

The Impact of Coronavirus on Disadvantaged Groups

JULY 2021



Introduction

Since coronavirus was first declared a pandemic on 11 March 2020 by the World Health Organisation (WHO) [1], many communities in the UK have been disadvantaged. It is without doubt that Covid-19 has had devastating effects around the globe, be it socially or economically.

This report will, at a high level, explore the groups of people who have been disadvantaged and in what ways Covid-19 has impacted their lives since the first lockdown in March 2020. By comparing and contrasting data prior to the pandemic, the report will look at data on a national level and a local one in East Hertfordshire to better understand the clients that Citizens Advice East Herts have been helping.

Ethnicity

One of the most prominent groups to have been disadvantaged by the pandemic in the UK are the Black, Asian and minority ethnic (BAME) population. According to the 2011 Census, the BAME community accounts for 13% of the population in England and Wales, while 87% of the population have a White background. [2] (The 2021 Census data is not available until 2022).

However, this has not prevented the BAME community from being the most affected ethnic group, who are at risk of higher job insecurity, meaning they are more likely to suffer financial hardship. Before the pandemic, minority ethnic groups were already less likely to make financial ends meet and were more likely to live in a household behind on bills or housing payments than individuals from a white background [3]. However, according to the 'Understanding Society' survey, Covid has meant that the BAME community faces severe uncertainty with housing and are at risk of falling into arrears [4]. They are also 50 per cent more likely to be renters than the wider population, so will have gained less from emergency mortgage holidays and are at greater risk of eviction due to rent arrears [5].

Income Profile

The data on employment and financial earnings shows that ethnic minorities have been hit harder than individuals from a white background by the pandemic. Prior to Covid, statistics from 2010 show that 60% of Black and Asian people in the UK had no savings and thus were already struggling financially [6]. The situation was far more grave after the first lockdown took hold, with data from the Office for National Statistics (ONS) showing that in March 2020, people from BAME groups were more likely to work longer hours and less likely to be employed and be furloughed than their white counterparts [7]. Seven per cent of the UK population reported that they were struggling financially, but for people from a non-white background, the figure was between 12 and 18 per cent [8]. Not only are the BAME community facing a risk of job losses and loss of income, but they are also less likely to have job security: BAME millennials are 47% more likely to be on a zero-hours contract and 4.17% less likely to have a permanent contract than their white peer group [9].

Research has shown that Black, Asian and other minority ethnic groups are more likely than the population as a whole to find themselves out of work due to Covid-19. For example, in the year 2020, 5% of the UK population employed in January/February were no longer working in June, whereas the figure among minority ethnic groups was 13% - nearly three times more likely to be unemployed than the rest of the population [8]. In addition, the Institute for Public Policy Research (IPPR) said people from a BAME background were twice as likely to expect to have difficulty paying their usual bills and expenses in the next three months and more than twice as likely to expect to have lost their jobs or otherwise stopped working during the pandemic [5].

Gender

In addition to the loss of earnings and risk of eviction, the lockdown has increased gender disparities in the UK, with women facing more challenges due to extra childcare responsibilities and thus, are less likely to take on jobs during Covid. In the UK, women completed two-thirds of the extra childcare in the first lockdown and were more likely to be furloughed [10].

Findings from the ONS in March 2021 also confirmed that women would spend significantly less time working from home during lockdown and more time on unpaid household work and childcare [11].

Regarding mortality rates from the coronavirus, figures reveal that more men died from COVID than women, even though pre-pandemic annual mortality rates were higher for men than women in England and Wales [11].

Disadvantaged Groups in East Herts

Data from the 2011 Census reveals that the population in East Herts is predominantly of a white background (95.5%) [12]. However, the data also shows that there are other ethnic groups in the community, such as Asian/Asian British (1.9%); Black/African/Caribbean/Black British (0.7%); and other Mixed/Multiple ethnic groups (1.6%) [12].

For the period 1 January 2021 - 1 July 2021, Casebook data (our system for recording client data), shows that the vast majority of clients seen are White (1,046 White British and 158 White Other) [13], which could be due to the predominantly white community and other white ethnic minorities such as Polish people [14]. (It should be noted that we are capturing less ethnicity and other special category data since moving to a predominantly remote advice service.) Even though CAEH sees a higher proportion of BAME clients than the general East Herts population, these are still very small in number. For that same period, the following data recorded: 6 Asian/Asian British (Chinese) clients; 18 Black or Black British (Other) clients; 68 Black or Black British (African) clients out of a total of 3,553 recorded clients [13]. As stressed in the Advice Needs Analysis, "we should ensure that we record and analyse ethnicity and nationality so that we can identify needs and adequately support BAME and non-English clients." [14]

In 2011, 72% of households lived in owner-occupied accommodation compared to 67% for Hertfordshire [14]. Despite East Herts being an affluent area, housing is expensive, and most clients are renting. Pre-covid (Q3 of 2019/20), most clients were renting with a housing association/ RSL tenants or privately renting (223 and 181 respectively, out of a total of 1,300 clients recorded for that period) [15]. There is a wide difference between those owning outright for the same period (76 clients). The most recent data for housing tenure (Q1 of 2021/22) has shown that most clients in East Herts continue to rent with social housing and privately (184 and 143, out of a total of 1,568 recorded clients for that period) [16]. Again, fewer clients owned outright that period (57 recorded clients), suggesting that housing costs remain high in the area and people do not have a sufficient income. When measuring deprivation levels, East Herts has ranked the worst in Barriers to Housing and Services in 2019 (201 out of 307) out of the rest of Hertfordshire. In particular, there have been concerns of poor-quality housing and low levels of home energy efficiency, which has led to risks of fuel poverty [14].

For the first six months of 2021, the data shows that a high number of clients work more than or equal to 30 hours per week, and there are slightly fewer who are unemployed but seeking employment (261 and 222 respectively, out of a total of 3,553 recorded clients) [13]. Statistics on Casebook also reveal that the income profiles of individuals are fairly spread out. From January to July 2021, 42 clients earned less than £400 pcm while 39 clients earned £1301-£1499 pcm [13]. The high unemployment levels are likely to be the result of Covid-19, as people are being furloughed and eventually made redundant. We should ensure that clients get the help they need to access services regarding employment matters.

For the first half of 2021, most of the clients seen were women (1,668) compared to men (990) out of a recorded total of 3,553 [13]. Furthermore, most clients for that same period were single (496), and only 150 were married, while just 75 clients recorded were cohabiting (out of a total of 3,553 clients recorded for that period) [13]. The high number of female and single clients could support the national problem of women facing extra responsibilities throughout the pandemic.

Conclusion

Covid-19 has severely impacted those who are vulnerable both socially and financially. Despite the BAME community being hit hard on a national scale, this is difficult to identify in Casebook data as most clients who have contacted CAEH are White British. There are many unemployed persons in the area due to the pandemic, and we should ensure these clients are being given the support they need. Most of the clients in East Herts continue to rent either privately or through social housing, which is the same as before the pandemic, highlighting that housing tenure has not been affected. However, the high rate of female and single clients indicates that these are likely to be single mothers seeking help as they face extra childcare responsibilities and less likely to have paid employment - an issue that is on a national level.

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