Save the Children
Achub y Plant

Sefydliad Bevan Foundation

Executive Summary

Children in severe poverty in Wales: an agenda for action

Introduction

Over one in four children in Wales and across the UK live in households with an income below the commonly agreed poverty threshold of 60 percent median. Over one in ten children in Wales live in severe child poverty where household incomes are below 50 percent median and children and adults in the household are lacking necessities because they cannot afford them. Child poverty blights the lives of thousands of children in Wales, affecting their education, health, future employment and life-chances.

This report summarises the key findings of a Save the Children and Bevan Foundation project which investigated the circumstances of children living in the most severe child poverty in Wales; reviewed effective approaches for tackling the particular barriers these families are facing and recommends a number of promising approaches to the Welsh Assembly Government.

The project involved secondary analysis of data from the *Family Resources Survey,* an extensive literature review and a round-table seminar with experts in the field (from Wales and across the UK). The project was financially supported by the Welsh Assembly Government and included significant inputs from the New Policy Institute and Focus Consultancy as well as the Bevan Foundation and Save the Children.

Policy context

The Assembly Government has demonstrated a commitment to tackling child poverty with a child poverty strategy (2005), an implementation plan (2006) and more recently, additional proposals in the *One Wales* programme of government. But while child poverty in Wales reduced over the first half of this decade faster than any other part of the UK, progress has since stalled and it is time for a radical re-think of current policies and investment, at both a UK and Welsh Assembly Government level, to get back on track.

Experts have claimed that the UK Government needs to invest an additional £4 billion a year if it is to meet its target of halving child poverty by 2010 and, while income transfers remain key, other measures within the remit of the Welsh Assembly Government are required if child poverty is to be eradicated in Wales. We argue that if the Welsh Assembly Government is to meet its ambitious but welcome targets to halve child poverty by 2010 and eradicate it by 2020 then it must develop specific policies to tackle the particular issues facing those children and families living in the most severe and persistent poverty.

Severe child poverty in Wales

The New Policy Institute (NPI) analysed existing data to explore the circumstances of children living in severe child poverty in Wales. Unfortunately the small size of the Wales sample in the *Family Resources Survey*

preclude a Wales-specific analysis of severe child poverty. Our analysis was therefore supplemented by the findings of a recent UK-wide study commissioned by Save the Children. The key findings of our investigations are set out below.

An important recommendation for the Welsh Assembly Government from this project is to finance a boost in the size of the Welsh sample in the *Family Resources Survey* to enable more detailed analysis of the data on severe child poverty in Wales in order to arrive at better informed policy decisions.

Key Findings

- We estimate that about 13 percent of all children in Wales live in severe poverty (90,000 children). A higher proportion (19%) have household incomes less than 50 percent of the median but do not lack basic necessities.

- There is a strong association between severe child poverty and living in a household where no adult works. Worklessness accounts for two thirds of severe child poverty.

- Living in a household where one or more adults work is not a guarantee of avoiding severe poverty. However, the more work that is done in a household, the lower the likelihood of severe child poverty.

- There is a strong association between severe child poverty and having at least one parent with a disability; a third of children in severe poverty have a disabled parent.

- There also is a strong association between severe child poverty and living in a lone parent household (in large part because lone parents are less likely to have paid work than couple households).

- Other factors associated with severe child poverty include: living in a large family; living in an Asian/Asian British family; living in a family where mothers do not have any educational qualifications.

- The links between household characteristics and severe child poverty are complex with many of the factors overlapping, making it especially hard for such families to leave poverty.

Promising approaches

The promising approaches identified from our extensive iterature review and developed in discussions with experts in the respective fields, fall into four categories:

- Income maximisation: strategies to increase the incomes of families on benefit and those in work.

- Routes to employment: improving access to paid work (for those who can).

- Education transforming life chances: improving learning and skills as a key route out of poverty.

- Making public services deliver for families facing multiple disadvantage: those in most need and the hardest to reach.

Before outlining the key recommendations within each of these categories there are a number of common themes to consider. These include:

- Improving co-ordination of policy and action between Whitehall and Cardiff; across all functions of the Welsh Assembly Government; and between the Welsh Assembly Government and local government.

- More effective targeting of resources on those in greatest need balanced with non-stigmatising approaches.

- Improving performance across Wales and reducing the ‘post code lottery’ whereby service standards vary hugely across different local authorities and public agencies.

Maximising household income

- The Welsh Assembly Government should work with Her Majesty’s Customs and Revenue (HMC&R) to raise awareness of Working Tax Credits in Wales and to support families to claim

benefits/credits due to them.

- The Welsh Assembly Government should take action to reduce the buden of indebtedness by improving the availability of money advice services and tackling illegal lending.

- Administration of housing benefit in Wales must be significantly improved.

- The Welsh Assembly Government and other agencies should explore ways in which the financial burden faced by poor families can be eased, including ensuring that education is genuinely free, providing free school meals to all pupils, and eliminating the poverty premium, e.g. on bank accounts and electricity supplies, paid by poor families.

Routes to employment

- Helping parents to find sustainable employment, compatible with their parenting roles, should be at the centre of action to tackle child poverty in Wales.

- Department for Work and Pensions programmes should be more 'family friendly' and more flexible, to meet the differing needs of parents.

- There needs to be dramatic improvements in the availability, affordability and flexibility of childcare provision in Wales. In particular childcare that is flexible enough to meet the needs of parents with atypical working patterns; childcare out of school hours and childcare for children with disabilities.

Education to transform life chances

- Improving the educational attainment of children is key to breaking the cycle of poverty in the medium to long term. There should therefore be a much stronger emphasis on education and learning in the Welsh Assembly Government strategies to tackle child poverty.

- The Welsh Assembly Government's emphasis on early years learning and support is commended but more needs to be done to support children aged 4+ ; to narrow the attainment gap as children move through primary and secondary school.

- There should be positive incentives for schools to reduce inequalities. But as well as schools, a range of agencies have a key role to play in supporting the education and learning of children from poor families. A joined up approach is essential. There is particular scope for out-of-school activities to complement and add to the contribution of schools; and for programmes of personalised learning which have been shown to be effective in raising attainment levels.

- There must be substantial investment in 'closing the gap' between children from different backgrounds; funding is vital but investment in management and professional development is also important.

- Urgent action needs to be taken to enhance remedial support for under-achieving children and to reduce disengagement from school during years 7 – 10.

- The Welsh Assembly Government should develop programmes to prepare young people for working life; support the transition more effectively; and raise young people's aspirations.

- Detailed examination of the factors influencing the progress of children in school and in learning and what approaches might work in Wales to improve the educational attainment of children aged 4-18 from low-income families should be the subject of a future, stand alone, Welsh Assembly Funded New Ideas project, given the depth and breadth of such an inquiry.

Making public services deliver

- Help and support is not always getting to the families who are facing multiple disadvantage. Engaging such 'hard to reach' families is key and extra support

is needed to help these families access mainstream public services.

- Individualised, flexible assistance is likely to be required over a sustained period of time for families in the greatest need. Community-based multi-agency teams should be established to provide integrated, non-stigmatised family support services.

- There should be incentives for public bodies to 'join up' their services more effectively. Action should include revision of current funding arangements which perpetuate the 'silo' approach in public services in Wales. The new single plan for children and young people and provides a key mechanism to improve joint working.

- Child poverty should be a high priority for new Local Service Boards.

- Health visitors have a key role to play supporting children and their families in pre-school years and their role needs to be properly resourced. On entering school, responsibility for a child's welfare should be clearly handed over to a named person within the school.

Conclusions

Child poverty is one of the greatest threats to the well-being of the people of Wales. The targets of halving child poverty in Wales by 2010 and eradicating child poverty by 2020 are challenging and must be a high priority across all government bodies and agencies in Wales. To be successful, policies to tackle child poverty must be actioned across all policy areas with mechanisms in place to engage the children, young people and parents who are affected, in designing, implementing and evaluating policy solutions.

Article 4 of the United Convention on the Rights of the Child obliges governments to fulfil children's rights to the 'maximum extent of their available resources'. If child poverty is a top priority for the Welsh Assembly Government it has to deploy more of its own internal resource to the task of identifying how best to use its £14 billion allocation to eradicate child poverty in Wales. As the target date for halving child poverty draws nearer some bold and radical commitments are needed if the lives of children in the most severe poverty are to be transformed. At the moment, much public policy operates in the dark. More work needs to be done to identify the most effective interventions, and our final conclusion is therefore that a specialist team – a Child Poverty Policy Unit - within the Welsh Assembly Government, dedicated to developing effective policy and strategy on child poverty, should be established.

This is the executive summary of a study funded by the Welsh Assembly Government's New Ideas Fund and undertaken by Save the Children and The Bevan Foundation with the New Policy Institute and Focus Consultancy

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Copies of the full report are available from www. savethechildren.org.uk