

Department for Work & Pensions
Caxton House,
Tothill Street,
London
SW1H 9DA

Head Office

City Reach
5 Greenwich View Place
London E14 9NN

Tel: 020 7512 2112
Fax: 020 7512 2010
info@4Children.org.uk
www.4Children.org.uk

Friday 15th February 2013

Dear Sir/Madam,

I am pleased to take this opportunity to respond on behalf of 4Children to “Measuring child poverty: A consultation on better measures of child poverty.”

4Children is the national charity all about children and families. We have spearheaded a joined-up, integrated approach to children’s services and work with a wide range of partners around the country to ensure children and families have access to the services and support they need in their communities. We run Sure Start Children’s Centres as well as family and youth services across Britain.

We develop, influence and shape national policy on all aspects of the lives of children, young people and families, and sit on the steering group of the End Child Poverty campaign, and the 4in10 campaign to eliminate child poverty in London.

While we welcome the opportunity to comment on the proposed new measures of child poverty, we remain of the view that the four indicators which are currently used to measure child poverty – absolute poverty, relative poverty, material deprivation, and persistent poverty – provide a thorough and valuable portrait of child poverty in the UK. We remain in wholehearted support of the Child Poverty Act and the statutory commitment it imposes on Government to reducing, and eventually eliminate, child poverty as measured by these indicators.

While a significant proportion of the additional information this consultation suggests be included in the child poverty measures would certainly provide a valuable insight into the lives of children in the United Kingdom, we do not believe that they should be considered as part of the legally binding targets included in the Child Poverty Act.

That said, we strongly agree with government that tackling poverty and improving life chances requires a holistic and multi-dimensional approach which looks beyond just income measures to education, housing, parenting, employment, family support and other issues. Therefore, we would like to see information collected and tracked on the additional measures, and policies directed to helping families experiencing some of the difficult conditions listed in the consultation, as part of the Government’s wider mission, alongside measures to tackle low incomes.

Child poverty

Between 1998 and the present day, concerted government efforts have succeeded in bringing the proportion of children living in poverty down from 1 child in every 3 (33%) to 1 child in 4 (27%¹) in 2010/11. However recent analysis by the Institute of Fiscal Studies (IFS) has found that as a result of the economic downturn, the government's austerity measures, and a host of other factors, child poverty is due to rise again between 2015 and 2020.²

Child poverty is a significant problem that blights the lives, and limits the life choices, of low income families across the country. In order to meet the legal duties set out in the Child Poverty Act 2010, and to free families from the impact of persistent poverty, government – both local and national – must be fully engaged in their efforts to reduce poverty.

As part of its commitment to national reduction of child poverty, 4Children released its report *Child Poverty: Where are we now?* in 2012. We looked at how local authorities were fulfilling their statutory requirements to reduce child poverty by developing good quality child poverty strategies. We devised a criterion for assessment we called the STAMP of approval, which looked at the strategic leadership, targeting, accessibility, mapping, and partnerships outlined in each strategy, and reached a score out of 10 for each. Some of our findings were worrying: over half of all local authorities (87) did not have a fully complete and published strategy in place – and around half of those (34) had not even completed a child poverty needs-assessment for their area.

Additionally, 4 out of the 10 most deprived boroughs in the country did not have a complete and published strategy in place.³ It is of vital importance that the government assures that the Child Poverty Act is being satisfactorily implemented and measured using current indicators, at all levels. This should be a priority over any proposal to change indicators. As Nick Pearce, director of IPPR said, a more relevant criticism of the Child Poverty Act's implementation is not the measures it uses but, "that [the previous government] lacked a properly strategic view of how to meet its child poverty ambitions: it had a 2020 target but no roadmap for getting there."⁴ Consequently, drawing up a credible strategy to reduce child poverty, as we call for in our Fair4Families campaign, would do a great deal more to help children living in poverty.

¹ Households Below Average Income, An analysis of the income distribution 1994/95 – 2010/11, Tables 4.1tr and 4.3tr. Department for Work and Pensions, 2012

² Brewer, M et al. (2011), *Child and Working-Age Poverty from 2010 to 2020*, Institute for Fiscal Studies

³ *Child Poverty: Where are we now?* (2012), 4Children, URL

<http://www.4children.org.uk/Resources/Detail/4Children-launches-its-child-poverty-report>

⁴ Pearce, Nick (2012), 'Child poverty: where next?', IPPR, URL

http://www.ippr.org/?p=801&option=com_wordpress&Itemid=17

Income

It is our view that income, or lack thereof, must continue to be the central measure of whether someone is living in poverty. It is undeniable that income is the main influence behind factors as diverse as: the housing that families live in, the quality of food they eat, their ability to engage meaningfully with their communities, their educational attainment, and their health outcomes. In all cases, the research clearly demonstrates that being from a low-income background results in a lower standard of living – more overcrowding, worsened life chances, less ability to engage socially and culturally with one's peers – which is why it remains the single most important measure of whether a family is living in poverty.

This applies not merely to absolute poverty, but also to relative poverty. While families now may not be starving due to a lack of income, those on less than 60% of the median income are less able to engage with the opportunities of modern life – children are unable to go on school trips, shared experiences are lost, doing homework becomes harder, developing healthily becomes more of a challenge. We were very pleased to hear the Prime Minister's support for this position in 2006, when he said that "the Conservative Party recognises, will measure and will act on relative poverty,"⁵ and remain confident that the Government is committed to meeting their obligations under the Child Poverty Act 2010.

It is right that the Government responds to new trends in the data, and listens to expert witnesses around their efforts to reduce child poverty, however – and we were happy to welcome the measurement of severe poverty, which was introduced by the Coalition Government in 2011, at the recommendation of Frank Field MP, which aims to capture those living in the most difficult circumstances.⁶

Additional Measures

As stated above we do not believe that additional statutory measures of poverty are necessary. In addition, we are concerned that a multidimensional measure would require making subjective value judgments, depending on the weighting of the dimensions, for example a stay-at home mother's unemployment, or an amicable divorce, could be made as much a priority as overcrowded and dilapidated housing.

We believe that the current measures, which include a measure of material deprivation, are sufficiently comprehensive and commanded Cross-Party support in Parliament when passed in 2010.

⁵ Cameron, David (2006), *From State Welfare to Social Enterprise*, The Scarman Lecture

⁶ *A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives* (2011), Department for Work and Pensions and Department for Education, Cm 8061

It is our view there is considerable value to improving the way we gather and utilize data on a wider range of issues that can affect the life chances and experiences of children to ensure that Government policy is having the most positive impact it can on tackling inequality, promoting social justice and helping more children get the best start in life. This would include data on the proposed dimensions in the consultation.

4Children also believes that multidimensional poverty data can also be useful for international comparisons. For countries with significantly less developed education, welfare and healthcare systems than the UK, unidimensional income-based indicators can miss some of the finer points of specific deprivations. But acquiring this data does not require the government to amend the Child Poverty Act, and doing so could prove detrimental to the goals of that statute.

We will address specific proposed dimensions below.

Worklessness

While we recognise that worklessness can be a substantial cause of poverty, it is not clear which additional families would be captured in a poverty measurement that included worklessness as a factor than those which are currently captured by the income measures in the Child Poverty Act 2010. Alongside families who are seeking work, this measure would also capture rich families with substantial assets who have chosen not to work – but may be involved in a number of charitable enterprises, families in which the parents have retired early due to ill-health, disability, or redundancy, but have a substantial income from their pension, disability insurance or otherwise, and those who are not exposed to the deprivations of income poverty for any other reason.

Those families who are workless and living in deprived conditions are already captured by the income targets.

Further, we are concerned that this may distract from the very important task of tackling in-work poverty. There are currently millions of children in families who are trying to do all the right things – holding down jobs and trying to raise their children and yet they are still in poverty. We know the government is committed to tackling this in part through the introduction of Universal Credit but there is still more to do and providing families with help for the cost of childcare will be crucial.

Family Stability and Breakdown

Breakdown of family relationships can clearly affect children psychologically, and have other ramifications, including putting children into poverty. However, the evidence is mixed on whether or not it is the fact of experiencing family breakdown, being brought up in the resulting poverty, or experiencing conflict during separation that has the causal effect of

diminished outcomes for children. Significant evidence suggests the latter two are particularly problematic. Rather than simply focusing on the overall rate of family breakdown or the number of lone parent households we believe that it is more likely to have a greater impact on life chances if government further develops its work aimed at doing more to support family stability and better outcomes for children through preventing breakdown. The key to this is for more support services to be offered to separating families, particularly in the aftermath, to encourage father engagement and successful co-parenting. Should the Department for Education increase the services it delivers through expert organizations, and commit further to relationship support, such as preventative services, services for couples experiencing difficulties, and support to help mitigate the impact on children when families split up, this will pay dividends.

Debt and other dimensions

Debt is a big issue for families – we found in a poll we commissioned from YouGov that 28% of households with children were most concerned about debt in 2013, compared to just 19% for households without children.⁷ Clearly, families are struggling with their finances in the economic downturn, and the production of a national debt measure at the household level would indeed be a useful tool – however, it is our view that this measure would best be run alongside the ‘child poverty’ measure, rather than in tandem with it.

Parental Skill Sets

The skills sets of parents clearly make a vital contribution to children’s wellbeing, and we are pleased to have been part of the Government’s delivery of parenting support – including schemes such as CANparent and OnePlusOne – to help parents improve their skill sets. We would also enthusiastically welcome a wider roll out of these classes, and an increase in capacity for the schemes to allow parents to get the support they need to parent as effectively as possible. However, it is unclear how parenting skills can be effectively measured and included into a child poverty index.

Conclusion

While we welcome the Government’s efforts to help the most disadvantaged families, we are unconvinced that the inclusion of additional measures in the legally binding targets set out in the Child Poverty Act 2010 is the best way to do this. Not only does it risk making an already difficult task even harder, it also complicates the measurement of child poverty, and threatens to confuse efforts to reduce it.

⁷ Figures from YouGov Plc. Total sample size was 3002 adults. Fieldwork was undertaken between 5th-7th December 2012. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

Whilst the government must also look at other long term goals such as increasing life chances through early intervention, good early years provision, and other support for families, these should be worked on alongside rather than instead of, an aim to reduce the immediate levels of poverty experienced by millions of children every day.

Spending on other long-term outcomes should not be seen as being at odds with the goal of reducing and eliminating child poverty; instead the two should be used together to achieve the goal of giving more children a real chance to fulfill their potential.

Tackling child poverty is not straightforward, especially not in this period of austerity, but governments must be prepared to commit themselves to long-term child poverty reduction, rather than focus on amending the measures that achieved almost universal support when they were passed by Parliament in 2010.

We would be happy to meet with you to discuss our submission further.

Yours sincerely

(by email)

Anne Longfield
Chief Executive, 4Children

Tel: 020 7522 6929

Email: anne.longfield@4Children.org.uk