

Experiences of poverty in later life

People from minoritised ethnic communities

While people in later life are becoming more ethnically diverse, people from Black, Asian and minoritised ethnic communities are more likely to experience poverty in later life, reflecting the long-standing discrimination that many have faced.

The older people that make up Black, Asian and minoritised ethnic communities in the UK are diverse and unique.¹ Many of the challenges they face around financial hardship are similar to those of different ethnic backgrounds, including White British people – for example, experiencing a bereavement can push people from any background into poverty. You can read more about some of the general themes in our range of briefings at independentage.org/policy-and-research/experiences-poverty-later-life.

However, there are some distinctive factors that are more likely to affect people from minoritised ethnic backgrounds and exacerbate their financial situation. In this briefing, we explore and

focus on some of these, based primarily on conversations with organisations supporting older people from different minoritised communities. We recognise that we are only scratching the surface of deep-seated, long-standing issues of discrimination and inequality, and will continue to grow our understanding of these issues.

While focusing on distinctive experiences in different communities, we also recognise there is immense diversity within and across different backgrounds. For example, people born and brought up in the UK may have a different experience to those who moved to the UK later in life.



Methodology

To understand the reasons for financial hardship and possible solutions that would benefit older people from minoritised ethnic communities, we conducted 15 interviews. These were with a mixture of individuals sharing their personal experiences and views and community organisations, some of which have received grant funding from Independent Age. These organisations provide practical support to older people from diverse backgrounds, including South Asian, Caribbean, Chinese and sub-Saharan African.



Higher risk of being in poverty

While many people from minoritised ethnic backgrounds have a comfortable retirement, they are overall at a higher risk of experiencing poverty. The latest official figures show that among the broader group of all people over State Pension age, 18% are in poverty. However, 29% of Asian/Asian British older people are in poverty, as are 25% of Black/African/Caribbean/Black British older people.² Research commissioned from City, University of London showed that Black pensioners are at the greatest risk of longer-term poverty – experiencing poverty for 7–9 years during a nine-year period up to 2019 – with 1 in 6 (17%) experiencing this, compared to 6% of all pensioners.³

Low income is associated with poor health. At Independent Age we hear from people skipping meals, not using their cooker, not turning the heating on and not eating fresh fruit or vegetables. It is therefore likely that living in poverty contributes to high rates of illness and low health-related quality of life among older people in many minoritised ethnic groups.⁴

In the 2021 England and Wales Census there were around **400,000 people** aged 65+ from Asian/Asian British/Asian Welsh groups, and **150,000 people** from Black/Black British/Black Welsh/Caribbean/African groups.⁵

Broadly speaking, the risk of poverty is higher among these groups.

18%

of **all** pensioners are in poverty

29%

of **Asian/Asian British** older people are in poverty

25%

of **Black/African/Caribbean/Black British** older people are in poverty⁶

6%

of **all** pensioners experienced poverty for 7–9 years during a nine-year period

17%

of **Black** pensioners experienced poverty for 7–9 years during a nine-year period⁷

Causes of poverty

There are well-known structural reasons that contribute to being in poverty, including long-term discrimination in relation to work and housing, which can occur earlier in people's lives. Many people from minoritised ethnic backgrounds faced disadvantage regarding employment, earnings and private pension savings. However, it is a mixed picture, with some groups struggling more than others.⁸

Percentage of retirement income from State Pension and benefits

The State Pension and benefits make up 69% of retirement income for people from a minoritised ethnic background, compared to the population average of 57%.

This proportion will be even higher for those on lower incomes.⁹

Minoritised ethnic background



Population average



Looking at the reasons for being on a low income, in our interviews we heard how some people do not receive a full State Pension because they don't have a full record of National Insurance contributions, having arrived in the UK later in life and so having a limited work history. Others struggled to get work because of discrimination, their skills not being recognised in the UK, or language barriers. Our interviews also revealed a cluster of barriers that often combine to prevent people of minoritised ethnic backgrounds from accessing the benefits they are entitled to.

Language barriers

Language differences, as well as being a challenge affecting employment, also affected people's engagement with the social security system. While many people from minoritised ethnic communities have English as a first language, or are fluent in it as a second language, for those who do experience language barriers, these can cause an immediate problem when accessing and understanding information. In our conversations, organisations mentioned examples of older people who didn't speak English and/or had difficulty reading it. People experiencing language barriers can be met with racism and discrimination, and this can deter them from seeking support. One woman described speaking to a call handler at a government helpline who struggled to understand her, despite her speaking English, and she felt the call handler was dismissive and rude.



Another issue is digitisation. For many older people we support, English is not their first language, and they are also not literate in their native language. Downloading forms and filling them in is already a barrier to accessing services – this makes accessibility a big issue. Over the phone interpretation can be arranged but this can also present challenges where there is limited availability of interpreters for certain community languages. More resources need to be invested in interpretation services and digital inclusion to solve this.

Margaret Chiwanza, CEO, MECOPP

Trust and community

Older people from minoritised ethnic backgrounds have made huge contributions to UK society, such as working in the NHS or other public services. Yet some of those we spoke to said many people from these communities are deeply distrustful of the UK Government. This is particularly true for older British Caribbean people who have been affected by the Windrush scandal.¹⁰ We heard about people unwilling to apply for benefits, fearing that the government might investigate their residency status and wrongly deport them. This mistrust of government is deep-seated among some people in minoritised communities and until it is fully addressed – including through improved compensation to people affected by the Windrush scandal – there will continue to be a group of older people eligible for benefits who will avoid claiming their entitlements for this reason. One interviewee suggested that the 75th anniversary of the HMT Empire Windrush sailing to the UK would be a good opportunity for the government to highlight the contribution those people have made to UK society, encouraging them to claim all the entitlements they have earned.



Sometimes you give up...because there's certain things that you can claim and then you find that you have to go through this long difficult process, you think I'm not doing it.. I feel a bit of distrust and as if they're going to say no, and that will always stay with me because of what I went through [with the Windrush scandal].

**Glenda Caesar, Windrush Lives/Windrush Justice Clinic
/Windrush National Organisation**

Organisations we spoke to highlighted the importance of culturally appropriate services and face-to-face services. This applied to community organisations that focus on, and meet the needs of, particular communities, where staff or volunteers speak a range of languages and older people feel comfortable coming together with people of shared heritage. These organisations have often built up contact and trust with people who don't use mainstream advice or other services.¹¹ Concerningly, interviewees shared with us that local authority financial pressures had often resulted in a reduction in the financial support for these local groups as well as mainstream services.

Stigma and social pressures

Stigma around claiming benefits was also key. People shared that talking about poverty or asking for help are stigmatised in some communities, with individuals very reluctant to be perceived as "living off the state". Others told us they equate state support with "begging". In contrast, we heard that some people, who had come to the UK earlier in their lives, feel "thankful" to be living in the country and receiving anything, and so don't want to "ask for more", even if they are on a lower State Pension or living below the poverty line.

We also heard about different community and family pressures. For example, where older people from an Asian background live in multi-generational homes, they can lack privacy, making it difficult to access outside support, including benefits advice. Some people also shared with us that they have significant calls on their often-limited income, such as sharing money with family in the household or overseas, and saving for flights to visit family abroad.

Lack of awareness

A central theme that came through our conversations was around the lack of awareness of government benefits, including Pension Credit and Attendance Allowance. Some people assumed that the money they receive from their State Pension is everything they are entitled to. A related theme was people not knowing how to access benefits, including a lack of awareness of the various organisations and advice agencies that support people to do so.



The main thing is not being aware of the different benefits. There are other issues like immigration status so a lot of people are scared to be looked into and are afraid of being deported – this is just a fear most people have even though they have the right to stay but may not understand the full details of their status.

Chikwaba Oduka, Lead on BAME partnership with older people in Camden, Umoja Health Forum



Some [people over State Pension age] are just happy that they have a pension, even if it's not great, and don't know about the intricacies of Pension Credit and top-ups.

Chris Woolls, Director, The River House Trust

Housing

Older people from minoritised ethnic backgrounds are less likely to own their homes and more likely to rent in the social and private sectors than people who are White British. For example, almost half (49%) of people aged 65+ from Black/Black British/Black Welsh: African backgrounds rent social housing, and 21% of those from Arab backgrounds rent in the private sector.¹² Renting often means high costs and insecurity, and the risk of poverty is higher among social and private renters. The adequacy of housing came up throughout our interviews, with shocking stories of disabled older people living in completely unsuitable homes.

Through all the experiences that were shared with us, it was clear that a range of circumstances and barriers contribute to financial hardship among our growing and diverse population of older people from ethnic minoritised communities, and that supporting people to receive all their benefits would make a big difference. Not only would it improve people's finances, health and wellbeing, but it would also bring economic benefits for the UK. For example, if everyone entitled to Pension Credit received it, this would reduce poverty but also reduce spending on health and social care services by an estimated £4 billion a year.¹³



49% of Black/Black British/Black Welsh: African older people rent social housing, while 21% of Arab older people rent in the private sector

Spotlight – Search Newcastle

Search Newcastle is a community organisation in the West End of Newcastle upon Tyne. It provides services for older people, including welfare benefits advice, a range of social activities such as lunch clubs, yoga, local history and dementia events, and activities to tackle isolation. In 2022 Independent Age provided a grant for Search Newcastle.

Among the people who use its services are older people from Chinese and South Asian backgrounds. Language is the main barrier to engagement for many people, so Search Newcastle has sought out staff and volunteers who speak a range of languages.

While South Asian people regularly get in touch because of isolation, Search Newcastle often discovers that those people are also facing financial hardship. It then supports them to receive entitlements like Attendance Allowance, which helps people to be more mobile, leave the house and socialise more.

Lots of the people it works with live in rented homes, but many of those who own their home can't afford to keep it warm and safe. As one member of staff said, "People don't understand that some people have to choose whether to heat or eat."

Many of the people Search Newcastle works with have the State Pension as their only source of income, and struggle to get by on this. Those who live alone are especially likely to face hardship, including those who lost income following a bereavement.



There is [a] lack of resources, culturally appropriate services, digital exclusions, barriers within communities themselves, language and confidence to engage with services – and therefore people that are trusted, such as local intermediaries, are very important.

Joseph Jeffers, CEO, ASKI



There needs to be a concerted effort from the government to either advertise or go into the communities...[it] needs to be constant conversation... If not, there are going to continue to be a lot of people in unnecessary economic hardship.

Glen Brazier, The People's Champion, Croydon Vision



[There are] complexities in applying [for] benefits since so much of it is online, particularly during COVID, the digital divide got worse... [and] persuading people [from minoritised ethnic communities] to apply through the phone is very challenging.

Anne Munro, Manager, Pilmeny Development Project

Policy recommendations



Long-standing discrimination and mistrust mean many people from Black, Asian and minoritised ethnic backgrounds are eligible for state benefits and entitlements but are not receiving them, leading to financial hardship. The UK Government should do more to make sure everyone in later life receives the full range of benefits and entitlements they are eligible for.

This should include the Department for Work and Pensions producing a written strategy to increase the uptake of Pension Credit. This strategy should include realistic, measurable targets and short-term activities, like targeted awareness-raising campaigns. It should include local funding and improved data sharing, as well as new research on how best to target people missing out. It should also look at longer-term solutions such as (partial) automatic payment.



The strategy should specifically set out steps to increase uptake among people from minoritised ethnic backgrounds. This should include tailored government messaging and communications, including accessible information in a range of languages and through a variety of formats such as audio and video, as well as government services being culturally aware.

It should also ensure support for local voluntary-sector organisations that provide tailored, trusted in-depth support in minoritised ethnic communities, such as through a dedicated grant strand.



The government and other public bodies have not, to date, done enough to address structural inequalities, discrimination and disadvantage affecting minoritised ethnic communities.

We are calling on the UK Government to establish a Commissioner for Older People and Ageing in England, and for the Scottish Government to establish an Older People's Commissioner in Scotland, to ensure that the diverse range of voices in later life are championed.



Older people from minoritised ethnic communities are more likely than average to be private sector renters, and 25% of private renters have experienced long-term poverty in later life.¹⁴ More than half (54%) of all private renters receiving Local Housing Allowance (an element of Housing Benefit) have had to make up a shortfall in rent payments,¹⁵ which can exacerbate poverty for those in financial hardship.

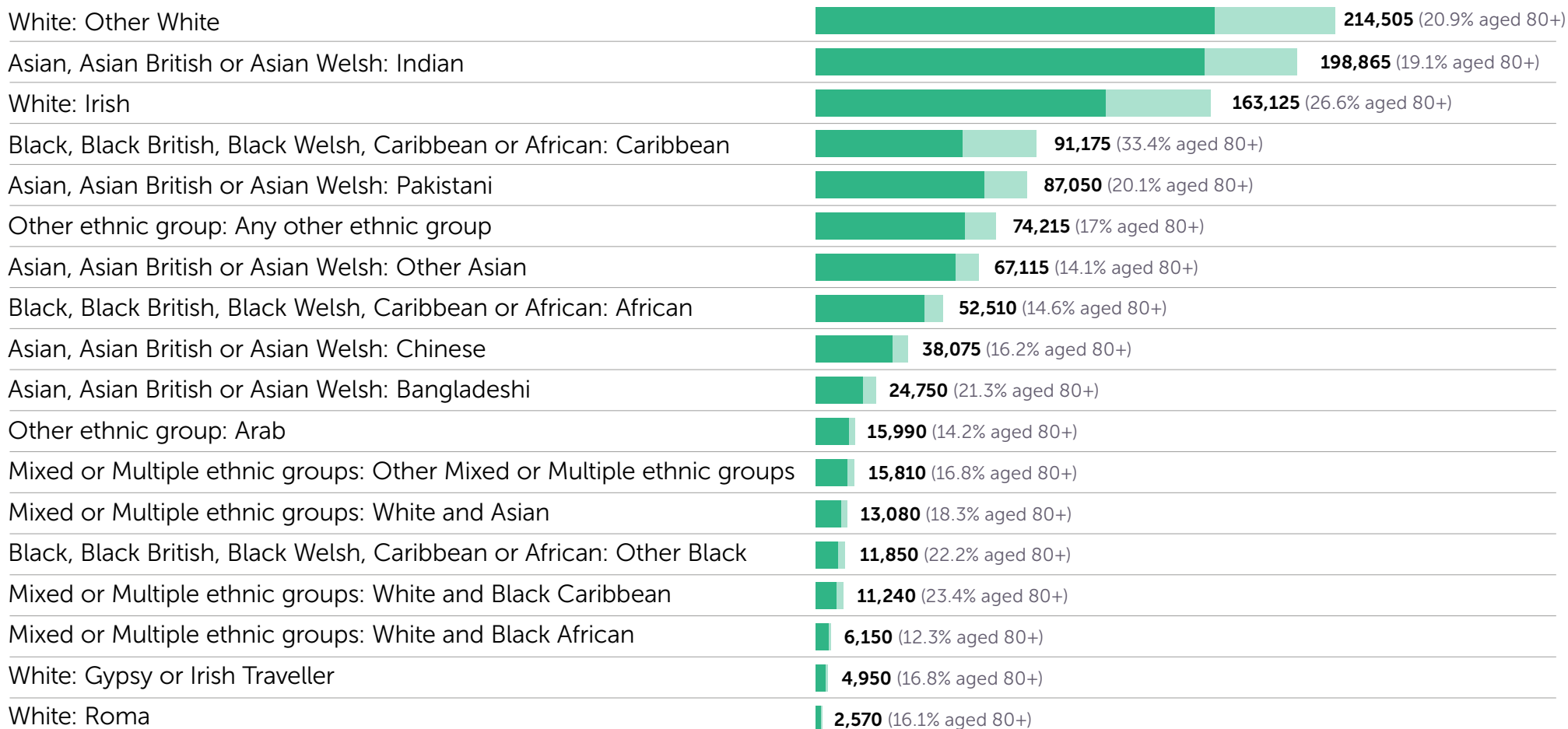
The UK Government should restore and relink the Local Housing Allowance so that it covers the cheapest 30% of the local rental market.

Statistics

Number of people aged 65+ by ethnic group, England and Wales, 2021

New census data shows the size of the 65+ population for all ethnic groups. This chart shows the data for all groups except White: British, which is much larger. Among minoritised groups, it shows that Indian, Caribbean and Pakistani are the biggest groups aged 65+.

The chart also shows the proportion of the 65+ population for each ethnic group that is aged 80+. The Caribbean group has the largest proportion, at 33.4%. In contrast, for example, 14.2% of the Arab group are aged 80+.

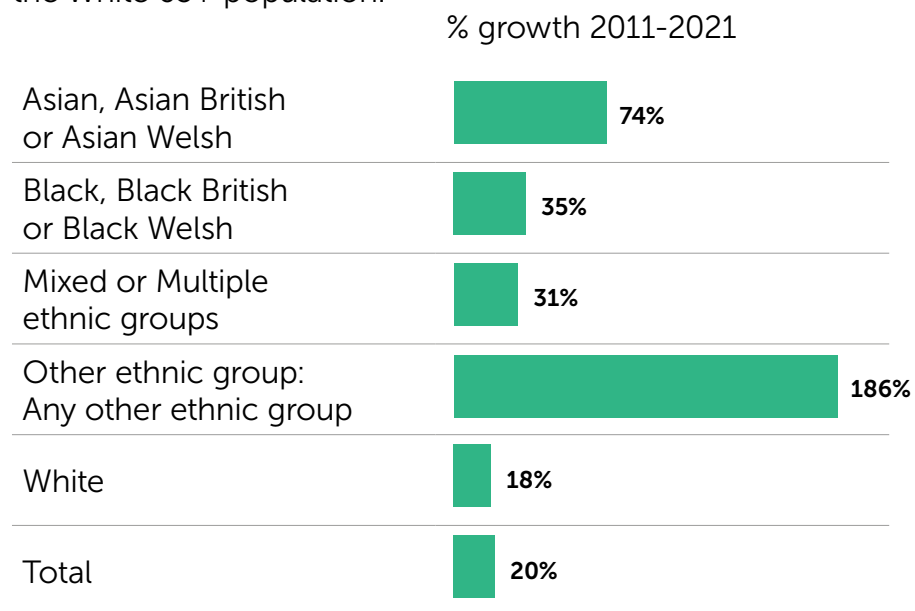


White: English, Welsh, Northern Irish or British were excluded from the graph. They totaled 9,970,210 people aged 65+.

Source: Census 2021: England and Wales

Growth of 65+ population from 2011 to 2021 by ethnic group, England and Wales

The older population in England and Wales has been getting more diverse in recent years. In the 10 years up to 2021, the 65+ populations of minoritised ethnic groups grew faster than the White 65+ population.



Source: Census 2021: England and Wales

This briefing is part of the [Experiences of poverty in later life](#) series. It draws on research Independent Age conducted into the experiences of people aged 65+ living on a low income. You can find out more at independentage.org/experiences-poverty-in-later-life.

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¹ We recognise the importance of using appropriate language around ethnicity. We have mostly used the language of 'Black, Asian and minoritised ethnic communities/backgrounds' in this briefing. Where we refer to sources of statistics, we have used the terminology used by the source.

² *Households below average income: for financial years ending 1995 to 2022*, Department for Work and Pensions, 23 March 2023, see gov.uk/government/statistics/households-below-average-income-for-financial-years-ending-1995-to-2022.

³ *Poverty in later life*, Independent Age, January 2022, see independentage.org/sites/default/files/2022-12/IA%20Poverty%20in%20later%20life%20report%20Jan2022.pdf.

⁴ *Health-related quality of life for people aged 65 and over*, Public Health England, 17 June 2019, see ethnicity-facts-figures.service.gov.uk/health/physical-health/health-related-quality-of-life-for-people-aged-65-and-over/latest, *Health equity in England: The Marmot Review 10 years on*, Institute of Health Equity, see instituteofhealthequity.org/resources-reports/marmot-review-10-years-on/the-marmot-review-10-years-on-full-report.pdf.

⁵ *Ethnic group by age and sex, England and Wales: Census 2021*, Office for National Statistics, 23 January 2023, see ons.gov.uk/peoplepopulationandcommunity/culturalidentity/ethnicity/articles/ethnicgroupbyageandsexenglandandwales/census2021.

⁶ *Households below average income: for financial years ending 1995 to 2022*, Department for Work and Pensions, 23 March 2023, see gov.uk/government/statistics/households-below-average-income-for-financial-years-ending-1995-to-2022.

⁷ *Poverty in later life*, Independent Age, January 2022, see independentage.org/sites/default/files/2022-12/IA%20Poverty%20in%20later%20life%20report%20Jan2022.pdf.

⁸ *The Underpensioned Index*, Pensions Policy Institute, December 2022, see pensionspolicyinstitute.org.uk/media/4232/20221207-the-underpensioned-index-2022-edition.pdf.

⁹ *The Underpensioned Index*, Pensions Policy Institute, December 2022, see pensionspolicyinstitute.org.uk/media/4232/20221207-the-underpensioned-index-2022-edition.pdf.

¹⁰ *Windrush National Organisation*, see windrushnationalorganisation.com.

¹¹ *In Focus: Experiences of black, Asian and minority ethnic (BAME) older people*, Independent Age, see independentage.org/sites/default/files/factsheets/2020-03/IA-PI-377_BAME_snapshot_v5.pdf?1dWrKzWq5P__15FTGISHUW4EFQG0aB75=.

¹² *Census 2021 results*, Office for National Statistics, see census.gov.uk/census-2021-results.

¹³ *The cost of pensioner poverty and non-take-up of Pension Credit*, Independent Age, 14 September 2020, see independentage.org/campaigns/PensionCredit/cost-report.

¹⁴ 'Longer-term poverty' is defined as experiencing poverty 7–9 years over a nine-year period. *Poverty in later life*, Independent Age, January 2022, see independentage.org/sites/default/files/2022-12/IA%20Poverty%20in%20later%20life%20report%20Jan2022.pdf.

¹⁵ *Cover the Cost*, Shelter, September 2022, see assets.ctfassets.net/6sxvmndnnpn0s/4bvllhCSSmben6lSkcw6mX/a6be0f4d11a5f079a368f014fcb80c6f/20220916_LHA_2022_report_publication_version.pdf.