



Kensington and Chelsea's

POVERTY PROFILE

1. **London's Poverty Profile** report was published in 2009 by the City Parochial Foundation. The report presented the social and economic profile of London and highlighted where poverty is most prominent in the London boroughs.
2. Whilst London is by far the richest part of Britain it also has high poverty levels. The report examines London poverty as measured by low income. It also comments on a range of other problems experienced by Londoners that can be associated with life in London including unemployment and worklessness, low pay, poor health, weak educational outcomes and inadequate housing.
3. This briefing highlights where Kensington and Chelsea is featured in the report and under what particular measures. Throughout the report Kensington and Chelsea is grouped with Camden, Hammersmith & Fulham, Wandsworth and Westminster in an area referred to as 'Inner West'.
4. Inner West comes bottom in the report against particular indicators which are:
 - ◆ **Low Income & Benefits**
This refers to people of working age who lack work but want paid work. The highest rates amongst the four Inner West boroughs are found in Camden and Westminster.
 - ◆ **Inadequate Housing**
This relates to household overcrowding. The highest rate of overcrowding amongst the Inner West boroughs is in Camden, Kensington and Chelsea and Westminster.
 - ◆ **Low Pay**
This relates to pay inequality. The highest rates of inequality for boroughs in the Inner West are Kensington and Chelsea and Westminster.
5. The report clearly shows large differences in poverty between Inner West, Inner East and South, where boroughs such as Hackney, Lambeth and Tower Hamlets fall heavily into the worst indicator scores for poverty. According to the report however, parts of Kensington and Chelsea and Westminster face their own poverty challenges.
6. With regards to migration in and out of London boroughs between 2001 and 2005, Kensington and Chelsea is 6th on the list behind Westminster, Camden, Wandsworth, Hammersmith and Fulham and Islington. Figures estimated that 56% of the population moved into the borough during that time whilst 49% moved out.
7. Boroughs in Inner London tend to have both rich and poor wards, whilst boroughs in outer London tend to have either rich or poor wards. The five most unequal boroughs are all in Inner London, in the Inner East and South, these are; Haringey, Tower Hamlets, Southwark and in the Inner West Kensington and Chelsea and Hammersmith and Fulham.

8. The distribution of hourly pay also shows inequalities within and between boroughs. The top quarter of earners living in Kensington and Chelsea earn at least three times more per hour than those in the bottom quarter. i.e. the top 25% of working residents in Kensington and Chelsea earn £35 per hour or more compared to the bottom quarter who earn £11 an hour or less.
9. Between boroughs, the big inequality is between the high earners. The top quarter in Kensington and Chelsea earn more than twice as much per hour compared to the top quarter in Newham, Barking and Dagenham or Brent. However the bottom quarter of earners in Kensington and Chelsea earn only one-third more per hour than the bottom quarter of earners in Newham.
10. Although a higher proportion of jobs in Outer London are low paid, the actual number of low paid jobs in Inner London is similar. About a quarter of all low paid jobs are in the Inner West boroughs.
11. The report highlights the rise of in-work poverty and suggests that this makes low pay an even more important measure of household poverty in England. This is because where as income poverty is measured using a standard 60% of the average median household income, there is no such universally accepted threshold for low pay. The report looks at the proportion of people paid under £7.50, the London living wage.
12. The combination of much higher rates of low income for amongst black and minority ethnic (BME) backgrounds and the high BME population in London means that over half of BME people are living in poverty. However, there is a large variance in the poverty rate amongst ethnic groups. For example, the income level of London's Indian population is similar to that of the white population which is twice as high as amongst Black Africans and three times as much as the Bangladeshi community.
13. In most London boroughs the proportion of 16 year olds getting fewer than 5 GCSE's has decreased since the start of the decade. As a result no borough now has more than 15% of 16 years olds with fewer than 5 GCSE's. Between 1997 and 2008 there were 8 boroughs that fell into this category including Kensington and Chelsea. The improvements in Kensington and Chelsea are such that the borough is no longer amongst the lowest performing quarter of London boroughs.
14. According to the 2001 census, the proportion of households living in overcrowded conditions was far higher in London than in other regions in England. In Inner London this figure was more than 4 times as high as anywhere outside London. 30% of households in Camden are overcrowded and there is only a slightly lower proportion in Westminster, Kensington and Chelsea and Tower Hamlets. This compares to about 5% in the outer London boroughs of Bromley, Bexley and Havering.
15. The report states that whilst the data was being compiled for the report, the economic situation has changed. The report therefore has not considered the impact of the recession. On the brink of the recession, this report reveals the position of London and the assessment of whether there has been progress based on years of relative economic stability.

To read the full report visit: www.londonpovertyprofile.org