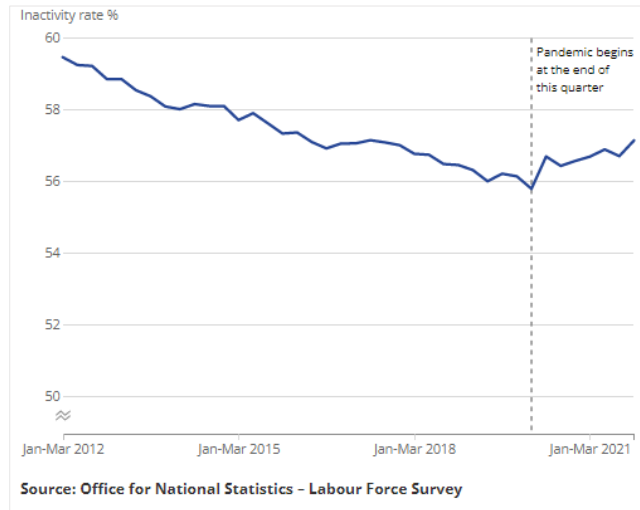
Age-standardised percentage of those providing unpaid care by care hours Southend-On-Sea in 2021

3.2 Women who would have retired and engaged in caring responsibilities for grandchildren are having to continue working, increasing the pressure on local childcare spaces and facilities

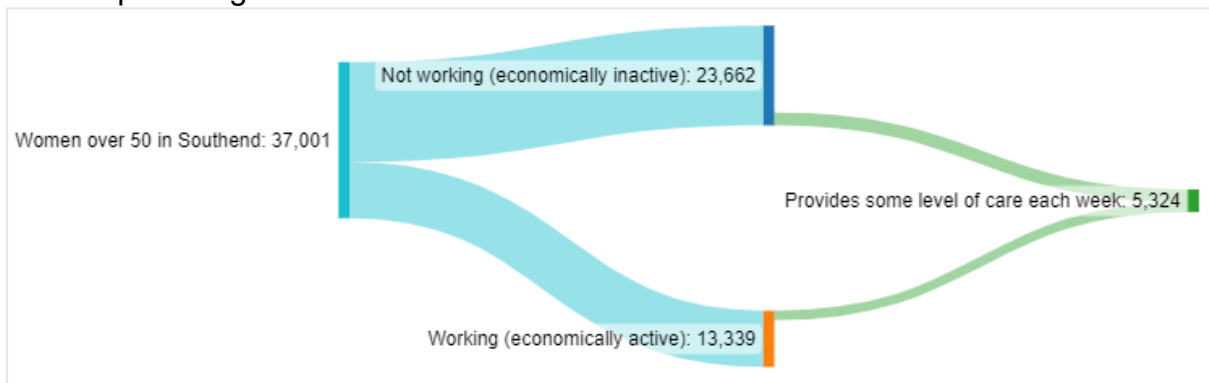
- 4.4. A 2019 study by the National Institute on Retirement Security found that the number of women aged 55 and older who are working has increased by 50% since 1990. The study also found that the increase in labour force participation among older women is largely due to the need to provide care for grandchildren.
- 4.5. The cost of childcare has increased significantly in recent years - a report by the Family and Childcare Trust, saw the average cost of full-time childcare for a child under two in the South East to be £241.55 per week, an increase of 20% from the previous year. In addition, many grandparents are now the primary caregivers for their grandchildren.
- 4.6. The over 50 age group represents a large and growing fraction of the Southend population and labour force, up 3.3% in 10 years. This has been driven by population ageing and other demographic changes. Trends in economic inactivity indicators, demonstrate how those retiring has decreased in the last 10 years by 0.3%, while those 'looking after home or family' indeed increased by +0.8% (2021 Census).



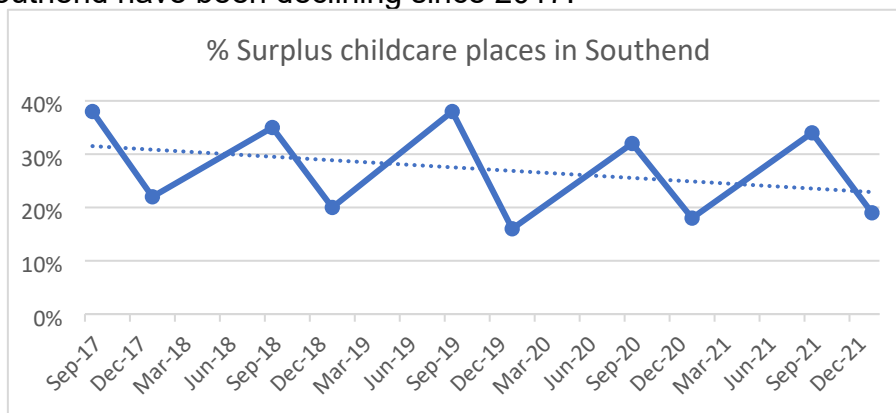
- 4.7. It should be noted that the national labour market was also affected by the coronavirus (COVID-19) pandemic, changing the way some people work. The proportion of people aged 50+ who were not working (economically inactive) increased since the start of the pandemic, bucking the historical 10 year trend.



4.8. In Southend there are 23,662 women over 50, who are not working, and 3,066 of these women provide some level of care each week. Many women who provide some level of care remain working. In Southend there are 13,339 women over 50, who are working, with 2,258 of these women also providing some level of care each week.



4.9. Responding to the claim of increased pressure on childcare settings and places for children, the current number of full-time equivalent places (FTE) in School nursery classes in Southend is 472 places. Most settings offer part time places, enabling comparison over time. Surplus childcare places in Southend have been declining since 2017:



3.3 Women who have been left in poverty are struggling to meet their housing costs, with a knock-on impact on local housing stock

- 4.10. The rising cost of housing is a major challenge for women in poverty. The average rent in Southend is now £885 per month, which is out of reach for many women on low incomes. This means that many women are forced to live in overcrowded or substandard housing, or to move into temporary accommodation.
- 4.11. Southend-on-Sea City Council also works with a number of other organizations to provide support to older people, including Age UK, the Alzheimer's Society, and Carers UK. Some of the housing services offered by the council include:
- Sheltered housing: Sheltered housing is designed for older people who need some support with their daily living. It typically offers shared communal areas.
 - Extra care housing: A type of housing that provides both sheltered housing and nursing care.
 - Independent living: Independent living is a type of housing that is designed for older people who are able to live independently.
- 4.12. The 2022 household data of South Essex Homes residents shows 51% are recorded as female (including children), and 25.9% of all residents are aged 60+.

3.4 There is a broader impact on voluntary services of all kinds locally, which are missing out on able, active volunteers who would otherwise have been able to retire from full-time work as planned

- 4.13. Exploring broader impacts upon Southend's voluntary services, responses to the Southend Residents' Perception Survey 2021 (5. Active and Involved) align with this view. Residents responded to statements about community involvement, and barriers to volunteering:
- 21% of respondents felt 'my work-life balance has worsened and I don't have the time to get involved any more'
 - 14% of respondents had 'better use of time now'
 - 8% of respondents had limiting childcare options
 - 7% of respondents agreed that volunteering activities that they used to do are no longer happening.

- 4.14. While the participants of this survey may not all have been directly impacted by the pension changes, this survey provides insight into how such changes to work-life balance, and wider time commitments impact the local voluntary sector negatively.

3.5. *Our local economy is negatively affected by the reduced spending power and disposable income of 1950s-born women caused by the uncommunicated State Pension Age changes*

- 4.15. The local economy in Southend would be negatively affected by this reduced spending power. In Southend, 11,317 women are aged 70-84, 6% of the local population. Compounding factors supporting this claim should be considered.

- Reduced spending power: The State Pension Age changes have meant that many women born in the 1950s have had to work longer than they expected. This has reduced their spending power, as they have had to save more for retirement.
- Reduced disposable income: The State Pension Age changes have also meant that many women born in the 1950s have had to take on more unpaid caring responsibilities. This has reduced their disposable income, as they have had less time to work or earn money.

- 4.16. Average disposable income nationally, after housing costs (2020 data), sees the average disposable income for those aged 55-65 to be £36,426 and £30,649 for those 65+. As the cost of living continues to rise, Southend City Council have centralised helpful information for residents on Cost-of-living support and advice: www.southend.gov.uk/costofliving. Such support extends to Financial support, Benefits and support for those with children; Food support; Warm hubs; Energy cost advice and support; Business support; Housing support; Domestic abuse support and Health support.

- 4.17. The reduced spending power and disposable income of 1950s-born women would have a negative impact on the local economy in Southend in a number of ways. For example, it could lead to:

- Reduced demand for goods and services: If women have less money to spend, they are likely to buy less goods and services.
- Reduced tax revenue: If women have less money to spend, they are likely to pay less tax.
- Increased poverty: The reduced spending power and disposable income of 1950s-born women could lead to an increase in poverty in Southend.

5. Other Options

- 5.1. Take no action. However, this activity would not be in line with the Council's stated Equality Objectives.

6. Financial Implications

- 6.1. Writing to local MPs to support women with financial compensation would enable them to live more comfortably and reduce potential burdens on the state including potential missed caring opportunities (both for early years and sick or elderly relatives).

7. Legal Implications

- 7.1. None identified

8. Carbon Impact

- 8.1. None identified

9. Equalities

- 10.1 Passing this Motion would support the Council's equality objectives, which states that 'We will work to bring equality, diversity and inclusion issues into sharper focus'. There are a number of compounding equality issues identified in this Motion. The issues raised within the Motion would act to minimise groups who experience disadvantage from two of the Equality Act's protected characteristics, gender and age.

10. Consultation

- 10.1. None