

Partnership to end poverty

Summoning a coalition of compassion
to get Britain through the poverty crisis



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The
Multibank

Leave nobody behind

The poverty we are seeing around us is demoralising, demeaning and dehumanising and must be urgently addressed. The vision of an end to extreme poverty will not be achieved overnight in a month or a year, but it can be achieved by consistent and dedicated team work over an agreed period of time. And with a strategy that comprises a clear goal, an unbreakable timetable and a specific role for each partner – charities, companies and government – to play their part, we CAN abolish poverty in this generation.

The big idea is a new partnership to end poverty, not for its own sake, but as the fastest and most credible way to end the fast-building destitution in our midst. Current support for families in poverty is fragmented. Everyone does their own thing – the state controls what's left of the public safety net; charities are forced to step up with emergency relief; and companies give donations. But there's not enough cooperation and co-ordination and, more fundamentally, given the scale of poverty in our midst, nothing like enough resources are being mobilised overall. Putting this right involves summoning a new three-way partnership between government, the voluntary organisations and the corporate sector for the duration of the crisis and that in turn requires:

1. A clear vision and deliverable timetable from our government to end destitution now, and poverty in 10 years. A credible national commitment by the government and a sense of direction – and milestones on the way – can galvanise everyone to do their bit and then smart partnerships will not merely add to, but multiply up the resources available for relief. But only when we can see foodbanks fulfilling their aim to put themselves out of existence will we be able to have some faith in the progress.

2. Understanding how much the world has changed – Three seismic shifts bear on the outlook for poverty. The austerity state is withdrawing from many past duties, after tearing the safety net apart. Charities are left picking up the pieces with people who have fallen through to rocks, and are themselves under huge pressure from the weight of the emergency relief required: they yearn to be part of a more radical rebuilding of society, and being engaged in working through what this means. And companies are aware that fulfilment of social and environmental responsibilities is not incidental to but increasingly integral to business success, and aware, too, that few of them are yet doing anything like enough to tackle social as well as environmental problems that also have grave implications for them. These new truths cannot be ignored, but must be confronted and worked into our plans.

3. How cooperation can work – Charities and the corporate sector must be reassured that the new alliance we seek will not in any way compromise their independence nor provide a pretext for the state shirking its own crucial role. No government that is serious about partnership can demand others do more, while itself doing less. Such an approach would only succeed in normalising the emergency relief that has had to be made available in a crisis and institutionalising the wrong solution.

These are three serious challenges, but if we can rise to them then we can seize the opportunities lurking in the current crisis of hardship.

Note: This booklet has been prepared in conjunction with Gordon Brown's delivery of the inaugural 2024 Rabbi Lord Jonathan Sacks memorial lecture.



Our dark hour

Britain is beset by a hidden emergency, whose forgotten and voiceless victims include hundreds of thousands of children behind closed doors, in homes without heating, bedrooms without beds, kitchens without food – and even toilets without toilet rolls, bathroom sinks with no soap, and showers without shampoo. Long years of austerity have been followed first by a pandemic with a locked-down economy, and then by extraordinarily rapid rises in energy and then food bills.

While the rate of the rises may now be easing off, the price of life's essentials remains high at the same time as emergency help runs out, family savings run dry, and many food banks run out of food. Myriad squeezes and freezes of benefits are compounding the harsh reality of debts.

We know, and not only from academic research, but from all experience of life, that poverty cuts deep, and leaves lasting scars. Material deprivation gets under the skin, and warps into physiological, social, psychological, even spiritual forms.

Overall nearly 4 million Britons are estimated as having had – on a very challenging definition – a brush with “destitution” in 2022,¹ since when there has been no easing of the big squeeze. That number is arrived at in part by tallying the queues at services for people who

have fallen over the edge, such as soup kitchens and homelessness crisis centres. Other studies and surveys paint a picture of particular manifestations of extraordinary want inside apparently ordinary homes: such as the million children attempting to settle down in the evening without their own bed;² the 2 million households who do not have a fridge or cooker of who have had to turn them off because of energy bills;^{3,4} and, the near-6 million poorer households, containing many more people, estimated to be cutting down on food or skipping meals.⁵

Just as we went to press, an appalling new batch of official data was released confirming that everything is moving the wrong way.⁶ Incomes are down. Inequality is up. The government's own estimate of the number of people who can't reliably get enough food (or who, in the numbing bureaucratic parlance, endure “very low food security”) has rocketed by two-thirds (68 per cent) in a single year, to reach an astonishing 3.7 million. Child poverty is now rising not only on the “relative” measure preferred by campaigners, but also rocketing on the “absolute” gauge which the prime minister and chancellor had previously reached for to suggest that all was well.

To see the devastating consequences of all this, just glance at a battery of frightening trends in



the health of our population. Life expectancy has now stalled across the country as a whole, and even before the pandemic, women in poorer communities had started to die earlier;⁷ healthy and disability-free life expectancy are, if anything, declining;⁸ our children are now shorter than those elsewhere in Europe, and indeed than they were just a few years ago.⁹ Meanwhile, recorded nutritional deficiencies in hospital patients are rocketing.¹⁰

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While some on the far right have flirted with declaring war on the homeless and even the charities who provide them with tents, rough sleeping continues to break new records in London,¹¹ and is now up by 60 per cent in just two years in the latest England-wide count.¹² The number of English households shunted into (frequently terrible) temporary accommodation has now more than doubled since 2010,¹³ with a particularly rapid rise for families with children evident over the most recent year of official data.¹⁴ Over four years since 2019, official records identified problems with temporary accommodation as a contributing factor in the deaths of 55 children – 42 of them babies.¹⁵

Meanwhile, almost every imaginable mental health marker – data on diagnoses, pharmaceutical prescriptions and self-reported anxiety – has been pointing to rising problems, especially among young women, who are now fully three times more likely to show symptoms or receive a diagnosis of generalised anxiety than they were a generation ago.¹⁶ And specific issues like interrupted sleep and disrupted social lives arise twice as often or more among people who are economically less secure.¹⁷

The economic and social damage done by all

this goes way beyond those directly affected. To take one just one example of the wider toll, retail industry¹⁸ and official numbers¹⁹ are recording an appalling surge in shoplifting, something industry insiders have linked to a black market for food that has burgeoned during the big squeeze.²⁰ The most recent figures from multiple industry sources point to store theft and violence against staff, not merely creeping up but doubling or more year-on-year.²¹

There are many explanations, including bad economic and political choices and leaders running away from addressing these uncomfortable realities as they would if a D-Notice had been slapped on reporting them. All of this is important. So, too, of course is the basic question of underlying insufficiency. After repeated cuts and freezes the basic social safety net no longer keeps people at a safe distance above the ground. Worse, specific holes have been ripped in its fabric, such that in some circumstances there is no longer any meaningful protection at all: the safety net as we used to understand it no longer exists.

Large families and households saddled with particularly high rents are among those who have in effect being told that they are on their own. And the privations of millions of disabled people and their carers underline that those social entitlements that still exist offer no meaningful “safety.” The recently-reported cases of Yvette Clements, a mother caring for a severely disabled daughter who can no longer afford to eat anything in the evening is one case in point.²² As indeed is that of “Sandra” (not her real name) in High Wycombe, whose dangerous asthma got so much worse after housing disruption brought on by the so-called “bedroom tax” that she ended up in intensive care. Sandra eventually emerged into better housing, yet continued to face such stubborn hardship that she still has to cut back on showers, since “the cost is just too much.”²³

But holes in the safety net are not the only cracks that people are falling through. Sometimes, there are also dangerous gaps between companies on the one hand, and, on the other,

workers and the wider community for whom they feel no responsibility. One case in point concerns the London gig economy delivery Ian Morrison, who felt a traumatic sense of abandonment after reporting having the moped that provided his livelihood stolen, and finding the company whose app had sent him to the scene of the crime offered nothing beyond warm words.²⁴

Whether the immediate cause of hardship lies with social security or, as so often these days, instead traces back to the workplace, the effects are equally devastating. I've seen it up close. A few years ago, my local Cottage Family Centre led by Pauline Buchan started a Christmas appeal because families couldn't afford presents for their kids, which was bad enough. But now our concern each December is less about seasonal toys than about clothes and food at Christmas, and then all-year round, as benefits routinely run out after a few days. On a visit to my own old primary school and homes in its vicinity I met children going without coats in the worst of winter weather. One mother was, I was told, unable to send her child to school because she and her daughter shared a single pair of shoes.

In sum, our society is, as things stand, riven with poverty which is surely an injunction for all of us to think of new ways to reach across divides, forge new connections, and start to fix them. Some of the holes in the safety net, it is true, will take carefully considered reforms to fix. This is notably true where social security is concerned: there, we should start with a thoroughgoing review of the basic but flawed benefit, Universal Credit, to explore reengineering the system so that it supports good jobs and gradually guarantee access to life's essentials.

The current emergency, however, is both too wide, too deep and too urgent to stake everything on that. Instead, we need to think about the full variety of urgent unmet needs today, and the full range of resources that exist within our society which might – if committed to compassion – be now combined to address them while we await the comprehensive reform. So where to begin?

Market, state and community

The thinking of one of Britain's greatest teachers, the late Chief Rabbi Jonathan Sacks, sheds invaluable light on how we can best deal with the social challenges in our midst. I remember him addressing a seminar in 11 Downing Street, and looking out from the large windows over London: here at No 10 and 11 and across at Commons, he explained, was the centre of the state; nearby was the City, representing the markets; but all over London, he said, were symbols of community – from Westminster Abbey and St Paul's to synagogues, mosques and community centres.

When we are talking of solving any problem across our society the best starting point, in the hunt for wide and decisive action, is to recognise those three sectors that combine to make it what it is. We should remember Jonathan's wise observation: that a healthy society will respect the role of all three elements of our public sphere – market, state, community. And, moreover, his insight that the trio will work best when they work together, and not in isolation or in opposition to each other.

The labels can vary – some might distinguish private, public and shared domains, or distinct realms of commerce, government and the space in between. Sometimes it is useful to further distinguish within the charitable sphere between grassroots community organisations on the one hand, and

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philanthropists and foundations on the other. And even as we confine our discussion to the role of the public sphere no one should forget the critical role of the family. But the same basic logic remains. The point, which Jonathan Sacks expressed better than anyone ever has, is that while each of these sectors can do some things particularly well, it isn't wise to bank on one of them to do everything. Just as it is often ill-advised and stifling for governments to organise the production and distribution of consumer goods, so too the centre will not hold if we pretend market forces can substitute for feelings of fellowship. Push one side to the exclusion of others and we end up in trouble: at the extremes, the impoverishing over-reach of the Soviet state, or the marketopian neglect of the kind of world that we'd be in with Margaret Thatcher's “no such thing as society.”

In a healthy society, then, the different realms always need to be in balance to avoid various types of disfunction. More positively, when they interact and work together, the whole will often turn out to be greater than the sum of the parts.



New times, huge new strains

Three seismic shifts

Three seismic shifts are under way in each of these three domains – profound changes in the way the state works, in the way markets work and in the way the third sector operates. We have no choice but to grapple with each if we are to address the biggest social challenge of all in 2024: destitution and poverty. Doing so will lead us to a serious rethink, and a very different approach from that I was involved in more than 25 years ago.

The first dramatic change is the withdrawal of government and the shredding of what we call the safety net. The second is building and increasingly unbearable pressure on charities, with many engaged in poverty relief now reassessing their role and straining to shift their focus from symptoms to root causes. The third is the contemporary pressure on companies to be part of the wider community, to be responsible not just to their shareholders but to all their stakeholders, and to prove they are doing so through substantive changes, rather than mere PR and spin. We need to understand all three of these deep tides of change, and figure out how to take them into account in our plan to banish destitution and poverty.

The shredded safety net

The first big pressure pushing up poverty comes from government. Four great holes have recently been torn in the financial safety net that had protected us all since the Beveridge report, some 82 years ago: the reduction in the basic benefit ratio to a lower share of average wages than ever before;²⁵ a whole run of restrictions on family support, including the so-called two-child limit, which removes welfare payments for the third and subsequent children; third, the imposition of arbitrary caps on housing support and a family's total benefit entitlements; and fourth, the imposition of deductions – affecting half of Universal Credit claimants – which has, despite the extended time for repayments announced in the March 2024 Budget, now made the Department of Work and Pensions the biggest debt collector in the country. It doesn't make sense to declare a minimum below which no one should fall and then for that minimum to be capped at a lower level or systematically subjected to deductions. But that is what is happening: a single person over 25 who is supposed to scrape by on £86 a week can, with deductions, end up with less than £65 for food, electricity, clothes, basic toiletries to keep clean, and other essentials.

The problems don't stop with basic cash support. Many other services and supports which were



once offered have today been pared back and narrowed – or outright disappeared. No Educational Maintenance Allowances in England to help young people stay on at school. No Child Trust Funds to give every child a decent start in life. No Sure Start for the under-fives. Indeed, since 2010, England has lost just over 1,400 of the children’s centres that the last government set up.²⁶ The grim aftermath is mapped by the findings of a new study by the children’s charity Kindred², in which 1,000 primary school teachers in England and Wales were asked about the developmental condition of kids starting school: about one in four (24 per cent) children entering reception year are now not toilet-trained; nearly four in ten (38 per cent) “struggle to play or share with others”; 28 per cent “incorrectly use books”: their instinctive response to being presented with one, it seems, is to swipe or tap it, “as if using an electronic device”.²⁷ And there is now crisis in special needs education on top.²⁸

A poignant result of all this are Britain’s mushrooming food banks. Having barely existed 20 years ago, they are now an established national institution, numbering 2,600 – four or five in each parliamentary constituency. Seeing as these depend on volunteered hours and charitable donations, at one level this represents an extraordinary outpouring of generosity in response to

rising need and all those engaged in provision of help should be applauded for their civic dedication. But the foodbanks themselves are now increasingly stark about their bigger aim: putting themselves out of existence.²⁹ Why? Because the need to provide food to people is obviously bound up so many people abjectly lacking the cash to buy it.

The pressure now on foodbanks shows how much support those in need have recently lost. Foodbank clients often have many other welfare needs which, increasingly, the state is also not fulfilling. In an attempt to meet these needs, foodbanks increasingly feel it necessary to provide additional services. Many, for example, provide advice services when the Department for Work and Pensions falls short and when the Citizens’ Advice services, which were once adequately funded by government, can no longer cope.

The Trussell Trust led by Emma Revie is the largest foodbank network, with the scale to paint an authoritative picture of hardship in Britain, and shine a light on the reasons that people fall into it. It has established, for example, the depth of both the debt problem and the digital disconnect affecting its clients, reporting that nine in 10 food bank users are struggling with debt, and one in six have no access at all to the internet which is, these days, often the

only practical way to secure work and even benefit payments. Now 80 per cent of its network offers some form of financial advice, typically provided by another outfit, and local charities such as Brixton-based Community TechAid have popped up with something like a digital desk at its foodbanks, offering coaching and also reconditioning donated devices, that can be distributed to connect the disconnected.³⁰ In sum, the Trussell Trust has felt obliged to stretch its many assets – trusted spaces, client relationships, wider partnerships – to tackle all those deepening problems that contribute to hunger, but also sprawl way beyond it.

So here is the awkward truth: at the same time as foodbanks including The Trussell Trust have boldly set a campaigning mandate for the proper social insurance and social security to do themselves out of existence, they have also been forced to take on more and more responsibilities that used to be carried out by the welfare state, local government and broader public services. And they are not alone. Many charities like my local family centre are offering mental health counselling because the NHS can no longer cope and have a huge waiting list backlog. Charities like many I know have become the go-to place for basic necessities like fridges, cookers and beds, since the abolition of the national Social Fund, and the inadequacy and now downsizing of the council-run and Scottish and Welsh hardship funds that were supposed to replace it.

So the conclusion we have to reach is that the welfare state is no longer the last line of defence for millions facing destitution; Universal Credit is no longer the safety net for many families in the direst and most desperate need; the social security system no longer offers any real security to many people at their wits' end, sometimes as a result of losing their home as well as their income, perhaps because of domestic violence, or after a family illness such as cancer leaves them with too little money to cope. And it could get worse with plans set out for vast, though as yet entirely hidden, cuts in specific public services planned from next year onwards that go far deeper than anything that

happened under George Osborne's austerity. Already, the Local Government Association says we have seen a real-terms reduction in local authorities' spending power of a quarter since 2010.³¹ Eight English local authorities in the past six years have already had to issue so-called Section 114 notices, effectively throwing themselves into administration and there may be many more to come, with 10 currently said to be considering such a notice. And, despite the 2019 promise of "levelling-up" in the areas of the country hardest hit by poverty, only one in six of the projects promised projects through the so-called towns fund have currently materialised.³²

"The welfare state is no longer the last line of defence for millions facing destitution."

We have to examine in depth not just what keeps people in poverty, but what forces them into poverty in the first place: the many failures of our housing, energy, labour and child-care markets to function properly. Their malfunctioning aggravates insecurity and rather than freeing people to thrive forcing them into and then trapping them in poverty. We are desperately short of good housing despite the availability of land. Energy and water companies have been out of control because of poor regulation. Amid rampant skills shortages, the government seems unable to match the jobs that people need to the people that need jobs, and so we see considerable inactivity with many working shorter and uncertain hours or in lower-grade jobs than they should be able to do. Meanwhile, the child-care "marketplace" benefits from enormous public subsidy, somehow without managing to provide quality, affordability or decent wages for staff. The case is strong for repurposing existing public investment to deliver better outcomes.

But persistent underfunding is also, in itself, counterproductive. The numbers of children

in care, usually there because of neglect or domestic violence, are now rising because of poverty. Families are no longer able to cope with the costs of bringing up their children, but keeping a child in care costs no less than £100,000 – which is, as a recent study carried out in Glasgow has underlined far more than it would take to keep children out of care with decent family benefits. Failing to address the root problems, often associated with poor health, when people are unable to work makes it less likely they will start working again – and ensures the bills for worklessness remain high. A failure to invest in the NHS puts more pressure on the social security system as delays in dealing with health problems – physical and mental – condemns more people to be out of work for longer.

For people living ‘hand to mouth’, getting back on their feet is hard enough. People who cannot even put their hand to their mouth may never be able to get back on their feet.

Charities rethink amid the squeeze

And so, with the 80-year-old safety net being torn to shreds, enormous pressure comes on charities. Millions of Britons are instinctively generous. Even in 2022 – amid all the strains left by Covid-19, and with fuel bills starting to soar – the Charities Aid Foundation recently reported that donations had reached £12.7 billion, up from £10.7 billion in 2021.³³ But even as these donations were being made, inflation was eating into their value, and there are worrying questions about whether they can be sustained.

Despite some spectacularly generous individuals, overall donations from the best off in the UK are nothing like as high as they could be. The Law Family Commission on Civil Society reports that even for those within the top 1 per cent income bracket who do declare a charitable donation on their tax return, the typical value was only 0.2 per cent of income. And the pre-pandemic trend for this group

was for rising incomes and falling donations.³⁴ Meanwhile, as the 2020s unfold at the other end of the scale, falling living standards for many mean many donors who used to give a little to those who had nothing now themselves have nothing more to give. On the strength of an alarming survey of third sector bodies, the National Council for Voluntary Organisations recently warned of a “cost of giving crisis.”³⁵

Even if the rate of giving defies all the pressures and the lengthening odds and somehow remains robust, it still cannot match the expanding scale of the problems charities are having to address; it can, as someone said, be like trying to get to the moon with the equivalent of horse-drawn travel. And on top of pinched donors and rampant demand, charities have recently had to absorb serious rises in costs: with big rises in any wages, utility and other service bills they have to pay. The combined effects of all these pressures is becoming impossible. One of my local foodbanks has just told one of the villages it has served for a decade that it cannot afford to cater for their needs any more. They are not atypical: charities are having to consider giving up on helping the hungry because they have to devote all their resources to the starving. They have to think of taking a break from helping the badly-housed because all their efforts have to be devoted to rehousing the homeless. They have to contemplate giving up on supporting the down-at-heel because their main business is now helping the down-and-out.

And just like the foodbanks declaring their ambition to put themselves out of existence, other charities engaged in poverty relief are not only frustrated by their inability to make the progress they want, but also disturbed by the implications of them being relied on to take over from the welfare state. This is prompting them into reassessing their role. For if they are to become forever the last port of call, the final line of defence, the ultimate safety net for people in need, and they were to take over – for good – from the social security agencies, local government and the NHS whenever those authorities retreat, then we would

be institutionalising the wrong solutions. The twin assumptions of continuing public sector retreat, and of charitable agencies picking up the pieces, would become entrenched. and charities not the welfare state would soon be held responsible.

This is the opposite trajectory from that which most charities want or will tolerate. Instead, we have to set a new course. We must arrest the descent of our social security system, in which the ideals of the welfare state era give way to, first, limited provision in some areas, before falling back to minimal provision in all areas, until finally there are many areas of need where there is no provision at all.

Community organisations want to be more than the country's backstop, makeshift safety net. They yearn to be about something more than rescue and the relief of immediate needs that, even if met, won't eliminate the root problem that occasioned the need for relief in the first place – problems like low pay at work, and inadequate provision for sickness and disability, as well as inequality, discrimination, ill health, family breakdown, isolation and loneliness. Charities increasingly fear that the more they do to relieve immediate distress, the more they will be expected to do, and the more the underlying issues can be ignored and left unaddressed. They even worry that these dynamics could make them part of the problem, not the solution.

Meanwhile, more and more charities were already rejecting the ethos of the old Lady Bountiful era, where the philanthropist always assumed they knew best. They are resolved – as part of the trend towards more effective philanthropy – to do more to empower their recipients, and to see them as partners and not supplicants or dependents. Truly collaborative charity can take us beyond mere relief and towards transformation, by putting more power in the hands of local communities, and empowering them to tackle their deeper problems for themselves. Here dialogue and interaction become central to success, as we move from a world where communities are merely

consulted to a world where they are empowered to design and run their own services with the freedom to use the assets they receive in the manner that they see fit. This might require multi-year grants for core funding, as pioneered by the Dutch Postcode Lottery and The US's Ford Foundation's one billion dollar BUILD program (Building Institutions and Networks). More generally, it involves building trust-based relationships, as partners work together to secure transformation in what some call a new ecosystem of trust.³⁶

Shifting the focus of philanthropy from the "downstream" impact of social problems – the firefighting and ambulance-type work – to further upstream, where is a hope of dealing with causes and not just symptoms, is an admirable aim. We all understand prevention is better than cure. The trouble is, as the charities at the heart of our poverty crisis know full well, that it can be hard to concentrate on fire prevention in the midst of a blazing inferno. Radical transformation can't be an alternative to a plan for getting through the current emergency: we need to attend to both.

So we need a clear commitment from the current government to rebuild a social security system that will genuinely protect people, transferring back to the state responsibilities that have landed (unmanageably) on civil society, and a commitment not to entrench the wrong long term solutions, such as foodbanks just because they are easier or cheaper. At the same time, we must recognise that civil society and business will have a crucial role to play as this transition takes place. After all, urgent action is needed right now, because people can't afford their essentials.

Companies come up against their responsibilities

Companies have a huge direct social impact as employers, and through their consumer practice. But even if only by dint of their sheer scale within the economy, we now also need the corporate sector to step up in ways it hasn't



done before, and recognise the severity of the social challenges we face.

According to Regenerate, an outfit that seeks to align profitable companies with social purpose, British charities “turn over” only one-fiftieth (2.1 per cent) as much as companies.³⁷ And there are many inspiring individual examples I have listed elsewhere of companies doing good as they do well, but now that this third force is so desperately needed, many more businesses are going to be asked to lend much more muscle to social purpose.

It makes sense that they should. Companies are always and everywhere embedded in the society they operate in. They draw on its resources and protections, and benefit from privileges such as limited liability that they rely on the political process to enshrine. All this gives them – or at least, it does for most of them – obligations to their communities. But in the long swing against dirigiste economic policies and full circle towards towards free untrammelled and unregulated markets after the 1970s, that truth was sometimes forgotten. Fortunately, it is today being rediscovered – with the implications that we now talk less about do-gooding and corporate philanthropy as an incidental afterthought on the margins of business life, and more about serious social responsibility for the environment and for the communities in which businesses operate, as a mainstream, integral goal.

But we need to be frank: there is a very, very long way to go. Corporate giving to charity is only one part of the puzzle, but an important one, and recent years have seen the opposite of progress. The Charities Aid Foundation has tracked donations from FTSE 100 companies and found they had fallen by 26 per cent over the decade in cash terms, and fallen even more sharply when considered alongside rising prices, let alone as a share of rising taxable profits. And, of course, there is also a counter-movement now at work across America and Europe pushing against environmental as well as social goals.

Despite all of this, however, the journey towards corporate social responsibility will soon have to accelerate as we are collectively compelled to make the energy transition and rebuild our communities.

“The social and environmental impact of individual companies can now be measured.”

That reality has led to a new pool of so-called ESG funds – which take environmental, social or sound corporate governance into account in investment decisions – which is now worth many tens of trillions worldwide.³⁸

What’s changed, too, is that the social and environmental impact of individual companies can now be measured and so companies cannot forever green-wash (or for that matter “poor-wash”) by announcing eye-catching but quantitatively insignificant gestures, or proclaiming big targets that they will never meet, without this being exposed. This will, in my view, lead over time to the mandatory publication of social impact accounts alongside the usual profit and loss accounts. We are admittedly still a long way from achieving comprehensive measurement and reporting on these criteria: Colin Mayer, emeritus Professor at Oxford, has compared the current stage of development to the inconsistent mish-mash of conventional accounting practices which prevailed a century ago.³⁹

That mish-mash played its part in the financial bubble that burst in the Wall Street Crash: until then, companies could publish their accounts in any form they chose. After 1929, that had to change so that companies could be compared for their solvency and profitability on a like-for-like basis. And so today, with so many environmental and social “crashes” looming, we need to be able to do the same when it comes to their claims about their social and environmental credentials.

Thankfully, things are now improving rapidly, particularly on the environmental count thanks to carbon accounting: we can, for example, measure the very big difference in environmental performance between companies like Shell Exxon and BP, or differential water use by drinks companies like PepsiCo and Coca Cola. We can likewise also compare the wage policies and diversity in employment practices among other companies in the same sectors. And we may now only be months away from market data providers, such as Bloomberg, offering fully monetised “impact data” on their screens, which will greatly raise the profile of such information, and serve as a powerful prompt for regulators and setters of accounting standards to push for more comprehensive impact reporting.

These changes will both sharpen awareness of corporate impact and make impact-aware investment easier, creating a positive loop between raising standards and the rapidly increasing demand for ethical options among investors. We can have some confidence that this is not just a passing phase, but a deep tide of change. Companies are already having to take into account the views of not just shareholders wanting cash returns but all of their stakeholders wanting social results – employees who want to work for firms whose products have a purpose, local communities who can judge whether their area is making progress, and indeed a growing band of shareholders who want to invest not only in doing well but doing good, challenging the older, narrower view of shareholders as caring for nothing beyond profit.

Very many of the people running our companies can sense the growing breadth and weight of their responsibilities. A recent British Academy survey of business leaders found just as many of them now thought it was their job to “find profitable solutions to the problems of people and planet” as against their sole task being simply “maximising profits within the law.”⁴⁰

It is not only those running businesses, but all of us who know full well there is more than one way of looking at the world. After all, the self-same people are often simultaneously citizens, consumers, managers, workers, neighbours or friends, brothers or sisters, fathers or mothers, sons or daughters. The values of, for example, a campaigning citizen, don’t disappear when they enter a supermarket and become a consumer: indeed, they may seek out ethically-produced groceries and reward ethical companies. As shoppers as well as citizens, then, we can all do our bit to spur on the necessary cultural shift towards more responsible business. In Jonathan Sacks’ three-part schema for our society, no sector is an island.

The partnership principle

So these three seismic changes – the shredding of the safety net, stretched charities rethinking their widening role, pressure on companies to factor in their stakeholders – are changing the relationship between community, state and market. They also challenge us: to forge a new a covenant for good.

We have recently seen something of its potential twice over, having on two separate occasions been reminded of the deep social concern of British communities and citizens, while also witnessing a new willingness to work across sectoral divides. First, during the pandemic, mutual aid groups sprung up to get groceries and support to vulnerable members of our community, before working seamlessly with the NHS as volunteers to get vaccines delivered. And then again, during the ongoing cost of living crisis, when concerned citizens – including many of those who staff and run our public services, businesses and charities, together with activists who are themselves at the sharp end of the squeeze – have been coming together to devise new ways to navigate their communities through these hard times.

We have seen an explosion of innovative action, ranging from community kitchens and swap shops, to cut-price food pantries and fuel banks. The determination to protect fellow citizens, and the imagination brought to bear on

the challenge, has been extraordinary. A recent pamphlet, published by Multibank UK, provides an overview of these efforts: rather than reproduce that general survey, we point readers to the detail of what is happening where.⁴¹

“We have seen an explosion of innovative action, ranging from community kitchens and swap shops.”

The third sector is of course different from markets and state. It relies on voluntary effort, and its organisations are, as we repeatedly found in our investigations, often galvanised by a distinctive mission. The box highlights one of countless possible charity case studies to make the point: namely, that the third sector is special, and can add something very distinctive to partnerships. Philanthropic foundations and individuals can add something singular too: their independence allows them to concentrate on particular problems, hold others to account for these and lend resources to innovative solutions.

Independence and purpose: the case of Unlocking Potential



This London-based charity works to overcome the devastating penalties on life chances that special educational needs can impose on an already-disadvantaged child's life chances. It works in tandem with schools to offer a holistic, therapeutic approach. Clinical Director, Cassie Oakeshott, stresses both how important it is for her charity's therapists both to be fully part of a school (so that counselling is knitted into the broad educational experience) and yet at the same time also sufficiently independent of the school to retain the specialism, trust and flexibility that comes with working to its own distinctive ethos.

One reason why organisations animated by social purposes can so often deliver in such special ways relates to a distinction highlighted by Jonathan Sacks: the difference between the purely "private" goods of the typical market-place, where more for one person means less for another, and "social goods" where the position is very different:

"Imagine that you have a certain quantum of love, or friendship, or influence, or loyalty, and then you share it with nine others. Do you have less than when you

started? No, you have more... Social goods... have this characteristic in common, that the more I share, the more I have."⁴²

The vital question, however, is how to develop social action at the requisite scale. The extraordinary variety of voluntary initiatives across the country represent seeds of hope and change. But these seeds will grow to their potential best if other actors within the social ecology – government and business – ensure the soil that they grow in has all the necessary nutrients.

Again, the teachings of Rabbi Sacks are important. He opened our eyes to the possibility of a broader transcendence of the narrow perspective of immediate economic position, by distinguishing between "contracts" and "covenants".

"A contract is a transaction. A covenant is a relationship. Or to put it slightly differently: a contract is about interests. A covenant is about identity. It is about you and me coming together to form an 'us.'"⁴³

One terrific example of such an "us" is surely the alliance that we must summon to tackle the poverty crisis. It is a coming together in which – exactly as Sacks described – participants pledge "to do together" what none "can achieve alone." This will surely be true in spades if we can get every sector of our society working together against poverty: local charities are uniquely well placed to deliver relief to the social problems they are closest to; willing companies have the heft to hugely scale up the resources available and professionalise the logistics; a whole range of levers makes government uniquely placed to support partnerships, and repair those holes in the social safety net that threaten to overwhelm them; philanthropic foundations and individuals are well placed to channel in extra resources, and – from their independent standpoint – monitor performance and hold everyone to account.



I've become seized with both the potential and the urgency of the partnership challenge through my own involvement with the Multibank initiative. The "Multibank" is a food bank, clothes bank, bedding bank, toiletries bank, furnishings bank and baby bank all rolled into one. There are two main sources of goods allowing us to help families in need: donations in cash, but also donations in-kind. It works in partnership with the corporate sector, drawing on the understanding that companies have many surplus goods that people need and charities, including the Multibank itself, can identify the people who desperately need them. Having kicked off in Fife last year with support ranging from the largest companies - Amazon has provided more than 1.5m goods - to the local logistics company, Purvis, providing free warehouse space, to the smallest local one-person business giving of their time, the initiative is now being adapted to Greater Manchester and Wales and soon the Midlands, with the prospect of a total of six regional and national Multibanks within the year.

On the positive side, I have seen up close the huge and growing difference this way of working through partnership is making. Other third sector organisations should be able to strike similar innovative partnerships with the corporate sector and thus connect to all available resources on offer. We know that there are still many more surplus perishables that will otherwise be left to rot and durables that might be dumped into landfill, and that these can through foodbanks and other charities also be repurposed towards meeting today's vast unmet needs. Through such means, we can see the potential of more charities and companies coming together in a combined anti-pollution, anti-poverty initiative, with families' needs being met with unused and underused goods.

At the same time, however, I can see that there are currently not sufficient surplus goods available to meet today's extraordinary unmet needs. Nor indeed are cash donations currently sufficient to bridge the gap between the two. Food banks face the same challenge and the multibank and other charities are going

to need new and stronger partnerships, and a much more supportive public policy context, if they are to be able to do everything they potentially could to banish destitution. The partnership we need can only work under the right conditions – foremost among them a spirit of cooperation and a plan for striking new compacts and strengthening existing ones within the context of a much broader strategy for ending poverty.

We will return to all this. But first let's consider a few more inspiring examples of charities that are already enlisting corporate allies as partners in order to extend the difference they can make. These partnerships are not waiting for anyone to explain the need for alliances to them, but getting on and making things happen.

Charities enlisting companies

It often takes a spark of passion to light the fire in which new partnerships are forged. And passion doesn't wait to take instruction from public policy. Many years ago, Carmel McConnell – a London activist who'd found a professional niche in helping companies apply social values – spoke to five London headteachers about the sort of support they could most use from business. Instead of the requests for complex sponsorship deals or IT equipment that might have been expected, she was shocked to hear from them that their most pressing need was food for their pupils. Youngsters from poor homes, especially where long hours of work took parents away at what should be breakfast time, were turning up hungry and not concentrating. They could be spotted rifling through “bins at Tesco,” and many teachers felt obliged to bring in food.

McConnell's original queries and concerns were immediately overtaken. Instead, she “went to Tesco and dropped food on Saturday morning” and started dropping off breakfast food at multiple school gates. Soon it was 10 schools, and then 50, until before long this ceased to be a charitable side hustle, but became a “full-time, flat-out” commitment.⁴⁴

Individual schools that were inevitably stretched and sometimes sceptical had to be persuaded to offer the space and ensure that

enough personnel staff were around to ensure breakfasts could be served, and in a warm, welcoming and inclusive manner which even extended the offer of food to parents. But it wasn't too hard to persuade most staff, who could almost immediately see benefits in the classroom – which, in due course, were confirmed by a controlled experiment comparing schools which were and weren't laying on breakfast. The advantages were summed up by one pupil in words that became the name of the charity McConnell founded: “Magic Breakfast.”

But the next question looked decidedly thorny. How on earth to scale the operation, beyond what could practically and affordably be done by booking Sainsbury's deliveries? The only answer was finding a way to beg, borrow and barter supplies at scale. The boundlessly energetic McConnell sought out food giants: she “went to Quaker [oats], went to Heinz, I said to them that ‘kids were in food bins ... for 50p, we can get 4 hours of learning for them,’” and appealed to them to help. She had to be ruthlessly opportunistic, pinpointing where each corporate donor could most efficiently give her something she needed, and also “lining up” their involvement up with the story they wanted to tell their staff, their customers and even their investors about the sort of company they were.



In the end Quaker, which had vans running supplies to a huge number of independent stores, gave logistical support by helping ferry the breakfast goods around. With Heinz, McConnell found out about a marketing budget earmarked for low sugar baked beans, and persuaded the giant this would be well-spent on the glow that would come with donating some of their product to her winning cause. Yet another tie-in secured a batch of Tropicana fruit-juice. McConnell found a beigel baker who couldn't manage free supplies, but was happy supply their wares at a discounted cost-price. And so on.

This inspiring story is only one example of charities multiplying up what they are able to do by enlisting willing companies in their efforts. Another set of collaborations, with even wider reach, are centred on the charity, Fareshare, which simultaneously fights against food waste and hunger, and misses no opportunity to exploit the synergy between those two aims. It boasts of 850 partners across the food chain, including giant brands like Kellogg's and Birdseye, and the big retailers, including the Co-op and Asda.⁴⁵ It is particularly brilliant at repurposing products that otherwise end up rotting at the farm gate or dumped in bins behind supermarkets, thereby averting not only hunger through the charities and ultimately the people it serves, but also environmental waste. And of course, tackling waste is also efficient, which is why it achieves £5.72 in social value for every pound invested.⁴⁶

A New Economics Foundation evaluation has calculated a high "multiplier" for In Kind Direct – the creation of £14.05 in value across the charitable sector for every pound invested.⁴⁷ Over nearly three decades, it has woven together a network of, on the one hand producers and retailers of consumer goods, and, on the other, thousands of charities and community organisations. It handles everything from sportswear to children's toys. Recent examples of donations have included 700,000 bottles of handwash from Carex (at the height of the pandemic) and 36,000 bottles of laundry detergent from Seventh Generation.

Sometimes corporate involvement is about goods, sometimes it is more strategic: Tesco was one of the founding members of the Trussell Trust initiative on servicing foodbanks. A host of varied, impressive – and for some families life-changing – deals brokered by those of us involved with the Multibank Initiative are highlighted in the box below. One is worth dwelling on because it neatly illustrates the multiplicative magic that partnerships can open up for charities. Under a generous deal, tissue-product specialist Accrol has agreed to supply a few million toilet rolls on mixed terms: half as a donation and half at production cost only. The combined effect of that is to stretch by an order of magnitude the amount of goods that can be got to people in need in return for a given charitable donation.⁴⁸ This sort of demonstrable "stretch" on what given funds can buy, should grab additional interest from charitable foundations, who are always – rightly – anxious to maximise the work their donations can do. Indeed, and especially at this moment of desperate hardship, we should spare no effort to pull off this sort of trick: campaigners and charities should energetically explore not only the sourcing of surplus stock, but all available options for bulk purchases to snap up the goods that families at cost price or even less, from the very companies who produce them.

Banking on partnership



A whole host of partners have helped the Multibank answer searing human need while also getting a grip on their own waste problems. Examples in addition to **Amazon's** donations include:

- **The Textile Services Association** and their members like our initial sponsor Fishers Laundry give duvets that might after hotel use be cut up for rags but which are perfectly usable once relaunched.

- Hoteliers **Whitbread/Premier Inn** renovate 20,000 rooms each year, which would normally mean a lot of landfill as furnishings are refreshed, but by instead donating their used or surplus kettles, hairdryers, beds and chairs, they can answer many of families' most pressing household needs.

- Tissue-product specialist **Accrol** has agreed to supply several million toilet rolls, half as a donation and half at production cost only.

- Snacks and drinks giant **PepsiCo**, **Morrisons** and **Huddled** have offered food.

- Hygiene and health product specialists, **Reckitt**, have offered Dettol wipes and toiletries.

- The construction, logistics and recycling experts **The Purvis Group** have provided warehouse accommodation and other logistical support.

- The team at **ajaz.org** – who work on initiatives to support families in crisis – and the team at **AKQA** who have provided communications support.

Another tremendous case study in partnership is the Warm Welcome Spaces initiative, which answers the need for both warmth and company in properties such as church halls and community centres.⁴⁹ It was pioneered by a cross-denominational group of Christian leaders, who coalesced around the twin aims of offering much-needed heat and a hand of friendship to people who might be lonely. Some were already opening their doors, but by co-ordinating information and publicity, it can offer guests clarity about where to go, and avoid the duplication of local offers which can leave individual halls dauntingly empty. Working together also helps organisers come up with ideas for activities that can ensure the places are friendly and stimulating. From small beginnings, the network now envelops some 4,000

spaces, touching almost every community in the country.

While property is the one thing that churches often have in abundance, the same isn't true with the cash to support their chilly guests or meet the rising costs of keeping their spaces warm. And so signing up supportive companies has been one important way of ensuring the scheme is both vibrant and viable. First came a tie-in with the Co-op group, which ran a £1m crowd-funder in 2022/23. Subsequently, across large parts of England, backing from the National Grid allowed Warm Welcome Spaces to draw on £2.7 million from electricity giant's Community Matters Fund, which gave 417 centres the chance to offer 180,000 guest help and for many "warm packs" (containing things like hot water bottles) or simply some support with their own sky-high fuel bills, to help ensure that they could continue to keep their doors open. This partnership-powered venture has delivered far more than warmth, making a real dent in loneliness across the UK, as a few numbers underline: over the first winter alone, 550,000 guests made a total of around 2.4 million visits, where they were welcomed (in an average week) by around 17,000 volunteers.⁵⁰

Yet another impressive partnership is that struck between the Trussell Trust with Vodafone in 2021/22 to secure donation of – among other things 200,000 free SIM cards – loaded with 40GB of data plus free calls and texts each month. The Trussell Trust later thanked the same company for ramping up its overall commitment to do something for as many as 4 million people in hardship by the end of 2025.⁵¹

Disconnection and isolation, then are – like hunger and cold – additional aspects of destitution that charity/corporate partnerships have been rising to defy. One last example focuses on yet another dimension: the grave difficulties many are facing with the cost of keeping clean, difficulties which threaten both private humiliation and, increasingly, public health problems.

Retail giant Boots is rightly proud of its role as the founding partner of charity The Hygiene Bank, which supplies essential toiletries, including shampoo and laundry detergents, to those who can't afford them. On its website, Boots cites an estimate of 3.1 million Britons living in hygiene poverty. It goes on to explain how over the last few years it has matched customer donations by chipping in an additional 1.5 million individual products.⁵² "It is often the first sign that a family is falling into crisis when they can't afford basic hygiene essentials" said Lorraine Howard, a trustee of The Hygiene Bank.⁵³

The juxtaposition of those two numbers is a good moment to pause and consider both the breadth – and the limits – of the scale of charity/business tie-in as they currently operate. Amid our current emergency, 1.5 million products is – at one and the same time – both a very large number, and a number that falls far short of a comprehensive solution, representing just half of one product for each of those individuals in hygiene poverty over all the years since 2020. There are likewise "glass half empty" as well as "glass half full" ways of viewing Multibanks. They will soon to be serving areas with total a population of 15 million, within which there are estimated to be 3.5 million in need. The provision of even 10 million goods a year will then represent an enormous achievement – but also be the tip of the iceberg, providing less than three items for each person who might be in need of help, which hardly is sufficient.

The same sort of arguments could be applied to Magic Breakfast. McConnell is justifiably proud that the organisation she founded, before handing over the reins a few years ago, has got to the point where it "did 22 million breakfasts last year." But she wouldn't begin to pretend this is anything like enough. Yes, it's a phenomenal achievement that Magic Breakfast now works with 200,000 youngsters every morning.⁵⁴ And yet where there are over 14 million children across the UK, of whom more 4 million are officially estimated to be in poverty, it is insufficient.⁵⁵ So the need to scale up this work cannot be ducked.





Bringing the state in

Avoiding the pitfalls, seizing the potential

One way to build partnerships that can do not merely more but much more is to bring a third partner to the table alongside companies and charities: namely, local and national government. But before we set out how this can be done, we need to acknowledge reasonable anxieties on the part of many charities and campaigners – and give reassurance. In particular, charities need to know that their independence will not be impeded, and we need credible guarantees that this agenda is about everyone stepping up at the same time, and not about ever-more responsibilities being dumped on charities while government walks away.

That is a doom loop that would entrench the wrong solutions, and something I am as anxious as anyone to avoid. After the experience of the Big Society, which proved little more than a cover for the privatisation and cuts to our once established public services, many will harbour suspicions. The only way to dispel such doubts is to be upfront about the right course: to commit to a serious plan in which the state will itself do what it should always have been doing and so do much more to arrest poverty and destitution, both by acting directly and by supporting companies and charities to do more.

I suggest we think commit to a three-way partnership that all sides can have confidence in by affirming the following principles:

1. **The current UK Government states its commitment to ending destitution and poverty** with a clear commitment from government to reform the social security system through a root and branch review of Universal Credit. It should endorse the self-professed aim of the food banks – to succeed in tackling poverty to such an extent that they can do themselves out of existence. This is ambitious, but as we will show, also entirely realistic – so long as the will is there.
2. **The Government works with the third sector and with companies to develop a strategy and timetable to end poverty**, with an agreed plan setting out the stages and milestones along the way.
3. **The Government gives both companies and charities guarantees regarding independence**, ensuring it is not undermined, with the expectation they will speak truth to power if they feel the state is not playing its full part.
4. **Then and only if the government gives and honours these undertakings charities and companies commit to playing their part and doing what they can in the transi-**



tion to a poverty-free society – through the strategy they have helped to write. In this way with a common appreciation of both means and ends, all sides sign up to an understanding, not only to the ideal and the widely-felt advantages of moving to a Britain no longer scarred by want, but also to the specific benefits of a transition through partnership: that by working together and sharing each-others’ burdens, we can succeed not merely in mobilising some of our resources, some of the time, in some places, but instead mobilise all the resources of society everywhere.

Some may still sniff that these are noble-sounding words, but doubt the ability to fulfil them. So let us pause to consider the practical measures that can give them real bite.

Let’s start with charities, and their possible anxiety about being reduced to appendages of a state that has of late tolerated poverty. The government must acknowledge and defy the jaundiced perspective many of them start off with: after long years of retrenchment and deepening hardship, many pillars of civil society are indeed crumbling, with the need to subsidise state contracts pushing many charities towards insolvency.⁵⁶ The government must also accept, and should positively welcome, the debate coursing through the sector which we have described, about the way to move beyond the old focus on symptoms and their relief, towards becoming agents of change towards a transition to a fairer world, and with that agents of agitation. It is not for public policy or the state to second-guess where this debate leads. After all, a precious feature of charities is the independence of their thinking as well as their deeds.

What a committed government can and should do is ensure that the full-throated charitable voice is clearly heard, and never cowed. A useful reform here would be to remove the “muzzle” that many campaigning organisations say was fitted to them by the so-called Lobbying Act of 2014.⁵⁷ A spectrum of outfits covering everything from social care to human rights as well as poverty have complained bitterly about

the intimidation and inhibition they have felt in spelling out ugly realities that they see as a result of its restrictions.⁵⁸ They must at all times be free to speak truth to power.

Companies, by contrast, will want – and should receive – reassurance that involvement in the coalition of compassion will not extend the reach of the dead hand of Whitehall over their internal commercial affairs. After all, it is precisely the efficiency and the dynamism of business that we need to harness. But those firms and leaders that are at the crest of the Corporate Social Responsibility wave will reasonably seek some recognition. A couple of modest reforms could really help there. In line with the recent Law Family Commission on Civil Society, headed up by former Cabinet Secretary Gus O’Donnell, we could shine useful light on which companies are – and are not – doing the right thing by reinstating the 2006 Companies Act requirement (abolished in 2013) on firms to report on charitable donations.⁵⁹ We might also consider widening this to include reporting on diverse forms of social contributions towards social partnerships, such as staff volunteering time, the release of low-rent buildings or the supply of cut-price stock.

At the same time, we need to ensure that the tax system doesn’t perversely deter corporate involvement. One example makes this point. Businesses, charities and trade associations such as the British Retail Consortium are campaigning to secure proper VAT relief on goods donated to charities, specifically where those goods will then be handed on for free to people in need.⁶⁰ That last stipulation is important to secure the revenue base against anyone trying to game the system to avoid VAT by giving out notionally free goods, on some other criteria or in return for some other form of payment. But as long as it is respected, the argument is overwhelming. After all, VAT relief already supports the donation of millions of products to charities which are duly sold on, for example in charity shops.

So let’s now turn to what some would see as the tougher test: demonstrating that the gov-

ernment itself is serious about its side of the bargain. The doubters here point to two issues, one political and one financial. The political problem is the product of long years where the powers that be have often not seemed to care, looking away from the appalling wave of penury that we described at the outset. But this is not so hard a problem to dispel: a government newly committed to banishing poverty can fairly easily demonstrate to its partners – and the country – that it cares by setting out a serious strategy of the type we suggest, and agreeing to be judged on its progress by independent evidence.

What about the finances? This is potentially tougher, as the public books are in a parlous state, with debt, debt interest repayments and taxes all being high. Even so we don't need to accept the argument that our old ideals of decency can no longer be afforded. As the Resolution Foundation has recently emphasised, factoring in the demographics of our ageing society and assuming the continuation of existing uprating practices, the share of GDP devoted to working-age benefits is on track to decline from around 4.6 per cent in 2026 to close 4.1 per cent by 2031, with a further decline to below 3.3 per cent by a decade later.⁶² In principle, this easement of approaching 0.1 per cent of GDP every year should release meaningful resources for repairing social security before the 2020s are through.

Equally important is the wider public policy context. Because it's not only charities, but also government that really ought to try and make the shift from emergency relief to underlying causes. For if we can enable through the right support more people to move from sickness, disability and unemployment benefits into work, and also help more of those who are already working to earn more, more securely and gradually climb up the ladder of wage progression, then we can do far more to boost support and entrench a real right to life's essentials. So let's consider all this.

The wider policy context

The broad thrust of public policy needs a clear

understanding of what's driving poverty today. Back in the 1990s, most poverty was associated with worklessness: large-scale, long-term adult and youth unemployment was an overwhelming cause. By contrast, the roots of the problem can now often be traced to the workplace: nearly two-thirds of adults of working age who are in poverty (64 per cent)⁶² and nearly three-quarters of poor children (71 per cent)⁶³ have recently been living in homes where someone is working.

We must, then, not merely resolve to restore growth, but also see to it that working people can share fully in its fruits. These ambitions obviously go far wider than our immediate anti-poverty focus. But anti-poverty efforts must nonetheless be fully integrated with the broader economic reform. A powerful report for Our Scottish Futures proposes nurturing "innovation-led clusters" in industrial sectors with global export potential, and thereby unleashing not just an innovation revolution but an employment revolution. It details the vast difference that could thereby be made, both to employment and then, as tax revenues swell and the need for benefits fall, the public finances.⁶⁴ There is, of course, no reason at all a similarly strategic approach could not yield similar results UK wide. Simply extrapolating from the 300,000 Scottish jobs that the report estimates could be created (either directly or along the supply chain) would suggest that we could be looking at over 3 million jobs UK-wide. Likewise, the £6bn improvement in the Scottish fiscal position over a decade calculated by Our Scottish Future, would in principle magnify up to an improvement of something like £75bn in the UK public sector balance.

From an anti-poverty point of view, the real prize here isn't just prosperity, but shared prosperity. Jobs in fast-growing, higher-productivity industries and in the service sectors that flow from them will pay better – and more securely – than those in sectors that can at best hope to hold their own. And the right pro-active policies can ensure that dozens of new clusters hum in those poorer parts of the country that past policies have sometimes struggled to reach. Further moves can then ensure the gains

from restored national growth are shared by workers across the wage range. We have been promised that one of the first acts of a new government will be to strengthen the living wage. Other important reforms will bolster the reliability of earnings: ending zero-hours contracts and creating new rights to reliable shifts. In the longer run, better skills and support will give many more the chance to climb up above the wage floor. The workless and the low-paid must be front of the queue for the training that provides a passport to higher-paid posts. Exactly as Labour's employment spokesperson Alison McGovern insists, our job-centres must become career centres. Devolving the work of job-centres to the regions, as she also proposes, will better link the workers who need jobs to the jobs that need workers.

Under the banner Better Jobs, Better Pay and Better Skills we can steadily transform earnings – and, in the process tackle poverty, both directly and indirectly. Because with higher pay will soon come the knock-on advantage of savings on top-up benefits, savings which can then be redeployed for social security improvements elsewhere. One improvement must be the re-establishment of a minimum family income that can cover the basic essentials addressing the challenges posed by deductions and arbitrary caps, and rebalancing the biased regulations currently pushing many families over the edge.

Alongside this overarching pro-job, income-boosting strategy, energy markets, the housing market, and the childcare market can all be rewired, so as to curb the costs that often push people into poverty. After the dramatic recent rise in bills, it may be a good moment to review regulation on utilities to see if more can be done to contain prices. Improvements in social tariffs may be needed; just as important are making those that already exist more accessible: partnership can help with that, as Chapter 9 will show. If we can bolster pay and get a grip on many of the biggest bills facing families, then we can truly bolt shut that trapdoor to poverty through which so many have fallen.

But to show sufficiently rapid progress, especially on destitution, we must do even more, for the state's own commitment to invest and reform can then be matched by enhanced engagement in the transition by the charitable and foundation sector, and also heightened corporate social responsibility. In the immediate future, foodbanks, Multibanks and similar initiatives are going to need more support, not less.

So let us return to the question of three-way partnerships. Our proposals on jobs, shared prosperity and a repaired safety will create a more favourable environment. Charities can be reassured they will never again be asked to pick up the pieces at the same time as the government ducks fundamental problems. All partners can move forward knowing that emergency relief will not be allowed to congeal into inadequate permanent solutions. A government committed to heading in the right direction, can credibly appeal for assistance to deal with the reality that it can't fix every problem overnight. We can then resolve together to work together in co-ordinated three-way partnerships between companies, charities and the state that can make serious – and early – strides against extreme poverty.

There is, though, one last barrier to confront. Beyond fixing the safety net, and reducing the need for recourse to that safety net, we also need somehow to channel extra resources directly into partnerships tackling poverty and destitution. But how? The next chapter sets out our plans.



Channelling new resources

Partnerships can, as we have seen, work a multiplicative magic. It is thus a good idea for public policy to seek to maximise what is available to multiply. The need for resources will be especially acute during the first part of the transition from poverty that we envisage. So we need, for a short period a two special measures, enhanced tax relief on giving and a partnership fund.

Tax changes to reward and encourage more giving

Perhaps the most obvious piece of the puzzle is to demonstrate to would-be individual donors, in a bold and simple way, that their giving will make a real difference. Millions of Britons dig deep for charity, and a few individual philanthropists already give spectacular amounts. But amid this crisis we need, somehow, to persuade even more people to give, and persuaded more who do give and have the money to do so to give more. The more clearly that everyone can see that anything they give will lead to the cause they are backing getting something additional too, the better our chance of pulling this off.

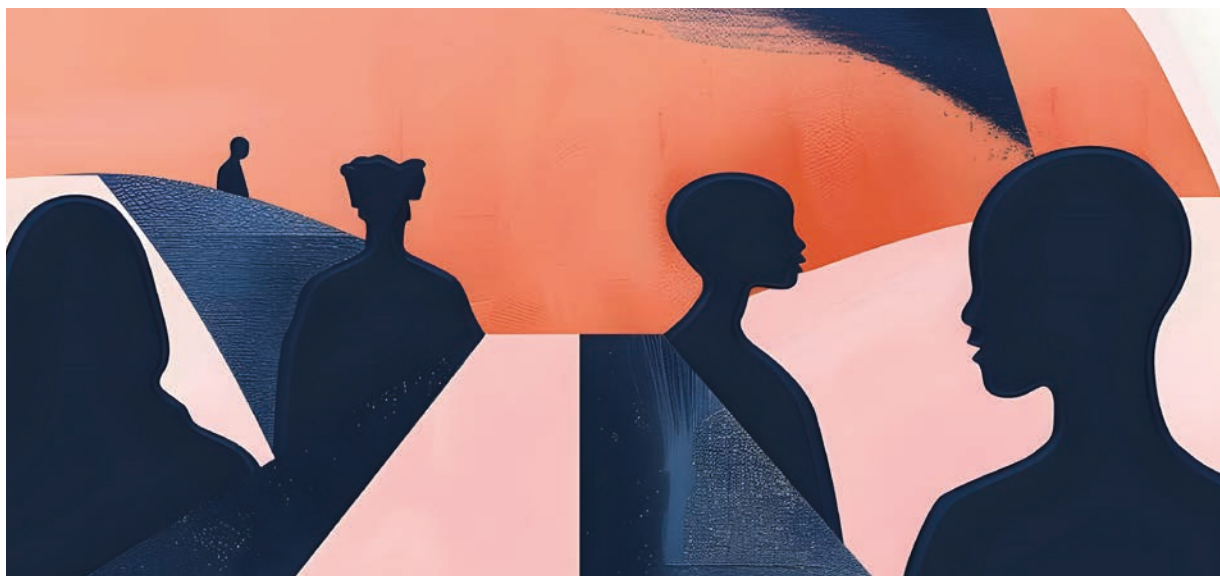
Gift Aid is an important and long-standing relief in the income tax system, and a natural tool to use. Back in the 2000s, Gift Aid was

introduced in its current form, and I was determined that giving be made more straightforward and that old restrictions should be abolished so that small donations could benefit.⁶⁵

But there are still anomalies in the way the system works that could usefully be ironed out. It effectively operates as a “matched” funding scheme for most taxpayers. For every £1 gifted, after checking that the donor is a UK taxpayer, the charity can claim back an extra 25p, which is equivalent to giving relief at the basic rate of tax.* That makes some sense for basic rate-payers, but not at either extreme of the income scale.

The millions in the UK who have too little coming in to pay income tax, and yet who nonetheless scrape together a donation for charity are not automatically eligible to receive a similar match. If we want to encourage a giving society, even while accepting that people with little can only give little, this needs to be re-examined.

Then at the top, those with a large enough income to attract the higher or additional (and in Scotland also the “intermediate”)⁶⁶ rate of tax are entitled to extra relief. And peculiarly, unlike the incentive for basic-rate taxpayers, this extra support from the Exchequer goes



not to the chosen charity but to the individual: they can declare the donation on their tax return, and then may benefit from an increase in their tax thresholds. While it is of course open to them to then hand the extra relief they receive on to charity, and many have done so, this is hardly made easy to do: the relief is just one of many numbers in a complex tax calculation, and the benefit will typically be received many months after the donation was made. To make such a transfer, the higher-rate donor would need to be extremely conscientious and extremely organised. Indeed, very many donations that should be eligible for this extra relief probably never attract it at all, because it relies on the individual keeping careful record of all eligible gifts, and then taking the time to record them all on the tax return.

The deeper question is why the donations of better-off people should automatically attract relatively more relief than those of others. The argument sometimes made in connection with pensions, that contributions need to be thought of and taxed as deferred earnings, doesn't apply with donations. The impulse to give is equally noble at all income levels, and should be equally worthy of state support.

We could dramatically simplify the system so that we can add to the £1.6bn that HMRC estimates Gift Aid itself costs with the £740m handed back to individuals offsetting Gift Aided donations against higher rates of tax⁶⁷ delivering not just £1.6b a year but £2.34b year to good causes.

But on a temporary basis, we can and should do more. For three years, as Britain charts a way through and out of this poverty crisis, we could further ramp up the Inland Revenue match on every pound of every donation.

This could lever in meaningful extra support during the current emergency, and yet – as a time-limited measure – would have only a very limited impact on the public balance sheet. The time limit would also signal, in just the way that campaigners and many charities stress, that emergency charitable relief should not be proffered as a substitute for a repaired safety net and the wider social and economic reforms that will ultimately be needed, if we are not merely to cure but also prevent poverty.

** As of March 2024 this rate is 20 per cent: the combined donation and top-up is £1.25, of which the 25p top up represents 20 per cent.*

A Direct Public Contribution

The state could catalyse a lot of positive social action by creating a partnership fund. It might, for example, work with foundations to provide matching funds for anti-poverty projects, or give grants to charities to ensure they can take up offers from companies to supply goods or services at discounted prices. One way to fund this would be to require banks to hold some of their reserves with the Bank of England, which could deliver upwards of £1.3bn a year.

As the Bank's former Deputy Governor Sir Paul Tucker has highlighted, the operation of post-credit crunch quantitative easing has, more recently, produced an historical curiosity. QE works by inflating the reserves that other banks hold at the Bank of England, on which the (publicly-owned) Bank then pays full interest.⁶⁸ There were sound reasons for things to be arranged this way when QE started, and there was no meaningful cost to the Bank while interest rates remained very low.

But today, with interest rates far higher, there is a substantial cost to the public purse, which wouldn't arise if – as in the past, and as in other parts of the world today – full interest ceased to be payable on reserves. Tucker acknowledges there could be complexities in rewiring the system, but nonetheless asserts that the bank could instead “operate... a system of tiered remuneration for banks' reserve balances.” Exploring a range of mandated minimum “reserve requirements” for the commercial banks on which interest would not need to be paid,⁶⁹ the New Economics Foundation has calculated that even a relatively cautious approach to match that of the European Central Bank or the sort of reserve benchmarks commonly used in Switzerland would respectively save the public purse £1.3bn and £3.3bn a year.⁷⁰ Redirecting what, in a changing monetary environment, amounts to an unplanned subsidy to banks towards investment in the infrastructure that can support social partnerships to tackle poverty could make a huge difference.





Three-way partnerships

Current practice and future potential

We don't have to imagine the difference that three-way partnerships, factoring in the state could make: we can already see them in practice.

One inspiring example is arranged around the charity OnSide, which builds 'Youth Zones' to provide state of the art leisure facilities for youngsters in deprived areas. The impetus has come from the third sector and supportive business people, but different forms of state backing are also important – and becoming more so as the initiative expands.

Youth Zones provide state of the art facilities, and – just as importantly – offer a forum for youngsters to forge close friendships, away from the streets. As well as the pleasure, passion and purpose that activities such as team sports and music can provide, the centres provide a trusted space where youngsters can be sure someone will listen to their problems and difficulties, as well as their hopes and dreams. In short, Youth Zones change lives.

There are 14 of these centres in different parts of England, with more on the way, which will raise that total to 23 and they are already reaching 55,000 young people each year. But Youth Zones cannot be summoned out of thin air: they cost around £10m to build, and have running costs of around £1.5m a year. They require

serious resources, sustained commitment and – above all – partnership.

That partnership was pioneered after serial entrepreneur Bill Holroyd's involvement in a venerable (but definitely not state of the art) "lads and girls club" in Bolton.⁷¹ The founder of electrical retailer AO.com, John Roberts, also was closely involved. The Youth Zone eventually not only transformed the reach of that old Victorian club, but also became an inspiring template for others to follow.

Each new centre needs to stand on its own, as well as being part of the OnSide network: local communities, businesses included, and local councils are a huge part of that. I saw close up how it was done in Wigan. Its impressive Youth Zone was initially lifted off the ground, principally by marrying private money from local philanthropists and the council offering up land for an ideal site. Its ongoing running costs have since been met through diverse sources, including council grants, philanthropic grants, donations from local business people (who happily donate managerial skill as well as money) and innovative fund-raising campaigns, such as FiredUp4, which auctions works donated by potters to create facilities in which youngsters can work with clay.⁷²





As well as donations of passion, know-how and money, business leaders have sometimes tapped more specific synergies to offer something they are especially well-placed to provide: as when AO.com donated laptops to Youth Zone users during the pandemic.⁷³ As for the state, on top of the land, as the network expands additional backing is important: a central government grant scheme, the Youth Investment Fund, has recently been tapped to help give other places in the North-West the chance to build Youth Zones.⁷⁴ As the initiative spreads geographically, there is every reason to hope that this partnership success story can spread to Scotland and Wales as well.

Stories like this involve the full range of social forces coming together – activist citizens, dedicated professionals, campaigning charities, fund-raising drives, philanthropic individuals and foundations, motivated companies, local and national government. The success of Youth Zone speaks for itself. The question for public policy is what it can do to facilitate other similar collaborations.

Part of the answer is simply for government to throw its weight behind brilliant collaborations that are already going. Having committed to the creation of a new Partnership Fund in the last chapter, we can look back to a number of the cases of companies enlisting charities

described in Chapter 5, and very soon see how the multiplicative results that such pairings are already achieving could be multiplied yet again with a bit of government help.

“The most effective partnership is, of course, a willing partnership.”

An excellent campaign by FareShare illustrates the point. It already matches surplus food to unmet need to cut out waste and hunger at the same time, and now proposes to add the purchasing power of the state into its already potent mix. It is demanding an investment of £25m in public money to buy up good surplus stock for needy families – stock worth many times that, but which would otherwise be rotting at the farm gate or in the bins behind supermarkets.⁷⁵ As well as providing a slither of valuable extra income for farmers, this could provide an estimated 100 million meals for all those families currently eating too little in this troubled decade which is fast becoming the hungry 20s. The government should smile on propositions like this that can provide excellent value, and so should philanthropists.

Meanwhile, Warm Welcome Spaces, founded by faith leaders, and backed by corporate part-

ners including the Co-Op and National Grid in the ways we have described, has already enlisted parts of the state in its efforts: working with councils, receiving some funds via the Household Support Fund and welcoming public libraries into its network. Indeed, when assessed overall, including the free use of spaces, roughly one third of the funds have come from charities, one third is public and one third is corporate, so in a way this is already a thriving three-way partnership, whose rapid growth and success in countering cold and loneliness embodies the possibilities of working together to achieve a whole more than the sum of the parts. And the coalition is opening the door to further potential public involvement: a pilot in Stockport is now assessing the scope for Warm Spaces to refer to the Fuel Bank Foundation, which can offer top-ups towards energy bills. This could eventually forge a new indirect link back to the public sector if, as has already happened in Scotland and Wales, the Fuel Bank Foundation is then backed by public funds.

Then, close to my own heart, there is the Multi-bank initiative. If a measure of public backing boosted our capacity to strike deals for more non-food supplies, then we could obviously help more families in the immediate term, but not only that. With the government also, as we envisage, stepping forward to fix the safety net so that everyone is again protected from rampant destitution, then we could begin to refocus our efforts from emergency relief towards playing a more proactive part in transitioning our society away from mass poverty.

New frontiers

Let's now consider, in a more practical way, a few social policies that might benefit from a real effort to build three-way partnerships into public policy.

A couple of proposals suggested by the Labour party seem ripe for this approach. The party has pledged to follow an initiative already tried in Scotland,⁷⁶ and introduce a programme of supervised toothbrushing for children in Eng-

land. The need is obvious: tooth decay is a huge cause of discomfort, and untreated can lead to infection and even tooth loss, and – right now – vast tracts of the country are now deserts for NHS dentistry. But with the public finances tight. Labour is currently aiming at a relatively small-scale £9m programme, for 3 to 5-year olds, and tightly targeted on areas with the worst dental health.⁷⁷

How much further might it be possible to go – both geographically and up the age range – if that modest public investment were allied to matched donations from other sources, with professionals volunteering a bit of time to supervise the youngsters, and toothpaste and toothbrushes from supermarkets and manufacturers on a serious scale. The most effective partnership is, of course, a willing partnership, and so energy must be invested persuading hard-pressed schools and busy teachers that the campaign for healthy teeth and gums is not just another burden on their time, but something which can improve the well-being and long-term health of their pupils.

With a view to boosting pupil health and learning, and also extending earning opportunities for more parents, Labour is pledging to extend the offer of a breakfast club to all primary school children in England. This is a substantial programme – in effect, vastly extending the reach of the benefits that third-sector efforts like Magic Breakfast have already achieved – which the party has costed at £365 million (after factoring in grants to the devolved administration to allow them to do something equivalent).⁷⁸ But the question remains: how much better could those new resources do if they were deployed in partnership?

One can imagine a local alliance, where a firm or shop in a city offering (say) logistical or storage support because it wanted to be associated with that most useful of all jobs: feeding a community's next generation. Or a trusted national brand of a wholesome food spying the chance to win special affection with the rising cohort of consumers and their families by donating supplies at serious volume.

If, by striking such deals, the state and interested charities such as Magic Breakfast were able to keep the immediate costs down, then might it be possible to extend the offer to secondary schools, where good breakfasts are every bit as important for learning? Or indeed, to redeploy some of the money towards forging fresh partnerships in the broader field of school food, for example by working with an organisation like Chefs in Schools, to raise nutritional standards of what is served at lunchtime or indeed the new breakfast clubs? Or again, might it be possible to redeploy some of the original funds to ease the singularly stringent means test for free school meals, which denies free food to children where working parents take home a mere £7,400 per year?

To recap, from Warm Welcome Spaces to Youth Zones we can already see real three-way partnerships involving charities, companies and the state in action against destitution and poverty of aspiration – replacing cold with warmth, loneliness with friendship, and boredom with opportunity. It has to be worth knitting similar partnerships into a broader strategy to abolish poverty.

We have repeatedly stressed the need for the government to repair the safety net, and run a broader economic agenda that controls living costs and expands the chance for people to climb the career ladder. But while it is doing all of that, in this chapter we have also highlighted a raft of fields where three-way partnerships can fill huge social gaps left by the austerity state. The one remaining question is how, exactly, to see to it that they are delivered.



Nuts, bolts and information

The mechanics of getting things moving

We have covered the need for a clear and credible commitment from the government to end destitution and poverty, the necessity to ensure not only the buy-in but the active engagement of partners, and also pointed to specific ways in which additional resources can be levered into partnerships. But we still need to consider the mechanics of getting things moving.

After all, many a minister has complained of arriving in Whitehall, yanking on the levers of power, only to find that they aren't connected to anything much. And there are special challenges – as well as special opportunities – in co-ordinating progress by means of cross-sectoral partnerships, whose constituent parts are independent, and not part of any single machine. The biggest potential issue is information asymmetry: where each potential constituent of the coalition knows exactly what it would like to do, but not how to identify the partners who can help it. A second informational problem affects the people on the sharp end, who currently very often simply don't know about their rights or broader support that might be available for them.

In this chapter we try to fix the missing links, so information can flow between willing partners and get new partnerships moving. And secondly, how a partnership approach can see to it that all the people caught up in the poverty crisis can

have someone trusted to provide them with the information they currently lack, and help them navigate a course through their difficulties.

Matching commitments

By offering up binding commitments to end poverty with clear milestones for assessing progress, as recommended in Chapter 6, the government begins to solve one big picture problem. Charities and compassionate companies can then get involved in the mission without fearing that they will be substituting for, rather than adding to, efforts to tackle hardship – knowing that there is no danger they will be providing a pretext for the government to withdraw.

But even with this one big potential disconnect fixed, many smaller disjunctions could still impair partnerships achieving all they could. A local charity might be brilliant at mapping local need, but have few material resources, and few ideas about who it can turn to in order to supplement them. Meanwhile, one local company might have, say, a load of furniture that's become available from a closed office; another may have surplus stock to give; yet another might have a whole building that's lying empty, where in-kind donations could be stored; a fourth might be willing to donate some cash; yet another again may be willing



to offer administrative support or staff volunteering time. Put that together, and you could support something big – but only if each of the figurative tent poles knows where it can lean on others.

Consider the Multibank initiative. It currently receives only a fraction of the vast volume of surplus goods that are currently being destroyed, wasted, or landfilled. Just think of what it could achieve if it had the information and logistical support to deploy all such goods – a pollution solution that can attack not only waste but also poverty. The enhanced Gift Aid, VAT relief and public partnership fund we have proposed may lever in resources and help such charities expand their logistical capacity and ability to strike deals to buy in extra supplies at cost price. But even then, unless they can be made aware of all the goods that are potentially available for free or on a heavy discount, they will still achieve much less than they might. So how to ensure that awareness?

Sheffield City Council has tasked the small team of officers it has administering grants from the Household Support Fund with being the “node” that can connect locally-available donations, local charitable efforts and local need. Simply by talking to people who come at the problem from different perspectives, it can disseminate insight and speed up learning about what works and what doesn’t, engendering a sense of whether it’s time to expand or time to move on from particular projects.

It can also garner grassroot insight via activists from the Tenant and Resident Association, about which streets and even which homes could use a special helping hand. And if a few concerned individual professionals are offering, say, mental health support, but they’re not sure how to get word out or start booking in appointments, providing just a modicum of administrative support can make all the difference between nothing happening and getting things moving.

These insights about how one large, local authority sees its role in the partnering process raises interesting thoughts about whether

the national government could also seek to become a “node” through which to catalyse new alliances.

“Without this level of senior sponsorship and true willingness to take big decisions, so-called “task forces” can exert disappointingly little force.”

The first step is simply ensuring efforts are properly joined up within the public sector. The sprawling nature of the poverty crisis – which has tentacles reaching into health, education, work, community, energy, transport and more – should banish any illusion that this is a challenge that can safely be led from any one department. Instead, a cross government task-force will be required, not something separate from the departments that control the levers of delivery, but a body staffed with senior people embedded in each relevant ministry, who then combine to advance the strategy in a single forum away from the usual silos. Co-ordination, and administrative support, via the Cabinet Office could be one natural way to arrange this. But it has to have the chairmanship and thus enthusiastic blessing of the Prime Minister for it to succeed. Without this level of senior sponsorship and true willingness to take big decisions, so-called “task forces” can exert disappointingly little force.

Such a taskforce will need to be agile, and figure out a way to collate intelligence and rapidly progress suggestions that come from any sector – businesses, town halls, grassroots and community charities, foundations, philanthropic individuals – about problems in need of address, and resources that could be marshalled towards them. A relatively straightforward website could provide the forum for the information sharing, and a simple search facility might allow charities needing a particular resource to seek out someone willing to give

it. But the full benefits will only be reaped if a team of the brightest and best officials are recruited to proactively sift, prioritise, and spot potential connections between partners with common goals, and then make the relevant introductions. A well-run central “node” could also support charitable funders keen to stretch what their funds could buy by connecting them with firms holding surplus stock that might be snapped up for free or next to nothing, or with landlords of empty buildings which they could cheerfully lease for a peppercorn rent.

Banishing “information poverty”

Just as important as getting information flowing around the coalition of compassion is the need to provide it to all those who are directly feeling the squeeze. There are currently huge problems with families not knowing their rights, or even where to get the right advice about them, and ending up being pushed from pillar to post. And it turns out that this is itself a problem where charity-led partnerships could make a transformative difference.

Jobcentres are meant to be, and at their best are, crucial advice and information points, but too often they don’t feel that way to those who come through their door. Currently, even if someone is thinking of suicide, they will get no more than the standard few minutes of interview to discuss their predicament and their options. Equally, a patient will likely get a few minutes with a GP, and unless they present with unmistakably serious symptoms, they will not be referred to a mental health counsellor; and even if they get a referral for a consultant for further treatment, waiting lists are very long. If the same person tries to contact Citizens Advice, paid for in part by local authorities because they do not fundraise themselves, the consultation will again feel pressed and they may not get the time they need.

In each case, the success of these interviews turns on the client being able to ask all the right questions, and yet in none of them is there much interaction between the different author-

ities. If someone has a mental health problem preventing them from working, surely the GP is the best place to start, but often they get sent to the job-centre and then find themselves sanctioned for being unable to work.

The voluntary sector is especially well-placed here – it has relationships untainted by the fear or suspicion that can impede official dealings. Just as happened with NHS volunteers during Covid, there is a case for recruiting a new citizen army of helpers, to guide people through the maze of services and entitlements to ensure that they get everything that is their due. Just imagine if the third sector could train up a million advice ambassadors to walk with and alongside those who need help, bolstering official employment, welfare, housing and health support, and always considering the needs of the individual in the round.

The results could be transformative: notional rights would be made real, and we could banish the Kafkaesque fear that too many feel in navigating the system, and show everyone in our community that they have someone to turn to whom they can rely on to be on their side. Where possible, the aim should be a truly one-to-one service connecting people (as with Manchester’s No Wrong Door initiative) in a holistic way with NHS, welfare, employment, and local authority provisions. And those with the severest need should go to the front of the queue for this special help, in line with the principles of the Citizens’ Advice/foodbank project “prioritising destitution.”

Alongside new human support, smart technologies and data protocols could automatically deploy information on people’s behalf, and therefore facilitate more people in need getting what’s due – including from the utility companies.

People’s lack of knowledge about their social security entitlements, and a resulting failure to claim what’s due, are one familiar driver of hardship. It is a problem which social entrepreneurs at Policy in Practice are partnering with councils to address, via a targeted approach to people judged at risk of missing



out on benefits. In a similar way, some local councils, including Sheffield, have used data matching to prompt eligible families to take up free school meals, rather than passively waiting for their parents to claim.⁷⁹

Now another front in this campaign beckons, this time involving utility businesses. A myriad of (often poorly-understood) schemes exist to reduce household bills specifically for people in need. Policy in Practice estimates suggest the take-up of these varies from poor to woeful – standing at 53 per cent for the Warm Home Discount on heating costs, falling to just 17 per cent for “social tariffs” on water, and just 3 per cent on those notionally available for broadband.⁸⁰ The amounts involved are far from trivial: a household missing out on the average value of all three of these would be entitled to savings off the very bills that have recently put such pressure on household finances to the tune of £454 a year.

Smart schemes to allow for data collected for one purpose, such as a benefit check, to go straight to the utilities for “passporting” on to such discounts would go a long way to fixing this particular gap in the system. And if the regulators were to take, or be instructed to take, more of a pro-active interest in the design and implementation of such schemes we could do even better. Campaigners and

some working within the retail side of utility industries have suggested that the total discounts available could be increased if “upstream” costs were capped. On the basis of such testimony, the Lords Communications and Digital Committee recommended Ofcom consulting on “requiring Openreach,” which maintains the bulk of the underlying telecoms infrastructure, “to offer a wholesale social tariff” which could then be fed through the system to increase the discounts on final bills for needy customers.⁸¹

Wiser heads within the utility businesses are coming to understand their responsibilities amid bills that have become unaffordable for so many. They should welcome the chance to progress this agenda – so it is yet another area where we can hope to move forward in partnership.



Winning the argument

The mechanics of getting things moving

It is neither defensible nor sustainable for Britain to tolerate rampant poverty amid plenty. And it can surely be in absolutely nobody's interest to continue to allow waste and want to exist side by side. Everyone wins if we can summon the sort of coalition of compassion that we have described.

One very small but inspiring example of what can be done by working together – described in the box below – comes from a collaboration in and around a primary school in London's Old Kent Road, one of those corners of London with far more than its fair share of challenges, as any number of deprivation indicators show. The positive energy that radiates out from this sort of ultra-local scheme can hardly be missed. Our purpose in this pamphlet has been to explore the possibilities of making the same sort of magic work nationwide – in a context where the government commits to fix the worst holes in the social safety net, and take progressive action to support better jobs and help people get a grip on rocketing bills.

All Together Now – Old Kent Road Family Zone



During the “awful moment” of the pandemic Nicola Noble, co-head of Surrey Square primary school in South London, describes a “lightbulb moment.” She realised her pupils could only fully thrive if the well-being of the broader community improved – so took it upon her school to do something about that.

The school became the anchor institution for the Old Kent Road Family Zone, an initiative connecting the many insights and positive



actions that locals are already applying to their situation in the belief that they can – in the phrase the Zone has made its slogan – achieve “more together.” Local citizens bring the ideas and passion; institutions including Citizens UK and the Old Kent Road mosque lend their strongly established local relationships and organising muscle. And supportive businesses were soon keen to get involved too: online retailer Very.Com has donated surplus clothes, and two developers with local interests Lendlease and Notting Hill Genesis provided immediate financial support, and also began to engage in a longer-term discussion about the future of the area.

Once a month on a Saturday, the school throws open its gates to host a Family Zone Marketplace, giving youngsters somewhere safe to play while parents can mingle, and also pick up various things they need for free: new clothes and food sourced from surplus stocks, and second-hand goods donated by other families. The school has even worked with the community to create a pop-up restaurant, and is in talks with Notting Hill Genesis about whether a unit might be found to give it a permanent home, to secure not just a new facility for the neighbourhood, but also develop the skills and jobs to allow it to prosper.

By joining forces at the Family Zone, Smith says, local campaigners, faith groups, businesses and ordinary families can strengthen their relationships and co-ordinate their efforts: avoiding duplication of effort, spotting obvious gaps where no-one is doing much, and marshalling different strengths together in a way that lets them complement each other. The name of the game is defying the impoverished image that comes with being the bottom square on the Monopoly board, and the Zone has found no shortage of players.

The Old Kent Road Road Family Zone is not unique: committed citizens and campaigners desperate to make a difference to their community are found everywhere. As indeed are developers with an interest in seeing the

communities they are building prosper, and companies with surplus goods reaching use-by dates, sell-by dates, or falling out of fashion. They can't freely landfill them any longer in a world confronting environmental limits. Instead, by repurposing what might have been waste as assets for people in need, they can avoid the landfill problem and also achieve the sort of social purpose that is only becoming more important in motivating a staff and winning loyal customers.

Companies can prove the business case for acting by showing they can do good and do well at the same time. Likewise, charities that have money, but never enough, can thrive by finding partners who can efficiently and affordably supply the resources they need. Town halls that have land, but are too cash-strapped to do anything with it, can – through partnership – ensure that it is deployed to tackle the vast social problems their communities currently face. Philanthropists who, quite rightly, want to see the maximum bang for their buck, can achieve it by forging various alliances, including through matched funding schemes.

Perhaps the biggest single obstacle in the way of securing the huge promise of partnerships is the despondent air produced by the world-weary mood of our times. The experience of the Big Society, which many citizens, charities and even officials now look back on as a mere cover for cuts, left many who care about poverty feeling jaded. Sometimes, as we have also acknowledged, charities are still counting the cost of penny-pinching contracts with the austerity state.⁸² In order to rise above all this, the spirit of partnership will need to defy the deep cynicism that such bitter experiences have bred.

So let us be clear: the Conservative Government was entirely right to say that “there is such a thing as society” which is “not the same as the state,” but entirely wrong that the best way to encourage communities to prosper was for the state to walk away from its own contribution. Universal Credit and other public support needs to be improved and, as we have explained

in detail it can be. The right public policies can lead us from insecure jobs and inactivity towards careers with prospects for all. In the face of the recent explosion of living costs, the housing, childcare and utility markets can and must be reformed so that unavoidable bills are brought back under control.

The coalition of compassion is not a second-best alternative to any of this, but a vital complement to it. Nor is it – and we must be very clear about this – a mere opportunity for corporates to dabble in spin and PR, before pressing on without making any real difference. It's not only citizens and charities that want reassuring that they are not being played by the social equivalent of greenwashing. Those companies that are truly making a difference – commensurate to the true scale of the poverty crisis and their ability to act – will rightly want to distinguish themselves from others making eye-catching but ultimately hollow gestures. It is on all of us to be vigilant, and hail those outfits making real commitments, while calling out those whose interest falls away the moment the press release has been sent.

So there are deep doubts that need to be addressed. Once they are, however, the possibilities of working in partnership are almost boundless. It can stimulate a society of activist citizens, and an economy of newly-purposeful businesses, with far-reaching potential benefits for many aspects of British life, including some that we can hardly foresee.

And we can do all of this knowing it plays to the very best of British traditions. For countries are in part defined by values held in common. And the ideal of a covenant is very much in sync with the ethos of the UK. Certain commitments run like a thread through our history, including liberty and the rule of law, fairness and social cohesion, and an outward-looking openness.

Many other countries can claim some of these values as their own, but Britain stands out in two respects. Never have we allowed the state to control or suppress the individual, at

all times rejecting authoritarian regimes of government. And never have we succumbed to thinking of our society as composed only of self-interested selfish individuals: the British public has understood itself as a living community, with a shared commitment to fairness and opportunity for all. Our culture includes a regard for fairness sometimes wanting in the US, and a respect for voluntarism that has not always been so strong on the European continent.

As Jonathan Sacks said in words that will reverberate across the generations, we will not be remembered when we die for our wealth or power of status, but for the kindness we show to others, for the support and service we have given, and for the difference we have made. Let us remember, as he also reminded us that we are richer when we care for the poor, that we are more secure when we care for the insecure, and stronger when we care for the weak. Indeed, when the strong help the weak it does indeed make us all - the entire community - stronger.

We are not being true to ourselves while we tolerate the continuation of Britain's appalling poverty crisis. We can fix it – and must. Together. To do so would deliver what is needed urgently – a new age of hope.

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More information on Gordon Brown can be found at www.gordonandsarahbrown.com

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