

Institute for Public Policy Research

# CHILD POVERTY AND DEVOLUTION IN NORTH EAST ENGLAND

Anna Round and Sarah Longlands

September 2020

### **ABOUT IPPR NORTH**

IPPR North is the dedicated think tank for the north of England, with bases in Manchester and Newcastle.

IPPR, the Institute for Public Policy Research, is the UK's leading progressive think tank. We are an independent charitable organisation with our main office in London.

Our primary purpose is to conduct and promote research into, and the education of the public in, the economic, social and political sciences, science and technology, the voluntary sector and social enterprise, public services, and industry and commerce. Other purposes include to advance physical and mental health, the efficiency of public services and environmental protection or improvement; and to relieve poverty, unemployment, or those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage.

E: north@ippr.org www.ippr.org/north

Registered charity no: 800065 (England and Wales), SC046557 (Scotland)

This paper was first published in September 2020. © IPPR 2020

The contents and opinions expressed in this paper are those of the author only.

The progressive policy think tank

### **CONTENTS**

Foreword from the Bishop of Newcastle3
Foreword from the chair of the North East Child Poverty Commission4
Summary5
1. The challenge and the opportunity – the North East in context8
1.1 The challenge of child poverty8
1.2 The challenge of Covid-199
1.3 The opportunity of devolution to tackle child poverty in the North East11
Devolution and child poverty in Greater Manchester
Child poverty and devolution in Scotland15
2. Child poverty in the North East18
2.1 Child poverty rates, on different measures
2.2 Poverty and family characteristics21
2.3 The impacts of child poverty23
3. Drivers of child poverty27
3.1 The importance of decent income27
3.2 Reduction in social security transfers27
3.3 Reductions in employment and earnings28
3.4 Costs of raising a family29
3.5 Higher levels of inequalities31
4. Devolution can make a difference to child poverty32
4.1 A new goal for devolution deals32
4.2 Effective partnerships35
4.3 Employment and education36
4.5 Income maximisation
4.6 Childcare39
References42

### **ABOUT THE AUTHORS**

Anna Round is a senior research fellow at IPPR North.

Sarah Longlands is director at IPPR North.

### **ACKNOWLEDGEMENTS**

The authors would like to thank a number of people for their support in developing this report.

We are very grateful to the experts who took part in interviews as part of the development of the research, and provided information, insights and reflections.

Particular thanks are due to Amanda Bailey and Jane Streather at the North East Child Poverty Commission for their input and suggestions, and for their support in developing the project. We would also like to thank Professor Tracy Shildrick at Newcastle University and Cullagh Warnock at the Millfield House Foundation, and Newcastle University for support with publication of the report.

Our colleagues have been extremely helpful, and we would particularly like to thank Russell Gunson, Marcus Johns, Rosie Lockwood, Rachel Statham and our former colleagues Jack Hunter and Luke Raikes. Thanks also to our colleagues in IPPR's publications team, Abi Hynes and Richard Maclean, for their brilliant work in editing and designing the report and for their – extraordinary – patience.

We are extremely grateful to the Millfield House Foundation for supporting this research, and for giving us the opportunity to work on an ongoing basis with their Strategic Partners. This group brings together a passionate and committed group of people, with a formidable knowledge of the North East and an untiring dedication to pursuing social justice for its citizens and communities. Working with them is both a huge privilege and a pleasure.







### Download

This document is available to download as a free PDF and in other formats at: http://www.ippr.org/research/publications/child-poverty-and-devolution

### Citation

If you are using this document in your own writing, our preferred citation is: Round A and Longlands S (2020) *Child poverty and devolution in North East England*, IPPR North. <a href="http://www.ippr.org/research/publications/child-poverty-and-devolution">http://www.ippr.org/research/publications/child-poverty-and-devolution</a>

### Permission to share

This document is published under a creative commons licence: Attribution-NonCommercial-NoDerivs 2.0 UK http://creativecommons.org/licenses/by-nc-nd/2.0/uk/ For commercial use, please contact info@ippr.org



### **FOREWORD**

'There can be no keener revelation of a society's soul than the way it treats its children'. Words spoken by Nelson Mandela when he launched his Children's Fund on May 8, 1995. Later in that speech he spoke of 'a national abuse of a generation by a society which it should have been able to trust'. These are strong and shocking words. If we wish to avoid being similarly condemned by our actions or inaction in this our time, as a society we have to commit to putting the interests and needs of our children and young people first.

All poverty is a terrible thing. Human lives are diminished by it. And child poverty is the most pernicious thing of all, as all too often its effects last a life time. We read in this report that here in the North East we have the second highest rate of child poverty of any English region. This is an urgent call to action.

As Bishop of Newcastle and chair of the North of Tyne Combined Authority Inclusive Economy Board, I warmly welcome this report and pledge to do all I can to see that its recommendations do not stay as a list of good intentions on a page, but rather shape and focus our actions, at the personal, regional and national level. I am deeply grateful to Anna Round and Sarah Longlands for this report and I commend it wholeheartedly.

The Right Reverend Christine Hardman, Bishop of Newcastle

### **FOREWORD**

Child poverty was once due to have been ended in the UK by 2020. Instead, 4.2 million children were growing up poor in our country – including more than 200,000 in the North East – even before the Covid-19 pandemic devastated family incomes. This situation cannot be right in one of the largest economies in the world, not least because we know from relatively recent experience that child poverty is not inevitable and, with political will and action, this can change.

Of course, there are many hundreds of organisations from all sectors across the North East already working tirelessly to support disadvantaged children and families – never more so than in the last few months. Our region also has an established history of collaboration of this issue, including through the North East Child Poverty Commission (NECPC) which instigated this research from IPPR North. This new report considers how we could build on this work in a post-Covid, devolved landscape and makes robust policy proposals for reducing some of the entrenched inequalities in our region that have been exacerbated by the pandemic.

However – as this report highlights – no action taken at a local or regional level can be truly effective without a commitment from national Government to end child poverty and a comprehensive strategy, backed up with policies and resources, to achieve this. However well-intentioned or frequently repeated, pledges to create an inclusive economy or 'level up' are meaningless if children and young people in our region continue to be left behind.

NECPC is very grateful to IPPR North for undertaking this research and for their policy recommendations, as well as to the Millfield House Foundation and Newcastle University for making this project possible. We now look forward to discussions with local, regional and national decision-makers on how these proposals can be turned into tangible action. Because, if we are serious about putting children and young people at the heart of the post-Covid recovery, working together as effectively as possible at all levels of government to prevent, mitigate and reduce child poverty is surely the best place to start.

Jane Streather, chair, North East Child Poverty Commission

### SUMMARY

Child poverty is the starkest manifestation of economic and social inequality, leading to short-term hardship and long-term damage. Children in poor families miss out on the 'good start in life' that lays the foundations for health, prosperity and security later on. They must always run faster just to keep up, and carry a heavier weight as they go.

Poverty rates reflect both economic circumstances and policy choices. The UK is among the countries where changes to policy have contributed to major reductions in child poverty. Between 1999 and 2013, child poverty<sup>1</sup> *fell* by 6 percentage points across the UK. However, over the past eight years these gains have begun to unravel.

Regional inequalities in the UK include marked differences in levels of child poverty. The North East currently has the **second highest rate of child poverty of any English region**. **35 per cent of children in the North East** live in relative poverty; the **national rate is 30 per cent**. The region saw the **largest fall in child poverty between 1999 and 2013** (13 percentage points), and the **largest rise** since then (9 percentage points, compared to 3 percentage points nationally).

The impacts of child poverty are also more widespread in the North East. A higher proportion of children live in households which go without things like heating, an annual week's holiday, hobbies and leisure activities or school trips. Poverty is reflected in outcomes for children's health and secondary school attainment in the region. Local services are responding to these trends.

These were urgent issues before Covid-19; now they are critical. As the possible long-term impacts of the pandemic emerge, it is increasingly clear that 'we may all be in the same storm but we are not in the same boat' (McGeehan 2020). Families in the North East are especially vulnerable on the basis of the region's history of high poverty rates and the long-term effects of regional inequalities.

In this report, we consider how English regions, such as the North East, can use devolution to address child poverty and improve the lives and life chances of children. The Scottish government has put in place legislation that to a large extent retains the binding targets for child poverty reduction that were removed in England in 2016, along with an ambitious programme of new investment and policies. And in Greater Manchester social as well as economic goals are part of the combined authority's overarching strategy, alongside detailed action plans in some local authority areas.

The main drivers of child poverty are low incomes and high costs of living. National government sets rates of social security and taxation, and controls most systems for their administration. It is also responsible for many of the decisions that shape employment rates, conditions of employment, and costs such as housing and childcare. However, a number of actions can be taken by England's new combined authorities – individually and through collaboration. And central government can strengthen the capacity of combined authorities to reduce child poverty, through further devolution of powers, strategic investment, and the effective use of evidence. It can also demonstrate its commitment by engaging in a regular

<sup>1</sup> All figures for child poverty in this summary refer to relative child poverty after housing costs, ie percentage of children living in households with 60 per cent of median income after housing costs.

and frank dialogue with combined authorities, informed by comprehensive and timely data and backed up with significant investment.

### RECOMMENDATIONS

### Recommendation 1: Put child poverty at the heart of future devolution deals

A commitment to build inclusive regional economies, support wellbeing and offer children the best start in life should be at the heart of devolution deals, and of proposals for other devolved and regional funding including the shared prosperity fund. This should be set out in the forthcoming white paper on devolution. It should be grounded in clear definitions and metrics for economic inclusiveness and 'wellbeing', and frameworks to strengthen these aims across all programmes and investment.

### > Recommendation 2: Making child poverty a priority for combined authorities

Combined authorities should create and prioritise child and family poverty programmes. These should: identify actions to alleviate and mitigate poverty; apply a 'child poverty lens' to all combined authority policy and investment, pooling resources where this is appropriate; and share learning. Combined authorities should collaborate on this: the North East has the opportunity to act as a national exemplar by creating a combined North of Tyne/Tees Valley child poverty task force.

### Recommendation 3: Coordinating action and evidence to end child poverty

Combined authority child and family poverty programmes should include coordination of ongoing relevant work in constituent local authorities. This should be supported by the appointment of a child poverty coordinator (with funding included in the devolution deal settlement), whose remit is similar to that of the Scottish role.

### > Recommendation 4: Partnership working

Combined authorities should put in place strong frameworks for partnership working to address child poverty, and should foster similar ways of working in their constituent local authorities.

### > Recommendation 5: Co-production and engagement

Combined authorities should promote engagement with citizens in developing strategies, programmes and approaches to implementation. Learning from best practice, opportunities for co-production should be sought and developed. Policy and practice should be person-centred, maintaining the dignity of people experiencing poverty and respecting the complex realities of their experiences.

### Recommendation 6: Supporting parents into good quality work

Combined authorities, and their constituent local authorities, should commit to driving up work quality and ensuring that this commitment helps to reduce child poverty. A requirement to develop and implement such commitments, in a format appropriate to the local economy and community, should be included in devolution deals. Cases such as the 'good work pledge' in the North of Tyne region should be used as exemplars.

### Recommendation 7: Working with schools to mitigate child poverty

Combined authorities should support local authorities' work with schools and school stakeholders to mitigate the educational and social impacts of child poverty, following and sharing good practice and learning from successful initiatives such as 'poverty proofing the school day'.

### > Recommendation 8: Income maximisation programmes

Child and family poverty programmes in combined authorities should include the development of income maximisation advice services, delivered at the local level through community, public service and business partnerships within a framework of standards and support set out at the combined authority level. These should where possible follow the co-production principles set out above.

### Recommendation 9: Making childcare accessible to reduce child poverty

Combined authorities should prioritise the issue of the funding, quality and accessibility of childcare in dialogue with central government. This should include both care for preschool children and provision for the school holidays and after school. Investment in good quality and accessible childcare should include grants for holiday provision (rather than competitive bidding processes) and pump-priming funds to support the models of childcare provision proposed below. Models that bring childcare provision closer to parents who use it should also be explored. These might include co-operative, social enterprise and community-led initiatives, with pump-priming funding and integration of accredited training for parents at risk of unemployment and poverty.

## 1. THE CHALLENGE AND THE OPPORTUNITY: THE NORTH EAST IN CONTEXT

### 1.1 THE CHALLENGE OF CHILD POVERTY

The goal of reducing – or fully eradicating – child poverty is widely embraced. Even the hardest-nosed proponents of individual rather than structural explanations for poverty accept the unfairness of *family* hardship affecting *children*. And that unfairness goes well beyond the short-term. Children in poor families miss out on the 'good start in life' that lays the foundations for health, prosperity and security later on. They must always run faster just to keep up, and carry a heavier weight as they go.

Globally, over half of people who live in poverty are children and over three-quarters of the world's poor children live in Africa (Fenz and Hamel 2020). But in regions such as north America and Europe, stubbornly high overall poverty rates in many countries translate into levels of child poverty that are 'shocking' and 'unacceptable' (see for example Bousted 2020, Eurochild 2019). On various measures, the UK figures are around or a little above than the EU average, and relatively high compared to other northern and western European countries (Daly 2019, Eurostat 2020a and 2020b).

Successive UK governments have promised decisive action on child poverty. The Blair government pledged in 1999 to end child poverty by 2020 and to halve the number of children living in poor households by 2010/11. In fact the percentage of children living in households with 60 per cent of median income before housing costs fell by one-third between 1996/7 and 2010/11; a million children were lifted out of poverty.

This did not happen by coincidence. Analysis shows that the fall in child poverty related to changes in the tax/benefit system and increases in employment rates (Judge et al 2012). Policy choices can make a difference, and poverty – at least in a wealthy country like the UK – is not inevitable.

The reduction in child poverty began to 'unravel' after 2013, due at least in part to changes to the benefits and tax credits systems, alongside rising costs and impacts of austerity (JRF 2017). The Resolution Foundation estimates that welfare spending will be about £34 billion lower in 2023/24 under current plans than if 2010 policies had continued, and: '... lower income, working-age families have borne the brunt of the associated cuts, which risk further rises in child poverty in the coming years' (Gardiner 2019).

In this report we concentrate on the challenge for policymakers of translating concern about child poverty into decisions and action that reduce the number of children living in low-income households, and the number of parents who face the daily hard decisions and sheer relentless exhaustion of trying to make ends meet.

Our main focus is on the potential for devolution in England to drive reductions in child poverty, and in the worst impacts of poverty on children. Many of the regions

in which a devolution deal is in place include places with relatively high levels of child poverty, as well as a long-term commitment in local government and among other stakeholders to improving the lives of children. We consider how English devolution, as it currently stands, can support poverty reduction and alleviation.

However, we are realistic about the impact of any action taken at the local or regional level if this is not accompanied by a substantial *national* commitment to reducing child poverty, with adequate investment and strategic policy decisions that address the key issues of income (from employment and through social security transfers) and access to decent and decently-paid employment. Therefore our recommendations for combined authorities in chapter 4 include both local action and a coordinated and forceful dialogue with central government.

### 1.2 THE CHALLENGE OF COVID-19

As the UK emerges from the 'lockdown' introduced in early 2020 to reduce the spread of Covid-19 infection, we are on the brink of a recession deeper than that of the 1930s. To say that this is a time of social and economic uncertainty is beyond understatement. The trajectory of a novel virus, the economic impact of shutting down vast swathes of the economy, and the social consequences of closing schools to the majority of pupils and disrupting family and community networks are all unknown.

Previous experiences provide only very limited clues as to what will happen – and how policy can mitigate the myriad negative effects. But the north of England, and the North East in particular, will enter this economic crisis with the scars of a decade of austerity and a long history of regional inequalities and fiscal and political centralisation that have done the region no favours (Raikes, Giovannini and Getzel 2019). One certainty is that this is going to be tough.

At present, although there is relatively scant data on the impact of the pandemic on child poverty, the outlook is far from optimistic. Estimates for the developed countries of Europe and central Asia suggest that child poverty could rise by up to 44 per cent during and after the pandemic (Fiala and Delamonica 2020). In the UK, between 100,000 and 300,000 children could be living in poverty by the end of 2020 as a result of the recession associated with Covid-19 (Parkes and McNeil 2020).

Some groups of children are particularly at risk, including those whose parents are self-employed (around 2 million children), those in low-income working families (around 3 million children) and those whose parents are newly out of work and reliant on universal credit (McNeil et al 2020). As well as the impact of a major recession and vast increases in unemployment, disruption to schooling and other services is likely to have the worst impacts on children from poorer homes, and in the most deprived parts of the UK (McNeil et al 2020, Longfield 2020).

Early indicators suggest that the economic impacts of Covid-19 may be felt particularly sharply in the North East. A survey of businesses found that 61 per cent of businesses in the region that had continued trading reported a decrease in turnover compared to their normal range during July 2020; the national figure was 53.6 per cent (ONS 2020a). And a study of regional vulnerability exploring labour market composition, rates of health and family poverty found that Northumberland, Newcastle and Middlesbrough may be particularly at risk of economic and social impacts (Davenport et al 2020).

Newcastle, Northumberland, Middlesbrough and Hartlepool all have relatively high rates of employment in accommodation and food services, and arts, recreation and leisure. In addition, construction – which also has high furlough rates - employs a larger proportion of workers in most North East areas than

it does nationally (Business Register and Employment Survey 2020, authors' analysis). The Claimant Count for unemployment benefits stood at 9.8 per cent of the workforce in July 2020, compared to 7.9 per cent nationally – although the North East saw a slightly lower rise than England as a whole (ONS experimental statistics via NomisWeb, authors' calculations). Families in the North East also have lower levels of savings to fall back on in the event of unemployment or financial shocks (Action for Children 2020).

### Defining and measuring child poverty

Various definitions of poverty are used to measure rates and develop policies. While different measures can reflect broadly similar trends, overall figures for poverty can vary depending on which is used. This can make it difficult to compare rates from different studies and raises particular issues for international comparisons. Work on *regional* differences will inevitably encounter some of the same problems, and measures that refer to *national* income and cost levels inevitably offer a blunt instrument for exploring local effects. In this report, unless otherwise stated, all figures for the English regions are based on national calculations.

**Household income** is the total income of a household. Child poverty is usually measured in terms of the income of the household in which a child lives. The most common measure relates to the number or percentages of *children* who live in households with incomes below a defined threshold. Sometimes figures relate to the number or percentage of *households with children* which have an income below that defined rate (OECD 2019).

**Income measures of poverty** are the most commonly used (with income defined as 'equivalised gross disposable income'). These can be separated into measures of:

- Relative low income, where household income falls below a defined threshold (or 'poverty line') in the year to which the measure refers. In the UK this is generally 60 per cent of the national median income for that year. This measure compares households with the lowest incomes against the rest of the population for that year.
- Absolute low income, where income falls below the inflation-adjusted median income for a selected base year. This shows whether living standards at the bottom of the distribution are improving over time.
   Francis-Devine 2020

**Housing costs** represent a major fixed outgoing, and money spent on housing is not available for other expenses. Poverty rates are often calculated *after housing costs* to reflect this; however, in some cases they are calculated 'before housing costs'. Because the proportion of household income spent on housing tends to be higher for poorer households, poverty levels are generally *higher* if measured after housing costs (ibid).

Income is a key component in determining poverty, but it is not the only one. In 2018 the Social Metrics Commission drew up a new definition of poverty in the UK which encompassed broader family assets (including different kinds of wealth), 'inescapable costs' besides housing (such as the costs of disability, and housing adequacy (SMC 2018). Alongside this 'core measure', a wider measurement framework allows reporting on 'depth' of poverty, or how far above/below the poverty line families are, the persistence of poverty for families, and aspects of the lived experience of poverty (ibid). Unfortunately, data availability means that at present it

is not practical to apply this measure of poverty at a sub-national level (Barnard 2018).

Material deprivation and hardship are important aspects of the lived experience of poverty, and associated social exclusion or being 'shut out' from a decent life in the country where you live. These measures reflect the extent to which a family's available income and assets make it possible to afford basic necessities. For example, in the UK children in 'hardship' are those who lack necessities such as warm winter clothing or access to sufficient healthy food, who live in overcrowded housing, and who cannot take part in school trips, or activities requiring a modest level of equipment (Lansley and Mack 2015). Estimates of child poverty that exclude material deprivation and hardship may underestimate the depth and extent (Treanor 2014).

The 2016 Welfare Reform and Work Act removed the targets for reductions in child poverty as defined by relative and absolute measures of household income, focusing instead on children's outcomes in education and on 'worklessness' within families. Income was no longer included in the definition of child poverty, an extremely controversial move (Stewart and Roberts 2018).

However, official statistics for child poverty based on income measures continue to be published and widely used in discussions of child poverty and the impacts of specific policies. The choice and use of definitions of poverty is inevitably a political as well as a practical issue.

### 1.3 THE OPPORTUNITY OF DEVOLUTION TO TACKLE CHILD POVERTY IN THE NORTH EAST

The North East of England saw some of the sharpest falls in child poverty between 1999 and 2013. At the end of this period the percentage of children living in poverty in the North East had fallen from the highest in the country to only slightly above the national average, and was lower than in some other parts of the North and Midlands (see 2.1 below). However the region has fared badly under the subsequent changes, which took place alongside a recession that hit this part of the country especially hard and an austerity programme that did the same (Johns 2020).

This region also has a long history of formal and informal initiatives for social justice and poverty reduction (Newcastle University 2019). Today, it has a shorter but potentially fruitful one of devolution, with eight of its 12 local authority areas covered by devolution deals that pass a number of powers and budgets to an elected mayor (in the North of Tyne and Tees Valley areas). The current arrangements go only a short way towards reversing England's unusually centralised governance (Raikes 2020), but they offer important opportunities for regions to shape their social and economic futures.

North East local authorities have developed substantial programmes to improve the lives of families experiencing poverty, which could form the basis for wider initiatives, collaborative working, and learning. The work of combined authorities elsewhere in England, for example Greater Manchester and the London Assembly, is a further source of models and inspiration.

Reducing child poverty aligns closely with the inclusive growth theme of the North of Tyne Devolution Deal, and with the 'inclusive economy' agenda (LGA 2020a) that is embraced explicitly by both of the North East's combined authorities (eg NoTCA 2019a, TVCA 2020) and many of its councils. It is also an important area for dialogue with a central government that has repeatedly stated its commitment to 'levelling

up' and promises a white paper on devolution and 'local recovery' from Covid-19. In particular, regions need clarity from Whitehall on precisely what 'levelling up' means, and how this will be associated with a strong strategic policy framework, adequately funded and consistently monitored. The Covid-19 pandemic adds urgency to this goal, but it is one that the region's leaders and communities are eager and well-placed to pursue.

### Using devolution to make a difference to child poverty – lessons from the UK

- Even the most effective devolved approach will be mediated by the national economy and the Westminster government's approach to social security. To date these have led to a *rise* in child poverty in all parts of the UK; for example, they explain the increase in child poverty in Scotland between 2013 and 2017 (Gunson 2019, Corlett 2019).<sup>2</sup>
- Coordination of strategies and programmes at different levels of governance is vital. Local authorities are well-placed to identify local opportunities and risks and to establish effective partnerships for place-based implementation. At the same time, they can benefit from strategic direction and support at the national or large regional level, including pooling of resources, evidence and learning.
- Strategies to reduce child poverty must address *both* the immediate needs of families experiencing hardship, *and* the underlying drivers of hardship.
- Partnership working is fundamental, and should engage different levels of government, the private sector, employers and civil society.
   Partnership management and facilitation is an important part of the strategy; this demands skills, trust, and resources of expertise, time, and funding (see Round 2018).
- Reducing poverty demands investment, and a confident account of the social and economic returns to that investment.
- Devolution of powers that can reduce or mitigate poverty needs to be accompanied by devolution of funding as well. Similarly, where local authorities invest money and/or resources in initiatives that reduce poverty – and hence reduce costs – this needs to be recognised by budget-holders in Whitehall.
- Policy should be grounded in high-quality and up-to-date data and evidence, reflecting variations between places and communities, and subject to robust evaluation which informs learning and future development.
- Child poverty is complex and multifaceted. Dialogue and consensusbuilding are important in reaching ambitious 'headline' targets.

In a comprehensive analysis of child poverty issues in Scotland, Corlett (2019) writes:'The direct causes of the expected rise in poverty are UK-wide policies set in place at the 2015 summer budget, amounting to an estimated £12 billion cut in working-age benefits once fully rolled out... the four-year freeze in benefit values reduced state support for parents in 2017/18 and 2018/19, and will do so again in 2019/20. The policy is set to save the UK government £1.8 billion from this year's freeze alone, bringing the total saving in 2019/20 to £4.7 billion – costing couples with children in the bottom fifth of the income distribution £900 on average ... the two child limit will take up to £2,800 a year per additional child from many families ... abolition of the 'family element' will take up to £545 from each family on tax credits or universal credit'.

### **DEVOLUTION AND CHILD POVERTY IN GREATER MANCHESTER**

In Greater Manchester, the English region with the longest history of devolution in the 20th and 21st centuries, the combined authority has embraced the social as well as the economic potential of decentralised governance and place-based working.

Both the GMCA and the Manchester City Council strategies discussed below have been developed through extensive engagement with communities and people with lived experience of poverty, and of supporting people living in poverty. In addition, both are informed and evaluated through detailed data, evidence and measurement activities that have been developed to capture both broad trends and changes, and the outcomes of individual projects and programmes. These approaches are constantly evolving.

### The Greater Manchester Strategy (GMCA 2020)

The 'Greater Manchester Strategy' currently in place is the third to be developed since 2009. Its introduction includes a commitment to 'new approaches which are shaped and driven by our communities themselves' and to partnership working with stakeholders in business, communities, and civil society as well as civic leaders. It builds on the focus of earlier strategies on economic growth to 'increase... our focus on ensuring that the people of Greater Manchester can all benefit from economic growth and the opportunities it brings' (GMCA 2020). One of its functions is to frame GMCA's industrial strategy.

Embracing the theme of 'living well in Greater Manchester', the vision set out includes 10 priorities for outcomes. The first of these is to ensure that 'All children start... school ready to learn'; this priority is in turn integrated with the rest of the list, in particular priorities that relate to housing, good quality work, communities and health.

The approach to achieving this involves the following.

- Setting specific and ambitious numerical targets, relating to: the proportion
  of children assessed as reaching a 'good level of development' by the end of
  reception, the number of babies born at term with low birth weight, and the
  proportion of early years settings judged as good or outstanding.
- Achieving collaboration across four combined authority cabinet portfolios (Young People and Social Cohesion; Health and Social Care; Skills, Employment and Apprenticeships; and Digital).
- Integrating six GMCA strategies and plans (Population Health, Early Years, 'Taking Charge', Digital, Police and Crime, and the Spatial Framework).

Integrated working and effective partnerships are fundamental to this work. The logic for that integration is 'people centred', so that parents can access 'the support they need, at the time they need it'. In practice that means a place-based approach, with high quality early years services right across the combined authority area. The combined authority commits to providing strong leadership and the necessary 'systems infrastructure'.

In practice, that integration incorporates health providers (many of which, alongside their core activities, also offer signposting and facilitate access to other services), specialist family and relationship support for parents (including voluntary, community and informal provision), and early years provision.

The skills and employment support in the Greater Manchester area will also have a specific remit to help parents into work and thus reduce worklessness and poverty. This will be supported by new efforts to make sure that sufficient good-quality and affordable childcare is available; the combined authority will explore 'the potential for further devolution of funding and responsibility' to use public provision to this end.

All of this is unquestionably worth having, in social and economic terms. The strategy includes a realistic account of the challenges associated with budget cuts (especially for non-statutory provision), and the need for a 'forward investment plan'.

### The Manchester Family Poverty Strategy (Manchester City Council 2017)

The 'Manchester Family Poverty Strategy 2017-2022' seeks to reduce the city's very high rates of child poverty (in 2017 one in three children in Manchester lived in poverty). It also responds to the need for frameworks following the removal (by central government) of the duty on local authorities to publish and implement child poverty strategies.

Like the GM strategy, the Family Poverty Strategy is closely integrated with other aspects of the council's work, including industrial strategy, 'early help' for children and families, housing, health, children's services, and employment and skills. The link to economic development and growth is clear and explicit. In addition, it is grounded in evidenced best practice and informed by rigorous research and data analysis.

The Family Poverty Strategy aims '... to add value by identifying a small number of important priorities which will make a significant impact on children and families, but that are not already being delivered in the city'. Addressing these priorities demands targeted and effective partnership working; the list of partners includes council departments, community groups, charities, civil society, and businesses.

This list is ambitious and draws together a very wide range of expertise and an impressive reach across the city. Without a clear framework and a strong ongoing dialogue, it could be difficult to manage. Coordination is achieved through a core group with overarching responsibility for delivering the Strategy, and three working groups that lead on the strategy's three themes (see below); each of these works to a 12-18 month plan, which includes regular monitoring of data on impact. The working groups meet regularly, and their chairs also attend regular meetings of a coordination group. Communication, trust, proactive approaches and clear structures are all vital.

The core group is chaired by the council leader and the working groups include senior officers and members. This 'buy in' at senior level both demonstrates commitment to the strategy, and ensures that it is 'mainstreamed' across the council's activities.

The themes and priorities of the strategy seek to boost income, increasing employment, reducing costs, and mitigating the impacts of welfare reform), and also to reduce the impacts of poverty on families, aspirations, and health. In addition, they demonstrate an asset-based approach within the city, for example by working with 'anchor institutions', strengthening communities, and poverty proofing services. They are as follows.

### 1. Sustainable work as a route out of poverty

- Affordable, flexible and high-quality childcare for parents
- The role of anchor institutions

### 2. Focussing on the basics – raising and protecting family incomes

- Mitigating the impact of welfare reform on families with children
- Tackling the poverty premium
- Food and fuel
- Improving children's health

### 3. Boosting resilience and building on strengths

- Strength-based approach in communities
- Improving the identification and signposting of families in poverty
- Poverty proofing services
- Embedding careers advice and aspiration in schools.

### CHILD POVERTY AND DEVOLUTION IN SCOTLAND

In 2017 the Scottish parliament unanimously passed the Child Poverty (Scotland) Act. This legislation was introduced after the effective scrapping of the UK-wide Child Poverty Act 2010, and to a large extent it commits the Scottish government to a similar set of aims. Prominent among these is a legal obligation to meet four demanding targets by 2030. At that date, of children in Scottish households:

- fewer than 10 per cent should be living in relative poverty
- fewer than 5 per cent should be living in absolute poverty
- fewer than 5 per cent should be living with combined low income and material deprivation
- fewer than 5 per cent should be living in persistent poverty (family living on a low income three years out of four).

To meet these ambitious targets, the Scottish government will address three key drivers of child poverty: income from employment, income from social security and benefits in kind, and costs of living (Scottish Government 2019a). It will use its devolved powers for taxation and social security to achieve investment on the necessary scale.

Central to this programme is the 'Scottish Child Payment', which will provide £10 per week per child to lower-income families who receive qualifying benefits. It will initially be paid for children under six in 2021,³ extending to all children under 16 by the end of 2022. An increase in income of over £500 per child per annum represents a major income boost for families, as well as a major commitment by the government. The Scottish government estimates that this will lift around 30,000 children out of poverty (Scottish Government 2019b).⁴

However, an income supplement alone is not enough. The scale of the financial challenge of reducing child poverty is probably beyond the reach of government alone, demanding:

"... a whole-Scotland approach, and likely a combination of increased earnings for the poorest households (through inclusive growth), and increases in social security payments, brining action from employers, governments and wider civil society"

Gunson, Baxter and Stirling 2018

Such an approach is set out in the delivery plan for the Child Poverty Act (Scottish Government 2018). It includes a framework for further investment in work and earnings support, cost of living, and provision for partnership and place-based working. The aim is both to make progress on reducing the number of people in low income, and preventing today's children and young people from becoming 'parents in poverty' themselves.

Local authorities have a vital role to play. The Scottish Children Poverty Act (2017) places a duty on every local authority to produce an annual local child poverty action report, describing current work and future plans for addressing child poverty. These are overseen by a national child poverty coordinator, whose role is to support the development of local working and partnerships. This includes guidance with preparing, evaluating and implementing action reports, facilitating practice and knowledge sharing. Their role is also supported by data and evidence, including a collaboration with the Scottish Poverty and Inequality Research Unit

<sup>3</sup> The Scottish Child Payment was originally planned for implementation by end of 2020. However, with COVID-19 this date has been delayed by an as yet unknown length of time. Early indications are that the delay will be months rather than years.

<sup>4</sup> Other estimates suggest that the impact may be more modest, with the payment for 0-16 year olds lifting around 20,000 children out of poverty (Congreve et al 2019).

at Glasgow Caledonian University, and a dashboard of local data relevant to child poverty (Improvement Service 2020).

Implementation will be subject to a rigorous evaluation (Scottish Government 2019c). Alongside figures for child poverty, a wide-ranging 'child poverty measurement framework' (Scottish Government 2019d) monitors the drivers of child poverty, to identify whether and how these change over time. These include detailed statistics on: employment (hours worked, pay, employment and underemployment, skills under-utilisation, skills and qualification levels); childcare (availability, affordability and access); transport; costs of living (housing, energy and food); 'enablers' of wellbeing (debt, access to affordable credit, savings levels and internet access); and benefits 'reach', levels, and take-up.

The delivery plan builds on established policies to support low-income families, as well as the 'Scottish attainment challenge' which invests £750 million to support equality in education, primarily through localised working in schools. Core new policies include the following.

- Supporting parents into sustainable and fair work, including major investment in support programmes and employer engagement.
- Costs of living for parents, including an expansion of early learning and childcare, a strategic framework for after-school and holiday childcare, and funding for the costs of the school day and meals during school holidays.
- General provision on costs of living, including partnerships with the housing sector, actions to boost take-up of the 'Warmer Homes Scotland' programme, personalised financial advice to reduce poverty premium and increase benefits take-up, and investment in the Carnegie UK Trust Affordable Credit Loan Fund.
- Social security changes (alongside the Scottish Child Payment), including additional grants for new parents, young parents starting work, and carers.
- Quality of life improvements for children and families, including additional funding for to extend the Children's Neighbourhoods Scotland programme from its pilot area, education outreach including provision for young parents, and programmes for socially excluded groups and early years provision.
- **New partnership working**, on service redesign, anti-poverty initiatives, communities and wider support for children.

The success of the Scottish Child Payment in reducing child poverty will depend partly on how it is delivered. Congreve et al (2019) present a set of priorities for the payment if it is to have the maximum impact for poverty reduction (Congreve et al 2019).

- **Urgency and impact**: its design as a 'passported' payment, paid to recipients of qualifying UK benefits, means it can achieve high impact and swift delivery.
- **Predictability**: predictable and stable income streams are a priority for families.
- High take-up: driven by effective design and rigorous monitoring.
- Ambition: Receipt of the payment could help to strengthen the impact
  of planned and existing measures to reduce child poverty by using it as a
  'gateway' to other payments and services, and by ensuring that recipients
  are making full use of those which are in place. This would need additional
  arrangements for collaboration and data sharing.

### International case studies of good practice

### Social security reform and national/local coordination – The Canada Child Benefit

The Canada Child Benefit is a tax-free monthly payment made to eligible families to help with the costs of raising children under 18 years old. It targets low- and middle-income families, and is paid on an incomedependent sliding scale. It is estimated to have taken about 278,000 children out of poverty between 2015 and 2017.

Like universal credit it combined several different child benefits into one payment, which provides more money than previous programmes to nine out of 10 families (Government of Canada 2019). It is 'arguably the best anti-child poverty instrument in Canadian tax history' (Li and Neborak 2018), and has also helped to reduce problems such as food insecurity (Brown and Tarasuk 2019). Early evaluations find that it is associated with a significant increase in household wellbeing, and higher spending on items such as childcare and education supplies (Adams et al 2020).

Alongside the national payment, Canadian provinces manage additional child benefit programmes. Some analysts recommend additional 'retargeting' at provincial level to accommodate differences in wider provincial priorities and social policies, while maintaining a minimum benefit level across Canada (Rhys Kesselman 2019).

### Leadership and integrated policy – the New Zealand Families Package

In 2018, New Zealand's Coalition government introduced a new 'Child Poverty Reduction Act', which aims for a significant and sustained reduction in child poverty. This integrates actions to reduce child poverty across diverse policy areas, including housing affordability and quality, food insecurity, education and health. It also introduces a comprehensive package of measures to increase incomes and reduce costs (the 'Families Package'), offering:

- increased transfers through tax credits
- a 'Best Start Programme' available for the first year of a child's life, and the first three years for low-income families
- a passported Winter Energy Payment at a family specific rate
- increased parental leave allowances
- · additional support with housing costs.

Like the act itself, the rigorous framework for accountability and reporting reflects the complexity of poverty and its impacts. Ten distinct measures of child poverty are specified, including several relating to income and material hardship. Other indicators include housing affordability, housing quality, food insecurity, regular school attendance and potentially avoidable hospitalisations.

Given the complexity of the issue it is important that all ten measures are considered together – no single measure tells us the complete story of child poverty on its own Ardern 2020

The act commits the government to regular reporting and accountability against these measures and targets. At the time of writing it is still to early to judge whether the act is having an impact; rates of low income have generally declined since its introduction but this is not yet statistically significant (StatsNZ 2020). It is projected to reduce the number of children in poverty by 88,000 – 39,000 *fewer* than projected under the 2017 budget. Nearly 400,000 families will be better off by an average of NZ\$75 per week.

### 2. CHILD POVERTY IN THE NORTH EAST

### 2.1 CHILD POVERTY RATES, ON DIFFERENT MEASURES

Historically rates of child poverty – like other aspects of economic disadvantage – have been higher in the North East than across the UK. This regional imbalance was stark in the period before 1999, when over half of children in the region were in absolute poverty and more than a third were in relative poverty.

Between the early 1990s and 2013, the North East saw the largest falls in child poverty rates of any English region. Between 1998/99–2000/01 and 2011/12–2013/14:

	North East	UK
Rate of absolute poverty before housing costs	27%	18%
Rate of absolute poverty after housing costs	21%	13%
Rate of relative poverty before housing costs	16%	8%
Rate of relative poverty after housing costs	13%	6%

However, since 2013 child poverty has increased more sharply in the North East than elsewhere. In the North East in 2016/17–2018/19 (the latest figures available):

	North East	UK
Rate of absolute child poverty before housing costs	21%	17%
Rate of absolute child poverty after housing costs	29%	26%
Rate of relative child poverty before housing costs	26%	21%
Rate of relative child poverty after housing costs	35%	30%

This follows some of the sharpest rises since 2013. Between 2011/12–2013/14 and 2016/17–2018/19:

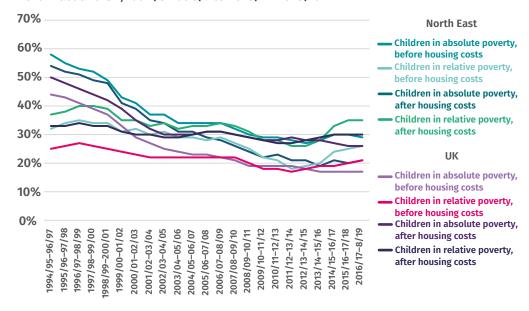
	North East	UK
Rate of absolute poverty before housing costs	Unchanged	fell 2%
Rate of absolute poverty after housing costs	rose 1%	fell 3%
Rate of relative poverty before housing costs	rose 8%	rose 4%
Rate of relative poverty after housing costs	rose 9%	rose 3%

Today the North East has a higher rate of child poverty than any other English region outside London (figure 2.2), and there are also marked variations within the region (figure 2.3). Rates of absolute poverty are above the national level (15 per cent) in all local authority areas in the North East with the exception of North Tyneside, with particularly high rates in Sunderland, South Tyneside, Newcastle and Middlesbrough (in the latter, the proportion of children living in absolute poverty is double that for the UK as a whole, at 30 per cent). Rates of relative poverty are also well above the national average, with particularly high levels in the major urban centres.

This reflects steep rises in some areas since 2013. For example, the rate of relative child poverty rose by 5 percentage points in North Tyneside, Northumberland, Darlington and Stockton, 6 percentage points in Gateshead, Sunderland, County Durham and Redcar and Cleveland, 7 percentage points in Hartlepool, 8 in South Tyneside and 9 in Newcastle, while the rise in Middlesbrough was 13 percentage points.

FIGURE 2.1: THE FALLS IN CHILD POVERTY IN THE NORTH EAST BETWEEN 1999 AND 2013 BROUGHT REGIONAL RATES CLOSE TO NATIONAL ONES; HOWEVER, THE GAP HAS SINCE BEGUN TO OPEN UP AGAIN

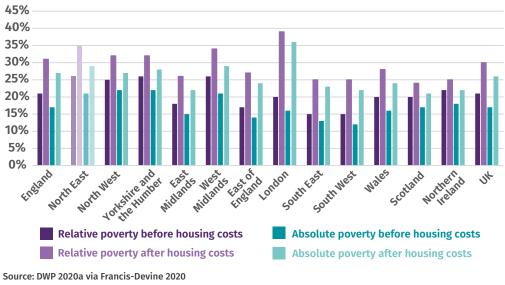
Percentage of children in relative and absolute poverty before and after housing costs, North East and UK, 1994/5–1996/7 to 2016/17–2018/19



Source: DWP 2020a via Francis-Devine 2020

FIGURE 2.2: COMPARED TO OTHER UK REGIONS AND NATIONS, THE NORTH EAST HAS ONE OF THE HIGHEST RATES OF CHILD POVERTY BEFORE HOUSING COSTS, AND THE HIGHEST **RATE OUTSIDE LONDON AFTER HOUSING COSTS** 

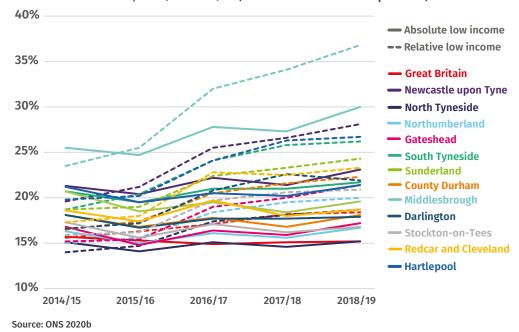
Percentage of children living in relative and absolute poverty before and after housing costs, North East and other UK regions and nations, 2016/17-2018/19



Inequalities between regions are well-known, but inequalities within regions are also marked (figure 2.5).

### FIGURE 2.3: CHILD POVERTY IN SOME PARTS OF THE NORTH EAST IS CLOSE TO THE NATIONAL RATE, BUT IT IS MUCH HIGHER IN THE REGION'S LARGE URBAN CENTRES AND IN SOME 'POST INDUSTRIAL' AREAS. CHILD POVERTY HAS INCREASED MORE SHARPLY IN ALL NORTH EAST LOCAL AUTHORITY AREAS THAN IT HAS NATIONALLY.

Percentage of children in absolute and relative poverty, before housing costs, North East local authorities, 2014/15-2018/19 (note: Y axis starts at 10 per cent)



### 2.2 POVERTY AND FAMILY CHARACTERISTICS

Across the UK:

- 46 per cent of children from Black and minority ethnic groups live in poverty<sup>5</sup> compared to 26 per cent of white children (CPAG 2020a).
- 21 per cent of all children live in a household headed by someone from a Black or minority ethnic group; for children living in poverty, the figure is 29 per cent before housing costs and 31 per cent after housing costs.<sup>6</sup>

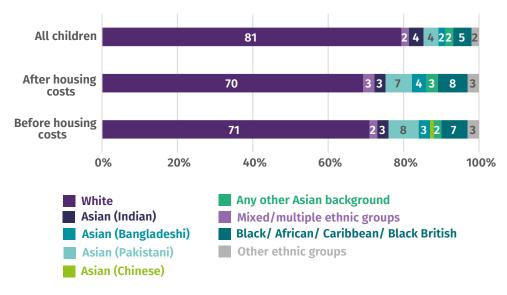
All figures from DWP 2020a

These trends are particularly marked for children from households headed by an adult from a British Pakistani, Bangladeshi or Black background.

No regional breakdown of figures for child poverty by ethnic group is available. Overall the North East is the *least* ethnically diverse region of England (ONS 2020d), and therefore it is likely that the proportion of children living in poverty who come from ethnic groups other than the white population will be smaller than across the UK.<sup>7</sup>

### FIGURE 2.4: ABOUT 20 PER CENT OF ALL CHILDREN LIVE IN A HOUSEHOLD HEADED BY SOMEONE WHO ISN'T WHITE; THE FIGURE IS ABOUT 30 PER CENT FOR CHILDREN LIVING IN POVERTY

Percentage of children in households with incomes below 60 per cent of median income, UK, 2018/19, by ethnic group of head of household



Source: DWP 2020a

Nationally and regionally, the proportion of children who live in poverty in working households has risen. The North East was broadly in line with national trends until 2016/17, with a rise of around 2.2 percentage points in the proportion of children in poverty who live in working households; increases were notably higher in Gateshead, Middlesbrough and Darlington, and only Redcar and Northumberland did not see

<sup>5</sup> Defined here as below 60 per cent of median income after housing costs

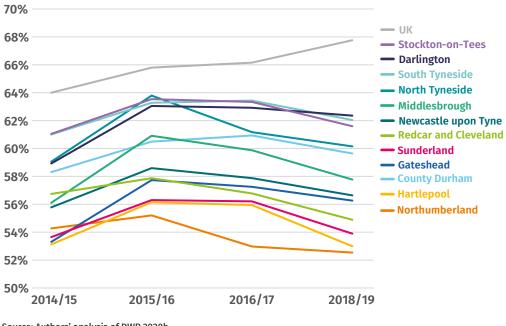
<sup>6</sup> All figures for relative poverty rates, defined as below 60 per cent of median income after housing costs

In 2020 87.7 per cent of school pupils in the North East identified as coming from a 'White British' background, with a further 2.2 per cent coming from other White backgrounds. 1.1 per cent identified as Black, 3.4 per cent as Asian and 2.5 per cent as from a mixed ethnic background. Nationally 66.1 per cent of school pupils in the region identified as coming from a 'White British' background and 6.9 per cent from other White backgrounds. 4.8 per cent identified as Black, 11.2 per cent as Asian and 6 per cent as from a mixed ethnic background (ONS 2020e).

this trend. In 2018/19, however, the proportion has fallen slightly in the North East while it has risen nationally. This may to some extent reflect wider changes in employment rates in the region. In any case, over half of children living in poverty in all parts of the region live in a household where at least one adult works.

FIGURE 2.5: THE PROPORTION OF CHILDREN LIVING IN POVERTY WHO LIVE IN WORKING FAMILIES HAS INCREASED NATIONALLY AND IN MOST PARTS OF THE NORTH EAST

Proportion of children living in absolute low income before housing costs who live in working households (note that y axis starts at 50 per cent).



Source: Authors' analysis of DWP 2020b

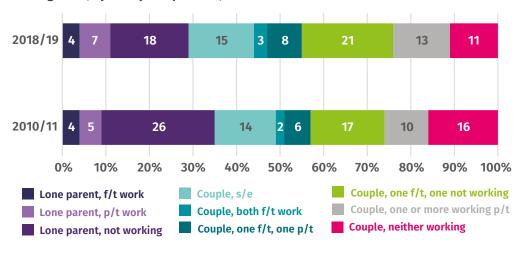
Lone parent families are more likely to experience poverty than families with two adults. Across the UK, just under 15 per cent of families are lone parent families; the proportion is slightly higher in the North East, at 17.8 per cent (ONS 2020c). However, nationally 40.2 per cent of households in poverty are headed by a lone parent; in the North East, the figure is 46.4. The reasons include barriers to accessing suitable work and/or childcare, and the difficulty of making enough to live on from a single income.

The proportion of families living in poverty in which one or more adults work has increased for both lone and couple parents. In 2010/11, 26 per cent of households in poverty were headed by a lone parent who was not working and 16 per cent were headed by a couple, neither of whom worked.

In 2018/19, 18 per cent were headed by a non-working lone parent and 9 per cent by a non-working couple. By contrast, in 2010/11 29 per cent of households living poverty included at least one adult who worked full-time; by 2018/19, this had increased to 37 per cent. Overall 57 per cent of households in poverty in 2018/19 included an adult working for an employer; when self employment is included, 72 per cent of households in poverty include at least one adult in work.

### FIGURE 2.6: THE PROPORTION OF HOUSEHOLDS LIVING IN POVERTY WITH AT LEAST ONE ADULT IN FULL-TIME WORK HAS INCREASED OVER THE PAST DECADE

Working states of adults in families with less than 60 per cent of median income after housing costs, by family composition, 2010/11 and 2018/19



Source: DWP 2020a

### 2.3 THE IMPACTS OF CHILD POVERTY

On a day to day basis, poverty simply makes life difficult. Children living in poverty can miss out on basics things that help families to stay healthy, to avoid stress, and to learn and develop. The North East is the region with the highest proportion of children in households that lack the resources to keep warm enough (11.5 per cent), replace or repair broken electrical goods (29.6 per cent), engage in a hobby or leisure activity (10.2 per cent), take a holiday for one week a year not staying with relatives (46.2 per cent) or go on a school trip at least once a term (6.3 per cent) (Bradshaw 2020).

The impacts of poverty on children start early and the consequences can last a lifetime. Poverty in pregnancy affects how women cope with the practical and emotional demands of expecting and giving birth to a baby (McHardy 2018b). Around one-third of the increase in infant mortality in the UK between 2014 and 2017 can be attributed to rising child poverty (Taylor-Robinson et al 2019). And child poverty is also associated with poor health and other outcomes well into later childhood (Larson 2007). Interventions to counteract the effects of poverty, such as poor diet, have positive impacts on children's health and education outcomes in both the short and the long-term (Chorniy, Currie and Sonchak 2020; Hoynes and Schanzenbach 2016; Hoynes, Miller and Simon 2015).

Extended experiences of living in poverty have a cumulative impact (Galobardes, Lynch and Davey-Smith 2008; Braga et al 2019; Case et al 2005). Poverty is associated with health conditions including being overweight, dental decay, and asthma, as well as poorer outcomes for genetic diseases (Wickham et al 2016). Across the lifecourse, having lived in poverty as a child increases the risk of various cancers, strokes, coronary heart disease, respiratory disease and alcohol-related deaths (ibid, Galobardes 2004).

The North East of England has poorer rates of both adult and child health on a range of measures (Figures 2.7a–7c). It is likely that at least some of this pattern reflects the region's child poverty rate, as described above. Reductions in child poverty could help to improve health across the lifecourse in the region.

### FIGURES 2.7A, 2.7B AND 2.7C: THE NORTH EAST FACES HEALTH CHALLENGES IN RELATION TO SEVERAL ASPECTS OF CHILD AND ADULT HEALTH

Figure 2.7a: Early indicators of health and children's hospital admissions, North East local authorities

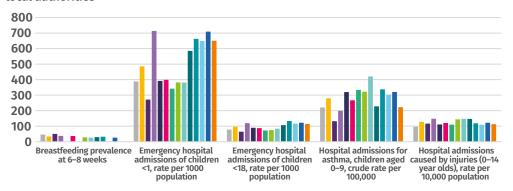


Figure 2.7b: Child and adult obesity and dental health rates, North East local authorities

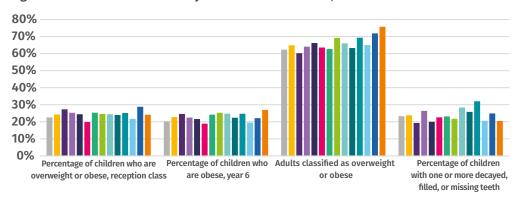
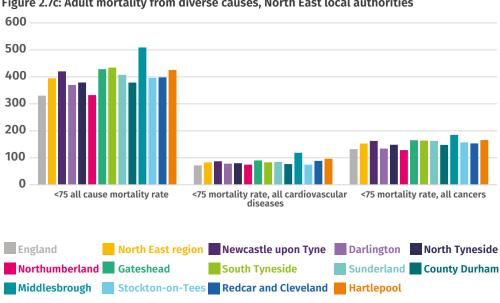


Figure 2.7c: Adult mortality from diverse causes, North East local authorities



Source: Public Health England (2020)

However, outcomes in the North East are not poor on all health measures. For example, rates of visits and reviews for children aged between six weeks and two and a half years are generally above national ones, as are rates of immunisation. This suggests that regional infrastructure and community-based working are strong – and that these can form the basis for further interventions to reduce child poverty, as proposed in chapter 4.

Child poverty also impacts on education outcomes, from the early years to adult skill formation (eg Cunha and Heckman 2007). At all education stages, attainment for pupils who are identified as 'deprived' is poorer than for students from non-deprived groups, a finding that is well-established and extremely stubborn. This gap can is seen in overall rates of attainment for children from different backgrounds (Clifton, Round and Raikes 2016) and in the number of months by which deprived pupils' attainment lags what might be expected for their age (Hutchinson et al 2019).

In the North East, the percentage of children achieving a 'good level of development' at age two to two and a half is above the national rate in most local authority areas, as is attainment of the expected rate across a range of domains (PHE 2020). Rates of educational attainment are also above the national level – and second only to London among English regions – at KS1 and 2. However, by KS4 the region has the lowest rates of attainment and overall scores for any English region.

Researchers at the University of Durham examined the relationship between long-term disadvantage and secondary school attainment. They found that regional differences relate to factors such as poverty and disadvantage, rather than – as often proposed – to school quality. This has important implications for policy responses:

"Once pupil intake characteristics and prior attainment are accounted for, there is no evidence ... that schools in different economic regions have different outcomes for equivalent pupils ... Poor areas of England need investment and infrastructure, not better schools in particular. Education is not a cheap solution to economic disadvantage."

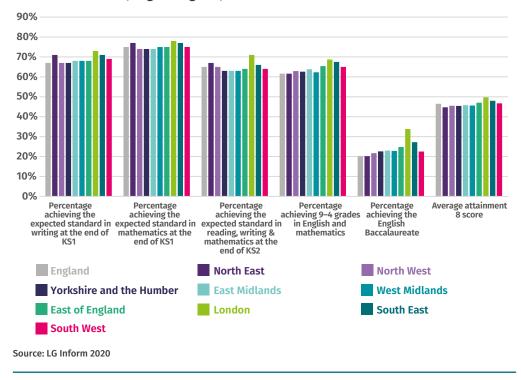
Gorard and Siddiqui 2019

Research for the Department for Education also found a close relationship between family income and attainment at all stages of education (DfE 2017). And North East schools actually perform well in relation to the progress they achieve for their students (Northern Powerhouse Partnership 2019).

Tackling material and financial poverty among North East families could have a major impact on educational attainment, as could educational interventions that are designed specifically to address the learning and progress of children from worse-off homes. Schools, while they cannot do all the work of remedying economic disadvantage, are where children spend a large part of their time and can play an important role in addressing child and family poverty. We return to this theme in chapter 4.

### FIGURE 2.8: RATES OF SCHOOL ATTAINMENT IN THE NORTH EAST ARE SECOND ONLY TO LONDON AT KS1 AND 2, BUT ARE THE LOWEST FOR ANY REGION BY THE END OF KS4

Percentage of students attaining standards at each education stage *and* average Attainment 8 scores, English regions, 2018/19



### 3. DRIVERS OF CHILD POVERTY

### 3.1 THE IMPORTANCE OF DECENT INCOME

In the simplest terms, people are poor because they don't have enough money. Of course, that simplicity is to some extent deceptive (Gunson, Baxter and Stirling 2018). For example, factors such as parental levels of education are closely related to rates of child poverty (Limani et al 2020, Guio et al 2019), and wider social inequalities, including those relating to ethnicity and disability, also play a part (CPAG 2020).

Nevertheless, low income is clearly associated with poor outcomes (Cooper and Stewart 2013, Bradshaw 2016) and poor subjective wellbeing for children (Main 2018), especially the youngest (Dahl and Lochner 2012). For lone parent families, the impacts on child wellbeing often attributed to parental separation are accounted for by two key factors; living in low income and a lack of social connections and support (Treanor 2016).

Even quite modest increases in income can have an effect on wellbeing. Rises in social security payments are associated with higher spending by poor families on 'child-related' items, such as tutoring, computer or reading supplies, childcare, food to be consumed at home, transport, recreation and prenatal care, and with *lower* expenditure on food cooked outside the home and 'risky behaviour items' such as alcohol and tobacco (Adams, Amedah and Fougère 2020; Gregg, Waldfogel and Washbrook 2016; Hamad and Rehkopf 2016; Hoynes et al 2015; Bastigliani et al 2016).

Three key factors can increase the incomes of poor families; social security transfers, employment, and the quality of employment for those who can get it.

### 3.2 REDUCTION IN SOCIAL SECURITY TRANSFERS

"While social security can't drive down child poverty entirely on its own, we do not think we can hope to meet ambitious targets without social security playing a stronger role for low-income families in and out of work."

McCormick et al 2019

As discussed above, child poverty rates to a large extent reflect policy choices, especially those related to taxation and transfers (Galobardes, Lynch and Davey-Smith 2004). Cash transfers on a sufficient scale are highly effective in reducing child poverty (Bradshaw, Keung and Chzen 2018); the most effective approach involves a combination of universalism with effective 'targeting' to groups who may be particularly at risk of poverty, such as single parents (Morrissens 2018, Van Lancker and Van Mechelen 2015). And international evidence suggests that cash transfers of the amount offered through social security are *not* generally a disincentive to work (Bastagli et al 2016).

In the UK, the social security system has been comprehensively restructured over the past decade with the aim of cutting the amount spent on benefits. Today, '... benefit levels are historically low, far below the poverty threshold, of lower value compared to wages than at any time in the past 40 years and ... projected to fall further' (Treanor 2017). For lone parents with one child, social security provides just below 60 per cent of minimum income compared with just under 70 per cent in 2008 (CPAG 2016).

Some aspects of these changes have been especially damaging for children and families. The 'two child limit' for receipt of child tax credits or the child element of universal credit has now affected 243,000 families, the majority (57 per cent) in work (DWP 2020c). Estimates suggest that by 2023/24 300,000 children could move into poverty as a result of this policy and 1 million who are already in poverty could be even worse off (Sefton et al 2019).

In families affected, the two child limit means 'a reduction in support of £53.50 per week for each child who does not quality for support, when compared to what they would have received before the policy' (Stewart, Patrick and Reeves 2020). The policy is 'unique' by international standards, no evidence has been presented that suggests it has any impact on family planning, and 'if you set out to design a policy that was targeted to increase child poverty, then you could not do much better than the two-child limit' (Sefton and Tucker 2018).

The introduction of universal credit has also brought multiple challenges. For example, the automatic five-week wait before payments can begin leaves many families at risk of hardship, and of getting into debts that are stubbornly hard to shift. Not everyone who finds themselves in need of financial support has a cushion of savings or other resources to rely on. Similarly, the apparent 'simplification' can actually present difficulties for people whose income or hours of work are irregular (for example gig economy workers), and/or who are managing a fluctuating health condition (see Larkin 2018). The 'digital by default' framework can also be difficult for people without reliable and affordable internet access; it also demands a good level of literacy and digital skills (Beatty and Povey 2018). In addition, administrative problems with its implementation meant that many people experienced delayed payments (NAO 2018), leading to hardship and debt.

In England, 'local welfare assistance' schemes are administered by local authorities. These provide support for people facing financial crisis, through cash transfers or vouchers. The former are preferable for a number of reasons, offering users greater choice and control, and removing the stigma associated with using in-kind support or vouchers (Whitham 2020). However, these schemes have been a major casualty of austerity; funding has fallen dramatically over the past decade, it is no longer ringfenced, and some local authorities have ended their schemes altogether (Children's Society 2020). Funding has been temporarily increased in response to Covid-19 (DEFRA 2020).

In Scotland, the recent rise in child poverty to a large extent reflects the changes made by successive Westminster governments to benefits provision; however, 'there is a lot that Scotland can do' (Gunson 2019). Combined authorities in England lack the power (and budget) to invest in social security at the scale that is achievable north of the border. However, many of the initiatives currently underway in Scotland can provide models for the North East. Affordable housing, inclusive growth, and highly effective place-based and partnership working coordinated through a clear regional vision are all among the options that can maximise the impact of current structures. These are explored in more detail in chapter 4.

### 3.3 REDUCTIONS IN EMPLOYMENT AND EARNINGS

Income from employment is also vital in reducing child poverty; households are at a greater risk of poverty if their adult members do not work, or do not work enough hours to make a living income. At the national level, low rates of child poverty are achieved through a combination of effective redistribution policies and low levels of unemployment and joblessness among parents (Whiteford and Adema 2007). However, across the UK the proportion of people in poverty and in severe poverty who live in working households is increasing (Bourguin et al 2019).

Work alone does not guarantee a route out of poverty; work quality is also crucial. Low wages, insecure work, poor opportunities for training and progression, and contracts that do not offer sufficient hours of work to make a living all contribute to in-work poverty (Poverty and Inequality Commission 2018). Self-employed workers and those in precarious or insecure short-term employment are particularly at risk (Bailey 2015, Halleröd, Ekbrand and Bengtsson 2015), as are lone parents (Sierminska 2018).

Lone parents, as shown in the data for the North East, are at particular risk of family poverty, and this partly reflects the difficulties they encounter in accessing sufficient income through work. Lone parent families led by women may find themselves caught in a 'triple bind' of high childcare costs, insufficient opportunities for suitable work, and a gender pay gap that limits their income (Bradshaw, Keung and Chzen 2018). Even when working full-time on the national living wage, they were in danger of finding themselves in poverty (JRF 2016). And work quality may be even more important in determining wellbeing outcomes for lone parent families (Fiori 2020).

The 'jobs gap' for households in poverty arises for various reasons, including:

- · unemployment among people who are actively seeking work
- economic inactivity among people who want to enter or re-enter work
- people who are working part-time but want to go full-time
- underemployed workers who want to work more hours.

JRF 2017

Job creation, work opportunities and employability are key themes of the North East's two devolution deals, as well as long-term goals of the region's local authorities and other stakeholders such as the two LEPs. The 'decent work' agenda (Johns, Raikes and Hunter 2019) also has a long history in this region, with initiatives such as the 'Good Work Pledge' in the North of Tyne area. Addressing job security, pay and conditions will be especially important in a region that currently has a relatively high proportion of temporary workers (6.8 per cent compared to 5.9 per cent across England) and agency staff (2.8 per cent of workers compared to the national rate of 2.7) (ODI Leeds 2016).

### 3.4 COSTS OF RAISING A FAMILY

Raising a family is expensive and the costs of living look especially steep for low-income families. Housing is vital in establishing a secure home for children, and represents a significant – and largely fixed – cost (Congreve 2019). Overall, parents who rent their homes privately have the highest poverty rates, a trend that is especially marked in the North East (JRF 2020). Across the UK the proportion of income spent on accommodation has risen for renters but fallen for people with a mortgage (Belfield et al 2014).Rent increases alongside wage stagnation and freezes to housing benefit all contribute to the problem (Shelter 2015).

Pregnancy and maternity bring numerous expenses (McHardy and Kelly 2017), as does sending children to school (Treanor 2018, Children North East 2020). Uniforms, supplies for general learning and for particular subjects, learning technology and school activities are among the basics of participation, but together amount to a major cost for parents.

Childcare represents another substantial expense, which may be a direct barrier to accessing work for many parents. Financial support is available to meet some of the costs of nursery, childminding or other early years provision, with free entitlements for three- and four-year olds as well as two year olds in the most deprived households. However, current levels of investment are 'insufficient... risking both the sustainability of many providers and the sustainability of

high quality provision' (LGA 2019), and funding issues may lead to 'trade offs' in provision for different age groups (Akhal 2019a). And parents can only use provision if it is available and accessible.

Poor families also encounter a 'poverty premium' which in the UK is estimated at around £1,300 annually (Davies, Finney and Hartfree 2016). Poverty premiums arise when the costs of everyday goods and services are *higher* for the poorest families than for others. They reflect multiple factors, including the needs, circumstances and preferences of low-income households, market structures and market failures, and 'compounding' factors including digital exclusion and – particularly relevant for this project – geography. The cost of credit, and unmanageable debt, also contribute to the problem.

Low income families may also be affected acutely by wider cuts to public services as a result of the austerity agenda. These have affected local authorities especially acutely, and have also had a greater impact on the north of England than on the UK as a whole (Johns 2020). For example, affordable access to activities, leisure facilities and non-essential services has reduced in many areas.

### **Cooperative models of childcare**

One response to the challenge of accessing affordable childcare in marketised systems is the development of parent-led cooperative provision. This approach may be particularly valuable for poorer communities that can miss out under current systems (Voller et al 2017, ILO 2017, New Economics Foundation 2017). Cooperative childcare accounts for around 9 per cent of provision in Canada (Wheaton and Harding 2017) and is becoming more common in other countries, including the UK.

Cooperative childcare programmes can help low-income workers out of poverty and into good-quality work by developing their skills as early years professionals and centre managers (Voller et al 2018). They offer the opportunity for a living wage to a group of vital workers whose profession is notoriously badly paid (Johnson 2020).

Models for cooperative childcare provision include:

- Worker-owned cooperatives following wider principles of employee ownership.
- Cooperatives associated with a place of work or a cluster of workplaces.
- Nurseries in which parents provide a range of support, from governance to taking home laundry, alongside childcare professionals (Otte 2017, ILO 2017)

Cooperatives that succeed in providing high-quality, inclusive and affordable provision share a number of characteristics:

- They are established and sustained through high quality training and ongoing expert support for all aspects of management and provision, including training and development for volunteers; parents who are involved commit to participating in development and upholding values.
- They are organised carefully to ensure that they are not socially exclusive or segregated, in the context of their local communities.
- They are supported by grants, affordable credit, and other social investment.
- Stakeholders embrace a rigorous commitment to quality and professionalism.

### 3.5 HIGHER LEVELS OF INEQUALITIES

Finally, rates of child poverty relate to wider inequalities in society. As discussed above, children from households headed by a person from Black or Asian ethnic groups are more likely to live in poverty. This relates *not* just to rates of general risk factors for poverty (such as lone parent status or worklessness), but also reflects an 'ethnic poverty penalty' (Platt 2009). Factors which reduce the likelihood of household poverty for ethnic groups *in general* may have less impact for groups with the highest rates of child poverty (Hernandez, Kanabar and Nandi 2018). Across the UK, an 'ethnicity pay gap' means that people from Black and – especially – Asian groups earn on average a lower gross hourly wage, and are more likely to fall into the lowest-paid 25 per cent of workers.<sup>8</sup>

Families in which a parent or a child has a disability are also more likely to be affected by poverty. This almost certainly relates to the fact that disabilities both bring additional costs, and may make it harder to access both work and services.

The economist Amartya Sen has written extensively about how poverty in all its forms is driven by a lack of genuine choice and freedom; his work underpins the UN's understanding of poverty and human development. Sen argues that the mainstream economic approach which defines poverty as an absence of material goods is too limited, overlooking key aspects of wellbeing such as life expectancy, health, education and quality of life. Sen also argues that a focus on material income does not account for the ways in which individuals adjust their expectations according to their level of income.

These 'adaptive preferences' mean that a child or family living in poverty may be forced to accept limitations on their choices in life and to adjust expectations simply to keep going (Sen 1985). He suggests that we should measure societal progress by examining 'how people actually live and what freedom they have to choose how they live' (Gasper and Van Staveren 2011).

Sen also proposes that rights must include but also go beyond what people can earn or own, aspects of life which are generally overlooked in mainstream economics (Sen 1988). As a result, high levels of poverty are tolerated and the task of alleviating poverty is seen as an *individual* one, rather than a societal one that involves addressing the structural barriers which drive inequality in the first place, such as insecure work, low pay, poor health and inadequate access to education and housing.

<sup>8</sup> The North East actually has a *negative* ethnicity pay gap, with workers from ethnic groups other than white earning on average 6.5 per cent more per hour (ONS 2019).

# 4. DEVOLUTION CAN MAKE A DIFFERENCE TO CHILD POVERTY

### 4.1 A NEW GOAL FOR DEVOLUTION DEALS

Devolution deals in England have, to date, focussed primarily on regional economic development. Metro mayors, however, have consistently shown ambition for their regions far beyond their originally envisaged remit – and much of that ambition relates to social progress, reducing inequalities, and improving lives. Many local authorities have also set out ambitious and innovative programmes of work with these aims. Our recommendations set out actions that combined authorities can take using their existing 'hard' and 'soft' powers and drawing on existing good practice by local authorities.

We also recommend that central government recognise the vision of leaders in local and combined authorities, and make devolution about wellbeing as well as about economic growth. The forthcoming devolution white paper, with its promised focus on economic and social recovery from the Covid-19 pandemic, is an opportunity to do exactly that. As a first step it should include a requirement on combined authorities to address child poverty in their areas, backed by significant investment.

The idea that wellbeing should be the ultimate goal of economic growth is gaining traction (Colebrook 2018, Stiglitz, Sen and Fitoussi 2008), with the New Zealand government explicitly embracing wellbeing as the goal of its economic activities (New Zealand Government 2018). Scotland has formed a 'Wellbeing Coalition' with New Zealand, Wales and Iceland. Devolution offers an opportunity for combined authorities to rethink the purposes of economic development within their regions – and, potentially, to add a robust and inclusive definition of 'wellbeing' to their goals.

This is positive, but making an economy genuinely inclusive demands action across the board, with an inclusive growth 'lens' applied to the full range of the combined authority's economic development programme and targeted investment in wellbeing commensurate with that envisaged for physical infrastructure. Engagement with skills development and employment outreach should go beyond dedicated programmes (vital though these are) to apply to as much as possible of the 'transformational investment' to be delivered by combined authorities. This should be grounded in:

- clear place-based accounts of poverty and social need across combined authority areas, based on clearly defined and rigorously analysed data
- a framework for 'wellbeing conversations' in response to economic development decisions, using data and local engagement to identify opportunities to make a difference. This should be used to example how specific investment decisions can help to reduce poverty and improve lives
- a shared, mutual understanding of how to achieve poverty reduction at the local level, and how economic development can help to drive this
- 'child poverty proofing' strategies and plans, pooling and aligning funding where practical, and leadership on poverty reduction parallel to that assigned to inclusive growth and prosperity.

Devolution deals offer a great opportunity to join up initiatives at the regional level and strengthen links between economic and social development. But they are not magic bullets. Even in the Scottish context, child poverty rates to a large extent reflect decisions made in Westminster (McNeil et al 2020, Gunson 2019). The best local efforts on pay and employment are only effective with a commitment from national government (Hirsch 2017). That is *not* a reason to give up, but it *is* a reason to be realistic about what can be achieved regionally – and what regions must ask of the centre.

As discussed above, many of the drivers of child poverty are outside the control of devolved local or national administrations. Combined authorities should advocate for the wellbeing of their youngest citizens, and the costs that will mount up if this is not addressed. Dialogue with central government should highlight both the 'negatives' (such as the impact of changes to social security, and developments such as the two-child limit and the benefits cap), and the potential for greater local powers and investment to drive real change. It should also demand a strategic and specific definition of what 'levelling up' will look like and how it will be achieved.

These were urgent issues before Covid-19; now they are critical. As the possible long-term impacts of the pandemic emerge, it is increasingly clear that 'we may all be in the same storm but we are not in the same boat' (McGeehan 2020). Nowhere is this more stark than in the figures for child poverty. When the crisis hit, that boat was already headed in the wrong direction for too many children, on a trajectory set during and after the global financial crisis in 2008. That crisis must now serve as a warning.

### THE NORTH EAST CONTEXT

The North East has much build on in addressing child poverty. The region's local authorities have a long track record of working to reduce poverty and inequality, showing characteristics of councils where tackling child poverty is a high priority (Farthing 2013). These include strategic understanding and commitment, partnership working, cross-cutting themes of child poverty reduction, and strong support and involvement among cabinet members (Nelson, O'Donnell and Filmer-Sankey 2011). This work is characterised by innovation, partnership working and 'whole family' approaches that cut across policy silos.

The North of Tyne devolution deal is the first to include an explicit commitment to 'promoting inclusive growth', including the creation of a 'single unified "Inclusive Growth Board" to work on 'the most significant socially focussed interventions within the North of Tyne'. These include the elements of the combined authority's programme that are concerned with education, skills, and employment support. The board is tasked with integrating and strengthening these activities.

### Recommendation 1: Put child poverty at the heart of future devolution deals

A commitment to building inclusive regional economies and support wellbeing and offer children the best start in life should be at the heart of devolution deals, and of proposals for other devolved and regional funding including the Shared Prosperity Fund. This should be set out in the forthcoming white paper on devolution.

It should be grounded in clear definitions and metrics for economic inclusiveness and 'wellbeing', and frameworks to strengthen these aims across all programmes and investment.

The white paper on devolution should ensure that:

- strategies for regional economic development include robust and well-defined 'wellbeing' goals, following best international practice, including reductions in child poverty and its impacts.
- combined authorities should be empowered and tasked to lead dialogue with central government on child poverty reduction, in particular the need to redouble efforts in the wake of Covid-19.
  - This should be supported by consistent and complete data, on local rates of child poverty and its drivers.
  - Evaluation of devolution deals should include detailed accounts of the economic and social costs of child poverty, and the potential gains associated with its alleviation: this should include a breakdown of where those costs and gains fall.
  - This dialogue should include the development of a collaborative strategic framework for the 'levelling up agenda', with clear definitions and goals accompanied by significant investment.
  - It should be supported to a cross-departmental commitment to evaluating the impact of policies in all areas on child poverty, and to taking mitigating action where a policy could lead to increases in child poverty or could exacerbate the negative consequences of child poverty.
- any future discussion of fiscal devolution should take account of the potential to reduce regional inequalities in poverty levels.

### **>** Recommendation 2: Making child poverty a priority for combined authorities

Combined authorities should create and prioritise child and family poverty programmes. These should: identify actions to alleviate and mitigate poverty; apply a 'child poverty lens' to all combined authority policy and investment, pooling resources where this is appropriate; and share learning. Combined authorities should collaborate on this: the North East has the opportunity to act as a national exemplar by creating a combined North of Tyne/Tees Valley child poverty task force.

### **Combined authorities should:**

- provide timely and rigorous assessments of opportunities for place-based partnership working to maximise the social impacts of specific investments and economic development programmes
- set realistic and specific aims for poverty reduction at combined authority level, including targets for poverty reduction and 'qualitative' goals including changes to ways of working, collaboration etc
- lead dialogue with central government, as proposed above, and collaborate with local authorities and other combined authorities at the regional and/or pan regional level to strengthen this dialogue.

### Recommendation 3: Coordinating action and evidence to end child poverty

Combined authority child and family poverty programmes should include coordination of ongoing relevant work in constituent local authorities. This should be supported by:

- appointment of a child poverty coordinator (with funding included in the devolution deal settlement), whose remit is similar to that of the Scottish role.
   They should work proactively with key stakeholders, e.g. directors of public health, directors of children's services, education leads and relevant officers and cabinet members
- a requirement for local authorities to set clear poverty reduction targets in their areas, supported by action plans. The child poverty coordinator will support local authorities and ensure that work is integrated and aligned across the combined authority. They should bring together established policies and good practice and opportunities to pool resources and expertise
- development of a high-quality data and evidence resources, including dashboards of relevant indicators and mechanisms for sharing good practice, learning, local intelligence and qualitative findings. Child poverty coordinators should identify data and evidence gaps and seek to address these, working with appropriate partners.

#### **4.2 EFFECTIVE PARTNERSHIPS**

The complex nature of child poverty is reflected in the almost universal recommendation of partnership working as an element of effective responses. The recommendations of this report are no exception. Partnership is already firmly embedded in current projects in the North East to address child poverty, eg 'Poverty Proofing the School Day' and the Newcastle Families Programme. Devolution deals, including those in the North East, include a large element of partnership working; for example in the North of Tyne area partnerships underpin the 'rural growth' and 'digital infrastructure' themes.

## > Recommendation 4: Partnership working

Combined authorities should put in place strong frameworks for partnership working to address child poverty, and should foster similar ways of working in their constituent local authorities. This should include:

- High-level leadership of strategies and plans, so that child poverty is mainstreamed across policy portfolios.
- · Clear structures for collaboration and regular dialogue and updating.
- Proper resourcing for partnership working, including skills development and actions to develop cultures of trust.
- A shared vision for social as well as economic goals, developed through consultation with citizens and 'owned' by senior leaders.

Policy and interventions that fail to acknowledge the reality of living with poverty on a day-to-day basis will not be effective in shifting that reality and improving lives. Idealistic or technocratic policy will simply not offer practical options, or respect the hard facts of coping with a low income and high costs, and initiatives to address poverty are most effective when grounded *both* in data *and* in an understanding of lived experiences (Poverty and Inequality Commission 2019).

This should inform the development of strategies and their implementation, with appropriate training for policymakers and frontline staff. Where possible, co-creation approaches should be sought, working with communities and drawing on their assets and experiences. Policy and provision should be 'respectful, person-centred and preserve[s] the dignity of people in poverty... avoiding stigma and developing understanding of the challenges of living on a

very low income (Eisenstadt 2016). The aim should be to 'build people up' to make the best use of opportunities (McCormick et al 2019). Again, the North East has a strong track record.

#### > Recommendation 5: Co-production and engagement

Combined authorities should promote engagement with citizens in developing strategies, programmes and approaches to implementation. Learning from best practice, opportunities for co-production should be sought and developed. Policy and practice should be people-centred, maintaining the dignity of people experiencing poverty and respecting the complex realities of their experiences.

#### 4.3 EMPLOYMENT AND EDUCATION

As discussed, work does not offer a guaranteed route out of poverty. But good quality work has a vital role to play in reducing poverty rates. Policy has a key role here the North East where it is *harder* to progress out of poverty by entering work (JRF 2020).

Like several local and combined authorities (Johns, Raikes and Hunter 2019), the North of Tyne Combined Authority has established a 'Good Work Pledge' (NoTCA 2019b). Features of 'good work' include job security, worker health, opportunities to learn and progress, wages and hours that provide for a decent standard of living and avoid in-work poverty. Work quality is essential for both worker wellbeing and productivity. Developed through consultation with employers and other stakeholders, good work commitments establish a standard for employment within the authority and its suppliers, and seek to encourage local employers to meet the proposed standards.

The majority of devolution deals (including those in the North East) also devolve aspects of employment support and adult skills to combined authorities. The former facilitates the coordination of employment, skills and health services to increase progression into work, as well as co-design of employment support programmes. The latter – through devolution of the adult education budget – allows the use of outcomes-based commissioning models for adult skills provision.

This potentially offers the opportunity to build in skills and employment support that will help to reduce poverty. For example, programmes can be targeted to communities and demographic groups with low levels of skills and employment; incentivising programme completion, learning (including provision for people already in entry-level jobs) that facilitates work progression (Round 2018).

The most effective approaches to employment support are closely tailored to local labour markets and to the good-quality jobs that are 'real', tangible and accessible for people who need work (LGA 2020a, Pike et al 2017). Their design should be sufficiently flexible to accommodate emerging opportunities, and opportunities that are 'on the horizon'. Employment support for parents at risk of family poverty should include a 'child poverty health check' that covers factors such as:

- Support for balancing work and family life, with check-ins and ongoing referrals.
- Help with finding and accessing affordable childcare.
- Signposting to schemes for subsidised and affordable transport, such as 'Wheels to Work' schemes where applicable.
- Advice about ongoing learning, including digital and distance options, to support further skills development for work progression.

### > Recommendation 6: Supporting parents into good quality work

- Combined authorities, and their constituent local authorities, should commit
  to driving up work quality. A requirement to develop and implement such
  commitments, in a format appropriate to the local economy and community,
  should be included in devolution deals.
- Commitments on work quality should include specific provision to ensure that
  this helps to reduce child poverty. This should include a definition of 'good
  work' that includes both a living wage and 'living hours' (ie contracts that
  offer sufficient reliable hours of work to make a living which supports a
  family above the poverty line.
- Employment support programmes should include specific provision for parents at risk of poverty, including ongoing advice on balancing work and family life, and help to access affordable childcare, transport etc.

As discussed in chapter 2, regional inequalities in school *outcomes* to a very large extent reflect differences in the pupil populations served by schools in different regions. Therefore it makes sense to integrate work in the 'school improvement' strand of the devolution deal with strategies to address and mitigate the impacts of child poverty on school students in the North East. This should include support for:

- programmes associated with identified impacts on child poverty and education outcomes. For example, the 'Poverty Proofing the School Day' initiative (Poverty Proofing 2020, Children North East 2020) is associated with improved attainment and attendance, and greater engagement with school and education activities; it also helps to target the effective use of constrained school budgets (Mazzoli Smith et al 2020, Mazzoli Smith and Todd 2016)
- good practice in fully integrated use of the Pupil Premium that avoids stigma and shapes school cultures to improve understanding of child poverty and its educational impacts (eg Clifton, Raikes and Round 2016)
- place-based co-production of approaches to address issues related to child poverty across the region
- initiatives to reduce educational inequalities associated with a lack of digital equipment, connectivity, skills etc. Learning from the Covid-19 period should inform this strand of work.

#### Recommendation 7: Working with schools to mitigate child poverty

Combined authorities should support local authorities' work with schools and school stakeholders to mitigate the educational and social impacts of child poverty, following and sharing good practice and learning from successful initiatives such as 'Poverty Proofing the School Day'.

#### 4.5 INCOME MAXIMISATION

As well as earnings, families can increase their incomes by claiming the benefits to which they are entitled and reducing costs. In the UK around eight out of 10 households that are entitled to housing benefit actually claim it, with lower rates among people living in private rentals; in 2017/18 around 81 per cent of families eligible for child tax credit and working tax credit claimed these (HMRC 2019).

Parents can claim various social security benefits, free or discounted services, and other support such as vouchers. However they may need guidance to navigate eligibility criteria and application processes. This may be especially valuable at times when transitions in family life bring stresses as well as expenses, such as job loss, the birth of a baby, a child starting school, etc.

As well as benefits *claims*, advice can help people avoid sanctions that reduce their social security payments. Sanctions are identified as a driver of family poverty (eg CPAG 2019), not least because protection of the child element of universal credit from sanctions does *not* avoid reductions in the overall income received by a family.

Income maximisation programmes can also help people to use the money they receive effectively, including by avoiding 'poverty premiums' and building financial awareness and 'financial literacy'. Low-income families in Scotland can access a 'Family Financial Health Check', with advice on benefit eligibility and money management, and on finding the best deals for financial products, utility bills, etc (Scottish Government 2019e). The health check is offered via channels that involve a conversation rather than primarily automated or digital channels. This avoids the difficulties associated with poor internet access, and with generic advice for situations that by their nature are highly individual and context dependent (Poverty and Inequality Commission 2018).

Where emergency financial support grants are available, these can be integrated with income maximisation programmes so that advisers can not only help to identify crisis points, but take action to ameliorate them (for example, this was a feature of the 'Making it Work for Families Partnership' in Scotland, McHardy 2018a).

Many opportunities for 'income maximisation' involve forging strong partnerships with public services and/or local and community organisations, which are close to – and trusted by – the families who can benefit (Treanor 2017). The Joseph Rowntree Foundation have set out practical steps for local authorities working with the voluntary and commercial advice sector, recommending the following activities.

- · Audit existing provision and monitor ongoing delivery and need.
- · Identify areas and groups with the greatest needs.
- Collectively develop a plan for local advice and support.
- Ensure maximum use of existing national provision of advice and support.
- Work with partners such as the NHS and housing associations to deliver services.
- Commission services to fill gaps.

JRF 2016

Engagement with health and housing providers is especially valuable. Low income families are generally in touch with these services already, and are more likely to respond to proactive outreach from people they are already speaking to than to reach out for brand new contacts. In addition, these services tend to be relatively well-trusted, and working with them does not carry the stigma that might be associated with approaching a source of advice specifically associated with benefits or low income.

Other elements of good practice to maximise family income include:

- simple and streamlined procedures, short, plainly-worded forms, and 'opt-out' rather than 'opt-in' approaches where possible (Congreve 2019)
- services *and* short-term financial support that seek to make income streams as predictable and stable as possible (McCormick et al 2019)
- information and advice delivery that is planned with the needs of the most vulnerable groups in mind, and based on 'mapping' of their daily journeys and contact points (eg health services, schools, etc) (JRF 2016).
- support for families in private rented housing to reduce costs (Gardiner 2019).

At the combined authority level, support for local delivery could include guidance on how to manage data sharing, confidentiality and GDPR issues; learning from experiences of the 'digital divide' during the response to Covid-19; and providing

partnerships and learning across places and local authority areas. This should include a 'gold standard' of provision for delivery right across the combined authority area. Employers engaged with good work commitments could be encouraged to work with lower-income employees to help them make the most of their living wage.

#### > Recommendation 8: Income maximisation programmes

Child and family poverty programmes in combined authorities should include the development of income maximisation advice services, delivered at the local level through community, public service and business partnerships within a framework of standards and support set out at the combined authority level. These should where possible follow the co-production principles set out above.

#### **4.6 CHILDCARE**

Childcare represents a significant expense for families, even with current levels of subsidy. Help with the costs of childcare is available through a variety of schemes, including several targeted at low income families. However, applying for this demands an understanding of the relevant processes, the interactions between different schemes, and additional factors such as how to manage an application if one's income varies from month to month (House of Commons Treasury Committee 2018).

Government spending on childcare has risen substantially over recent years, as a result of the expansion of the 'free offer'. This does not, however, represent an increase in *investment* in childcare – or in early years education, despite the strong association of good quality provision with a host of improved outcomes in later life (OECD 2017, Sylva et al 2011). For example, both the wages and qualifications of staff remain very low (Akhal 2020b), and opportunities to focus on quality and curriculum have been missed (Bonnetti 2020). Investment in high-quality and easily accessible childcare would help to reduce child poverty *now*, by facilitating work for parents. Its long-term positive benefits on poverty and wellbeing would almost certainly be far higher. This, surely, should be high on the list of priorities for a transformative 'levelling up agenda'.

Current funding frameworks and levels raise challenges for the sustainability and quality of the sector; this is especially acute for childcare in the most deprived areas of England (APPG-CEE 2019). The current structure of the 'childcare market', a relatively high proportion of which falls within the private sector, means providers tend to heavily on better-off parents who typically purchase more hours of care; as a result poor families are more likely to use lower-quality provision (Social Mobility Commission 2016). The sector has been rendered more fragile by the Covid-19 pandemic (LGA 2020b).

Childcare provision can have an impact on child poverty through several mechanisms, of which the primary one is its role in facilitating parental employment (in particular maternal employment). On its own its effect is *relatively* limited, because employment alone may not be sufficient for a family to escape poverty (Hufkens et al 2019); in particular, wages and work quality mitigate the impact of parental employment on child poverty rates (Marx, Vandenbroucke and Verbist 2012). Strategies that focus on making childcare places available to poor children and on enhancing maternal employment alongside provision are effective, as are improvements in the affordability of childcare for low-income families (Hufkens et al 2019, Van Lancker 2013).

Many working parents also need care for school age children before and after school hours, and during the holidays. The latter is especially important for parents who rely on free school meals during term-time, and whose children

experience 'holiday hunger' when these cannot be accessed during the school holiday period. The issue is even more urgent in the North East, which has the highest proportion of primary and secondary pupils in receipt of free school meals of any English region. A strategic framework for after school and holiday childcare is part of the Scottish government's programme to reduce child poverty (Poverty and Inequality Commission 2018).

The North East has a strong track record of attracting funding from the government's scheme to provide holiday activities and meals through the 'Holiday Activities and Food Programme' (UK Government 2020). This supports up to 50,000 disadvantaged children across 17 local authority areas in England. Newcastle City Council worked with a large network of partners to deliver the 'Best Ever Summer' programme; Gateshead Council was also funded.

This provision is of great value for participants, but inevitably the current process of competitive bidding means that too many children suffer hardship if they do not happen to live in an area that submitted a successful bid (NECPC 2019). In addition, valuable time and resources are invested in developing bids rather than developing and delivering provision (ibid). As the extension of the free school meals offer into the summer holiday period in 2020 shows, there is considerable public will for investment in this area.

Childcare funding levels and eligibility are decided by central government, while local authorities are responsible for ensuring that sufficient free places are available in their area for parents who want to take up the offers of government funding, and to work to maximise take up. They also have '... a strong remit as system leaders to support and improve the quality of local early years provision and improve outcomes for children', responsibilities which arguably require additional funding (Butler and Hardy 2017).

In relation to childcare, combined authorities have an important role in joining calls for additional and more sustainable investment from central government, stressing the role of high quality and accessible provision in reducing poverty and supporting the economy over the long- as well as the short-term. At the local level, and within the first phase of implementation of devolution deals, some additional actions can be taken.

The income maximisation programmes proposed above should include detailed guidance on the best options for accessing financial support for childcare, and for finding childcare provision that meets family needs. In turn, advisers should gather information, qualitative and quantitative, about how parents view and use childcare. This can be used to support future decisions about how best to deliver provision that meets local needs.

### Recommendation 9: Making childcare accessible to reduce child poverty

- The child poverty coordinator's role should include the monitoring of data relating to childcare take-up, demand and quality, as discussed above, and the sharing of best practice for using childcare provision to support reductions in child poverty.
- Combined authorities should prioritise the issue of the funding, quality and accessibility of childcare tin dialogue with central government. This should include both care for preschool children and provision for the school holidays and after school.
- Investment in good quality and accessible childcare should include grants for holiday provision (rather than competitive bidding processes) and pumppriming funds to support the models of childcare provision proposed below.
- Models that bring childcare provision closer to parents who use it should also be explored. These might include:
  - encouragement and incentivisation of workplace-based childcare, including options where multiple employers can pool demand and resources
  - support for cooperative, social enterprise and parent-led provision, in partnership with voluntary and community groups (see boxout). This should be targeted to deprived areas where parents struggle to access good quality provision
  - pooling of data and information on childcare take-up, demand, outcomes etc across the combined authority area
  - within frameworks supported by the combined authority, explore options to embed opportunities for accredited skills development in childcare provision, childcare management, etc. alongside childcare schemes (including cooperative and social enterprise developments), and to make these available to parents seeking to gain qualifications and enhance their employability. Newcastle has used similar schemes, for example providing accredited training to family support volunteers involved in delivering the families programme (DCLG 2017).

## REFERENCES

- Adams J, Ali Amedah S and Fougère M (2020) Measuring the effect of child benefit on household expenditures: Evidence from Canadian Households' Survey Data, *Open Journal of Social Sciences* 08(06), article ID: 100644
- Action for Children (2020), Most UK children 'a pay cheque away' from going without essentials like food, blog, 23 April 2020, Action for Children. https://www.actionforchildren.org.uk/news-and-blogs/press-releases/2020/april/most-uk-children-a-pay-cheque-away-from-going-without-essentials-like-food/
- Akhal A (2019a) The impact of recent government policies on early years provision, Education Policy Institute
- Akhal A (2019b), The early years workforce: A comparison with retail workers, Education Policy Institute
- APPG-CEE [All Party Parliamentary Group for Childcare and Early Education] (2019), Steps to sutainability: A report by the APPG for Childcare and Early Education, Connect PA. https://connectpa.co.uk/wp-content/uploads/2019/07/Steps-to-sustainability-report.pdf
- Ardern J (2020) Child poverty related indicators: Report, New Zealand Government. https://dpmc.govt.nz/sites/default/files/2020-07/child-poverty-related-indicators-2020.pdf
- Bailey N (2016) 'Exclusionary employment in Britain's broken labour market', Critical Social Policy 36(1): 82–103
- Barnard H (2018) 'We have a new way to measure poverty now let's act to solve it', blog, Joseph Rowntree Foundation, 17 September 2018. <a href="https://www.jrf.org.uk/blog/we-have-new-way-measure-poverty-now-act-solve-it">https://www.jrf.org.uk/blog/we-have-new-way-measure-poverty-now-act-solve-it</a>
- Bastagli F, Hagen-Zanker J, Harman L, Barca V, Sturge G, Schmidt T and Pellerano L (2016) Cash transfers: what does the evidence say? A rigorous review of programme impact and the role of design and implementation features, Overseas Development Institute. https://www.odi.org/publications/10505-cash-transfers-what-does-evidence-say-rigorous-review-impacts-and-role-design-and-implementation
- Belfield C, Cribb J, Hood A and Joyce R (2015) Living standards, poverty and inequality in the UK: 2014. Institute for Fiscal Studies
- Bonnetti S (2020), Early years workforce development in England: Key ingredients and missed opportunities, Education Policy Institute
- Bourquin P, Cribb J, Waters T and Xu X (2019) *Living standards, poverty and inequality in the UK*: 2019, Institute for Fiscal Studies
- Bousted M (2020) 'Time for a government U-turn over the UK's shocking child poverty levels', Guardian. 23 May 2020
- Bradshaw J (2020), Child poverty in the North East region, briefing, Child Poverty Action Group/University of York/Social Policy Research Unit. https://cpag.org.uk/sites/default/files/files/policypost/Child%20poverty%20in%20the%20NE.pdf
- Bradshaw J (2016) The well-being of children in the UK, Bristol: Policy Press
- Brown E and Tarasuk V (2019) 'Money speaks: reductions in severe food insecurity follow the Canada Child Benefit', *Preventative Medicine* 129, 105876
- Butler A and Hardy G (2017), *Driving high quality childcare*: the role of Local Authorities, Family and Childcare Trust
- Children North East (2020) Children North East joins National Lottery backed project to help disadvantaged pupils around the UK, News item, Children North East. https://www.children-ne.org.uk/news/children-north-east-joins-national-lottery-backed-project-to-help-disadvantaged-pupils-around-the-uk

- Children's Society (2020), Local welfare assistance schemes, website. https://www.childrenssociety.org.uk/what-we-do/policy-and-lobbying/local-welfare-assistance-schemes
- Chorniy A, Currie J and Sonchak L (2020) 'Does prenatal WIC participation improve chid outcomes?' American Journal of Health Economics 6(2): 169-198
- Colebrook C (2018) Measuring what matters: improving the indicators of economic performance, IPPR. https://www.ippr.org/publications/measuring-what-matters
- Congreve E (2019) Poverty in Scotland 2019, Joseph Rowntree Foundation
- Congreve E, Hay D, McCormick J, Gunson R and Statham R (2019) *Briefing: making the most of the Scottish Child Payment*, Joseph Rowntree Foundation
- Cooper K and Stewart K (2013) Does money affect Children's outcomes? A systematic review, Joseph Rowntree Foundation
- Corlett A (2019) Wrong direction: Can Scotland hit its child poverty targets?, briefing, Resolution Foundation
- CPAG [Child Poverty Action Group] (2020a) 'Child poverty facts and figures', webpage, Child Poverty Action Group, updated July 2020. https://cpag.org.uk/child-poverty/child-poverty-facts-and-figures#footnoteref1\_wxgeiya
- CPAG [Child Poverty Action Group] (2019), A package to restore benefits for children could lift more than 700,000 children out of poverty, press release, Child Poverty Action Group, 5 June 2019. https://cpag.org.uk/news-blogs/news-listings/package-restore-benefits-children-could-lift-more-700000-children-out
- Cunha F and Heckman, H (2007) 'The Technology of Skill Formation', *The American Economic Review*. 97: 31-47
- Dahl G and Lochner L (2012) 'The Impact of Family Income on Child Achievement: Evidence from the Earned Income Tax Credit', *American Economic Review*, 102: 1927-1956
- Daly M (2019) Fighting child poverty: The Child Guarantee, Policy Dept for Economic, Scientific and Quality of Life Policies, Directorate-General for Internal Policies, European Parliament. https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/638429/IPOL\_BRI(2019)638429\_EN.pdf
- Davenport A, Farquharson C, Rasul I, Sibieta L and Stoye G (2020) The geography of the Covid-19 crisis in England, Institute for Fiscal Studies
- Davies S, Finney A and Hartfree Y (2016) Paying to be poor: Uncovering the scale and nature of the poverty premium, Personal Finance Research Centre: University of Bristol
- DCLG [Department for Communities and Local Government] (2017) Supporting disadvantaged families: Troubled Families Programme 2015-2020: Progress so far, report presented to parliament pursuant to section (2) 6 of the Welfare Reform and Work Act 2016. https://dera.ioe.ac.uk/28762/1/Supporting\_disadvantaged\_families.pdf
- DEFRA [Department for Environment, Food and Rural Affairs] (2020), Coronavirus (Covid-19): Local authority Emergency Assistance Grant for Food and Essential Supplies, Guidance, 4 August 2020. https://www.gov.uk/government/publications/coronavirus-covid-19-local-authority-emergency-assistance-grant-for-food-and-essential-supplies/coronavirus-covid-19-local-authority-emergency-assistance-grant-for-food-and-essential-supplies
- DfE [Department for Education] (2017) Analysing family circumstances and education: Increasing our understanding of ordinary working families, Department for Education. https://dera.ioe.ac.uk/28896/1/Technical%20consultation%20document.pdf
- DWP [Department for Work and Pensions] (2020a) 'Households below average income: 1994/95 to 2018/19', dataset. https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201819
- DWP [Department for Work and Pensions] (2020b) 'Children in low income families: Region by work status', dataset. <a href="https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml">https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml</a>
- DWP [Department for Work & Pensions] (2020c), Child Tax Credit and Universal Credit claimants: statistics related to the policy to provide support for a maximum of two children, 2 April 2020. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/900788/Two\_children\_and\_exceptions\_in\_tax\_credits\_and\_Universal\_Credit\_April\_2020.pdf

- DWP [Department for Work & Pensions] (2017) Improving lives: Helping workless families. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/621364/improving-lives-helping-workless-families-web-version.pdf
- Eisenstadt N (2016) Shifting the Curve: A report to the First Minister, Scottish government. https://www.gov.scot/binaries/content/documents/govscot/publications/independent-report/2016/01/independent-advisor-poverty-inequality-shifting-curve-report-first-minister/documents/00492430-pdf/00492430-pdf/govscot%3Adocument/00492430.pdf
- End Child Poverty (2020) 'Child poverty in your area', dataset. http://www.endchildpoverty.org.uk/poverty-in-your-area-2019/
- Eurochild (2019) Child Guarantee: An EU that helps fight child poverty, Eurochild, 12 December 2019. https://www.eurochild.org/policy/library-details/article/child-guarantee-an-eu-that-helps-fight-child-poverty/?tx\_news\_pi1%5Bcontroller%5D=News&tx\_news\_pi1%5Baction%5D=detail&cHash=206deef8196c7fc12c3763df7f83b1db
- Eurostat (2020a) 'Child specific material deprivation rate by age (children aged 1 to 15)' dataset, Eurostat. <a href="https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc\_chmd01&lang=en">https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc\_chmd01&lang=en</a>
- Eurostat (2020b) 'People at risk of poverty or social exclusion by age and sex', dataset, Eurostat. https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do
- Farthing R (2013) Local Authorities and child poverty: balancing threats and opportunities, Child Poverty Action Group
- Fenz K and Hamel K (2020) 'More than half of the world's poor are children', blog, Brookings Institute Future Development. <a href="https://www.brookings.edu/blog/future-development/2019/06/20/more-than-half-of-the-worlds-poor-are-children/">https://www.brookings.edu/blog/future-development/2019/06/20/more-than-half-of-the-worlds-poor-are-children/</a> [Accessed 22 July 2020]
- Fiala O and Delamonica E (2020) 'Children in poor households to soar by up to 86 million due to Covid-19', blog, Save the Children. <a href="https://www.savethechildren.org.uk/blogs/2020/children-in-poor-households-to-soar-by-millions-covid-1">https://www.savethechildren.org.uk/blogs/2020/children-in-poor-households-to-soar-by-millions-covid-1</a> [Accessed 22 July 2020]
- Fiori F (2020) 'Living with a lone mother in Scotland. Do children fare better if their mothers are in work?', *Understanding Inequalities* briefing paper, University of Edinburgh. https://growingupinscotland.org.uk/publications
- Francis-Devine B (2020) *Poverty in the UK: statistics*, House of Commons Library Briefing Paper Number 7096, 18 June 2020, House of Commons Library
- Francis-Devine B, Foley N, McInnes R and Kennedy S (2019) *Child poverty in Scotland*, House of Commons Debate Pack Number CPD-0231, 30 October 2019, House of Commons Library
- Galobardes B, Lynch JW, Davey Smith G (2008) 'Is the association between childhood socioeconomic circumstances and cause-specific mortality established? Update of a systematic review', Journal of Epidemiology & Community Health, 62:387-390.
- Galobardes B, Lynch J, and Davey Smith G (2004) 'Childhood Socioeconomic Circumstances and Cause-specific Mortality in Adulthood: Systematic Review and Interpretation', *Epidemiologic Reviews*, 26:1, 7–21
- Gardiner L (2019), The shifting shape of social security: Charting the changing size and shape of the British welfare system, Resolution Foundation
- GMCA [Greater Manchester Combined Authority] (2020). Our people our place: the Greater Manchester strategy. https://www.greatermanchester-ca.gov.uk/media/1084/greater\_manchester\_summary\_\_full\_version.pdf
- Gorard S and Siddiqui N (2019) 'How trajectories of disadvantage help explain school attainment', SAGE Open, 9(1), 2158244018825171
- Government of Canada (2019) 'Increased Canada Child Benefit means more money for middle-class families', press release, 18 July 2019, Employment and Social Development Canada. <a href="https://www.canada.ca/en/employment-social-development/news/2019/07/increased-canada-child-benefit-means-more-money-for-middle-class-families5.html">https://www.canada.ca/en/employment-social-development/news/2019/07/increased-canada-child-benefit-means-more-money-for-middle-class-families5.html</a>
- Gregg P, Waldfogel J and Washbrook E (2006) 'Family Expenditures Post-Welfare Reform in the UK: Are Low-Income Families Starting to Catch Up?', *Labour Economics*, 13: 721-746

- Guio AC, Marlier E, Vandenbroucke F and Verbunt P (2019) 'Micro- and macro-drivers of child deprivation in 31 European countries', *Eurostat Statistical Working Papers*, Publications Office of the European Union
- Gunson R (2019) "People can't wait' when could Scotland's new Income Supplement be introduced?', blog, 24 May 2019, IPPR. <a href="https://www.ippr.org/blog/people-can-t-wait-when-could-scotland-s-new-income-supplement-be-introduced">https://www.ippr.org/blog/people-can-t-wait-when-could-scotland-s-new-income-supplement-be-introduced</a>
- Gunson R, Baxter D and Stirling A (2018) How much would it cost to reduce child poverty in Scotland? The financial scale of child poverty in Scotland, IPPR Scotland. https://www.ippr.org/research/publications/child-poverty-in-scotland
- Halleröd B, Ekbrand H and Bengtsson M (2015) 'In-work poverty and labour market trajectories: poverty risks among the working population in 22 European countries', *Journal of European Social Policy*, 25(5): 473-488
- Hamad R and Rehkopf D (2016) 'Poverty and Child Development: A Longitudinal Study of the Impact of the Earned Income Tax Credit', American Journal of Epidemiology, 183: 775-784
- Hernandez V, Kanabar R and Nandi A (2018), Low income dynamics among ethnic minorities in Great Britain, ISER Working Paper No 2018-06, Institute for Social and Economic Research, University of Essex
- Hirsch D (2020), Local child poverty indicators 2018/18 distribution and trends, Loughborough University, Centre for Research in Social Policy. <a href="http://www.endchildpoverty.org.uk/">http://www.endchildpoverty.org.uk/</a> local-child-poverty-data-201415-20189/
- Hirsch D (2017) 'Not by pay alone', Poverty, 156: 10-13
- HMRC [HM Revenue and Customs] (2019) Child Benefit, Child Tax Credit and Working Tax Credit take-up rates 2017 to 2018. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/851141/Child\_Benefit\_\_Child\_Tax\_Credit\_and\_Working\_Tax\_Credit\_take-up\_rates\_2017\_to\_2018.pdf
- House of Commons Treasury Committee (2018) *Childcare: Ninth report of Session 2017-19*, report, together with formal minutes relating to the report, House of Commons. https://publications.parliament.uk/pa/cm201719/cmselect/cmtreasy/757/757.pdf
- Hoynes H and Schanzenbach D (2016) 'US Food and Nutrition Programmes', in Moffitt R (ed)

  Economics of Means-Tested Transfer Programs in the United States, University of Chicago
  Press, 1:219–301
- Hoynes H, Miller D and Simon D (2015) 'Income, the Earned Income Tax Credit, and Infant Health', *American Economic Journal: Economic Policy*, 7: 172-211
- Hufkens T, Figari F, Vandelannoote D and Verbist G (2019) *Investing in subsidised childcare to reduce child poverty: an adequate strategy?*, JRC Working Papers on Taxation and Structural Reforms, No 06/2019, European Commission, Joint Research Centre, Seville
- Hutchinson J, Bonetti S, Crenna-Jennings W and Akhal A (2019), Education in England: Annual Report, Education Policy Institute/Fair Education Alliance
- ILO [International Labour Organisation] (2017), Providing care through cooperatives: Literature review and case studies, International Labour Organisation. <a href="https://www.ilo.org/wcmsp5/groups/public/---ed\_emp/---emp\_ent/---coop/documents/publication/wcms\_546178.pdf">https://www.ilo.org/wcmsp5/groups/public/---ed\_emp/---emp\_ent/---coop/documents/publication/wcms\_546178.pdf</a>
- Improvement Service (2020) 'National Co-ordinator Local Child Poverty Action Reports', website. https://www.improvementservice.org.uk/products-and-services/consultancy-and-support/local-child-poverty-action-reports
- Johnson N (2020) 'Child care worker-owned cooperative program', blog, WomanVenture. https://www.womenventure.org/services/childcare-cooperative.html
- Jones L, Milligan K and Stabile M (2019) 'Child cash benefits and family expenditures: Evidence from the National Child Benefit' *Canadian Journal of Economics*, 52(4): 1433-1463
- JRF [Joseph Rowntree Foundation] (2020), *UK poverty 2019/20: The leading independent report*, Joseph Rowntree Foundation. <a href="https://www.jrf.org.uk/report/uk-poverty-2019-20">https://www.jrf.org.uk/report/uk-poverty-2019-20</a>
- JRF [Joseph Rowntree Foundation] (2017) UK Poverty 2017: A comprehensive analysis of poverty trends and figures, Joseph Rowntree Foundation. <a href="https://www.jrf.org.uk/report/uk-poverty-2017">https://www.jrf.org.uk/report/uk-poverty-2017</a>
- JRF [Joseph Rowntree Foundation] (2016) UK Poverty: causes, costs and solutions, Joseph Rowntree Foundation

- Judge L (ed) (2012) Ending child poverty by 2020: Progress made and lessons learned, Child Poverty Action Group
- Lansley S and Mack J (2015) Breadline Britain: The rise of mass poverty, Simon and Schuster
- Larson C (2007) 'Poverty during pregnancy: its effect on child health outcomes', *Paediatrics* and child health 12(8): 673-677
- LGA [Local Government Association] (2020a) Building more inclusive economies. https://www.local.gov.uk/sites/default/files/documents/5.66%20Driving%20 inclusive%20growth%20in%20local%20areas\_04\_0.pdf
- LGA [Local Government Association] (2020b) 'LGA responds to the Early Years Alliance report', news story, 25 June 2020. https://www.local.gov.uk/lga-responds-early-years-alliance-report
- LGA [Local Government Association] (2019) Costs and benefits of free childcare, Local Government Association briefing to the House of Commons. <a href="https://www.local.gov.uk/sites/default/files/documents/20190219%20LGA%20Briefing%20-%20costs%20and%20benefits%20of%20free%20childcare.pdf">https://www.local.gov.uk/sites/default/files/documents/20190219%20LGA%20Briefing%20-%20costs%20and%20benefits%20of%20free%20childcare.pdf</a>
- Li J and Neborak J (2018) 'Tax, race and child poverty: The case for improving the Canada Child Benefit Program', Journal of Law and Social Policy, 28(2): 67-96
- Limani D, Gábos A, Salve Baroma R and Kopasz M (2020) Social status inequalities in child poverty in the European Union: Analysis of the current situation and changes since the 2008 crisis by children's parental background, working paper, Leuven, InGRID-2 project 730998 H2020
- Longfield A (2020) 'Growing up North after Covid', blog, Office of the Children's Commissioner. https://www.childrenscommissioner.gov.uk/2020/07/21/growing-up-north-after-covid/
- Main G (2018) 'Money matters: a nuanced approach to understanding the relationship between household income and child subjective well-being', *Child Indicators Research* 12: 1125-1145
- Manchester City Council (2017), Manchester Family Poverty Strategy.
  <a href="https://www.manchester.gov.uk/download/downloads/id/26194/family\_poverty\_strategy\_2017-22.pdf">https://www.manchester.gov.uk/download/downloads/id/26194/family\_poverty\_strategy\_2017-22.pdf</a>
- Marx I, Vandenbroucke P and Verbist G (2012) 'Can higher employment levels bring down relative income poverty in the EU? Regression-based simulations of the Europe 2020 target', Journal of European Social Policy, 22(5): 472-486
- Mazzoli Smith L and Todd L (2016) Poverty proofing the school day: evaluation and development report, project report, Research Centre for Learning and Teaching, Newcastle University
- Mazzoli Smith L, Tiplady L, Todd L and Wysocki L (2019) Fighting against poverty: Case studies of school action, Poverty Proofing the School Day evaluation update 2019/20, Centre for Research in Learning and Teaching, Newcastle University
- McCormick J, Congreve E, Gunson R and Statham R (2019) Briefing: Delivering an Income Supplement in Scotland, Joseph Rowntree Foundation
- McGeehan L (2020), Child poverty in the Covid-19 pandemic, presentation to the Local Government Association, 26 June 2020, Child Poverty Action Group. https://www.local.gov.uk/sites/default/files/documents/Louisa%20McGeehan%2C%20 Director%20of%20Policy%2C%20Rights%20and%20Advocacy%2C%20Child%20 Poverty%20Action%20Group.pdf
- McHardy F (2018a) Making it work for families: Evaluation Report, Poverty Alliance
- McHardy F (2018b) For mothers and babies: Pregnancy and antenatal care low income women's experiences during the 80s, 90s and early 2000s, Glasgow Caledonian University/Poverty Alliance/Wellcome Trust
- McHardy F and Kelly P (2017) Social disinvestment and vulnerable groups in Europe in the aftermath of the financial crisis: The case of lone parents in Scotland, Re-Invest, Glasgow: The Poverty Alliance/Leuven: HIVA-KU Leuven
- McNeil C, Parkes H, Statham R, Hochlaf D and Jung C (2020) Children of the pandemic: Policies needed to support children during the Covid-19 crisis, briefing, IPPR. https://www.ippr.org/research/publications/children-of-the-pandemic

- NECPC [North East Child Poverty Commission] (2019) Written evidence from North East Child Poverty Commission, Work and Pensions Committee. http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/work-and-pensions-committee/school-holiday-poverty/written/106589.pdf
- Nelson J, O'Donnell L and Filmer-Sankey C (2011) Local Authority progress in tackling child poverty, Local Government Association
- Newcastle University (2019) From Newcastle. For social justice: Working together to create a fairer and more just society, Newcastle University. https://www.ncl.ac.uk/media/wwwnclacuk/whoweare/files/From-Newcastle-For-Social-Justice.pdf
- New Economics Foundation (2017) Parent-led childcare: Combining the skill of professional workers with the lived experience of families. <a href="https://neweconomics.org/campaigns/">https://neweconomics.org/campaigns/</a> parent-led-childcare
- New Zealand Government (2019) *The wellbeing budget*. https://treasury.govt.nz/sites/default/files/2019-05/b19-wellbeing-budget.pdf
- Nieuwenhuis R and Maldonado L (2018) The triple bind of single-parent families: Resources, employment and policies to improve well-being, Policy Press
- NoTCA [North of Tyne Combined Authority] (2019a) 'Inclusive Economy Innovation Fund to generate £30m', news story, 22 October 2019. <a href="https://www.northoftyne-ca.gov.uk/news/2019/10/22/innovationfund">https://www.northoftyne-ca.gov.uk/news/2019/10/22/innovationfund</a>
- NoTCA [North of Tyne Combined Authority] (2019b) 'The Good Work Pledge', webpage. https://www.northoftyne-ca.gov.uk/good-work-pledge
- ODI Leeds [Open Data Institute Leeds] (2016) Employment data explorer: regional variations in self-employment and zero hours contracts, data visualisation. <a href="https://odileeds.org/projects/employment-explorer/?options=true&category=selfEmployment&dataset=total&area=nuts1">https://odileeds.org/projects/employment-explorer/?options=true&category=selfEmployment&dataset=total&area=nuts1</a>
- OECD [Organisation for Economic Co-operation and Development] (2019) CO2.2: Child Poverty, OECD Family Database, OECD Social Policy Division Directorate of Employment, Labour and Social Affairs. <a href="https://www.oecd.org/els/CO\_2\_2\_Child\_Poverty.pdf">https://www.oecd.org/els/CO\_2\_2\_Child\_Poverty.pdf</a>
- OECD [Organisation for Economic Co-operation and Development] (2017) Starting strong: Key OECD Indicators on early childhood education and care, OECD Publishing
- OECD [Organisation for Economic Co-operation and Development] (2009) *Doing Better for Children*, OECD Publishing
- OECD [Organisation for Economic Co-operation and Development] (2012) Starting Strong III A Quality Toolbox for Early Childhood Education and Care, OECD Publishing
- ONS [Office for National Statistics] (2020a) 'Coronavirus and the economic impacts on the UK: 13 August 2020', dataset. <a href="https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/bulletins/coronavirusandtheeconomicimpactsontheuk/13august2020">https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/bulletins/coronavirusandtheeconomicimpactsontheuk/13august2020</a>
- ONS [Office for National Statistics] (2020b) 'Children in low income families: local area statistics 2014/15 to 2018/19', dataset. https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-201415-to-201819
- ONS [Office for National Statistics] (2020c) 'Families and households in the UK: 2019', dataset. <a href="https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2019#london-had-the-highest-proportion-of-lone-parent-families-in-the-uk-in-2019">https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2019#london-had-the-highest-proportion-of-lone-parent-families-in-the-uk-in-2019</a>
- ONS [Office for National Statistics] (2020d) 'Regional ethnic diversity', webpage, 1 August 2018 (updated 7 August 2020). <a href="https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/regional-ethnic-diversity/latest">https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/regional-ethnic-diversity/latest</a>
- ONS [Office for National Statistics] (2020e) 'Statistics: school and pupil numbers', dataset, 25 June 2020. <a href="https://www.gov.uk/government/collections/statistics-school-and-pupil-numbers">https://www.gov.uk/government/collections/statistics-school-and-pupil-numbers</a>
- ONS [Office for National Statistics] (2019) 'Ethnicity pay gaps in Great Britain: 2018', dataset, 9 July 2019. https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/ethnicitypaygapsingreatbritain/2018

- Otte J (2017) 'Parent co-op nurseries may be the answer to low-cost quality childcare', NurseryWorld, 26 January 2017. https://www.nurseryworld.co.uk/news/article/ parent-co-op-nurseries-may-be-the-answer-to-low-cost-quality-childcare
- PAC [House of Commons Committee of Public Accounts] (2016) *Troubled families:* progress review, Thirty-third report of session 2016-17, HC711, House of Commons. https://publications.parliament.uk/pa/cm201617/cmselect/cmpubacc/711/711.pdf
- Parkes H and McNeil C (2020) Estimating poverty impacts of Coronavirus microsimulation estimates, briefing, IPPR, <a href="https://www.ippr.org/research/publications/estimating-poverty-impacts-of-coronavirus">https://www.ippr.org/research/publications/estimating-poverty-impacts-of-coronavirus</a>
- Pike A, Lee N, MacKinnon D, Kempton L and Iddawela Y (2017) Job creation for inclusive growth in cities, Joseph Rowntree Foundation
- Platt L (2009) Ethnicity and child poverty, Department for Work and Pensions Research Report No 576, Department for Work and Pensions
- Poverty and Inequality Commission (2019) Poverty and Inequality Commission's review of the Local Child Poverty Action Reports 2019, Policy and Inequality Commission (Scotland). https://povertyinequality.scot/wp-content/uploads/2019/11/Poverty-and-Inequality-Commission-review-of-the-local-child-poverty-action-reports.pdf
- Poverty and Inequality Commission (2018) Advice on the Scottish Government's Child Poverty Delivery Plan 2018, Poverty and Inequality Commission (Scotland) https://povertyinequality.scot/wp-content/uploads/2019/04/Child-Poverty-Delivery-Plan-Advice-updated-April-2019.pdf
- Poverty Proofing (2020) 'About Poverty Proofing the School Day', website. http://www.povertyproofing.co.uk/about/
- Raikes L (2020) *The devolution parliament*. IPPR North. <a href="https://www.ippr.org/research/publications/the-devolution-parliament">https://www.ippr.org/research/publications/the-devolution-parliament</a>
- Raikes L, Millward L and Longlands S (2018) State of the North 2018: Reprioritising the Northern Powerhouse, IPPR North. https://www.ippr.org/research/publications/state-of-the-north-2018
- Raikes L, Giovannini A and Getzel B (2019) Divided and connected: Regional inequalities in the North, the UK and the developed world State of the North 2019, IPPR North. https://www.ippr.org/research/publications/state-of-the-north-2019
- Rhys Kesselman J (2019) 'Policy options for retargeting the Canada Child Benefit', Canadian Public Policy/Analyse de politique, September 2019: 310:328
- Schools North East (2020) 'Ofsted annual report reinforces false narrative on North East schools', blog, 24 January 2020. <a href="https://schoolsnortheastblog.wordpress.com/2020/01/24/ofsted-annual-report-reinforces-false-narrative-on-north-east-schools/">https://schoolsnortheastblog.wordpress.com/2020/01/24/ofsted-annual-report-reinforces-false-narrative-on-north-east-schools/</a>
- Scott G (2016) Poverty and the childcare challenge, in McKendrick et al (eds) *Poverty in Scotland 2016: tools for transformation*, Child Poverty Action Group
- Scottish Government (2019a) Child poverty drivers, outcomes and theory of change, Child Poverty Strategy Documents. <a href="https://www.gov.scot/publications/child-poverty-strategy-documents/">https://www.gov.scot/publications/child-poverty-strategy-documents/</a>
- Scottish Government (2019b) Scottish Government Position Paper: Scottish Child Payment. https://www.gov.scot/binaries/content/documents/govscot/publications/publication/2019/06/scottish-government-position-paper-scottish-child-payment/documents/scottish-government-position-paper-scottish-child-payment/scottish-government-position-paper-scottish-child-payment/govscot%3Adocument/scottish-government-position-paper-scottish-child-payment.pdf
- Scottish Government (2019c) *Tackling child poverty evaluation strategy*, Child Poverty Strategy Documents. <a href="https://www.gov.scot/publications/child-poverty-strategy-documents/">https://www.gov.scot/publications/child-poverty-strategy-documents/</a>
- Scottish Government (2019d) Child poverty measurement framework, Child Poverty Strategy Documents. https://www.gov.scot/publications/child-poverty-strategy-documents/
- Scottish Government (2019e) 'Supporting disabled children, young people and their families: guidance', website. <a href="https://www.gov.scot/publications/supporting-disabled-children-young-people-and-their-families/pages/financial-support/">https://www.gov.scot/publications/supporting-disabled-children-young-people-and-their-families/pages/financial-support/</a>
- Scottish Government (2018) Every child, every chance: The Tackling Child Poverty Delivery Plan 2018-22

- Sefton T and Tucker J (2018) Unhappy birthday! The two-child limit at one year old, End Child Poverty/Child Poverty Action Group/Church of England
- Sierminska E (2018) 'The 'wealth-being' of single parents', in Niewenhuis and Maldonaldo (2018)
- SMC [Social Metrics Commission] (2018) A new measure of poverty for the UK: A summary of the report by the Social Metrics Commission. http://socialmetricscommission.org.uk/ MEASURING-POVERTY-SUMMARY-REPORT.pdf
- Social Mobility Commission (2016), State of the Nation 2016: Social mobility in Great Britain, Stationery Office, November 2016. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/569410/Social\_Mobility\_Commission\_2016\_REPORT\_WEB\_\_1\_\_.pdf
- Stats NZ (2020) 'Latest child poverty statistics released', blog, 24 February 2020, StatsNZ. https://www.stats.govt.nz/news/latest-child-poverty-statistics-released
- Stewart K, Patrick R and Reeves A (2020) 'The two-child limit now affects almost one million children and it is being implemented when poverty is rising for larger families', blog, Child Poverty Action Group, 16 July 2020. https://cpag.org.uk/news-blogs/news-listings/two-child-limit-now-affects-almost-one-million-children
- Stewart K and Roberts N (2018) 'Child poverty measurement in the UK: Assessing support for the downgrading of income poverty measures', *Social Indicators Research* 142(2): 523-542
- Stiglitz J, Sen A and Fitoussi J (2008) Report by the Commission on the Measurement of Economic Performance and Social Progress, Commission on the Measurement of Economic Performance and Social Progress. <a href="http://ec.europa.eu/eurostat/documents/118025/118123/Fitoussi+Commission+report">http://ec.europa.eu/eurostat/documents/118025/118123/Fitoussi+Commission+report</a>
- Sylva et al (2011) 'Pre-school quality and educational outcomes at age 11: Low quality has little benefit', *Journal of Early Childhood Research*, 9(2): 109-124
- Taylor-Robinson D, Lai E, Wickham S, Rose T, Norman P, Bambra C, Whitehead M and Barr B (2019) 'Assessing the impact of rising child poverty on the unprecedented rise in infant mortality in England, 2000-2017: time trend analysis', *BMJ Open*, 2019:9:e029424. doi:10.1136/bmjopen-2019-029424
- TVCA [Tees Valley Combined Authority] (2019) Tees Valley Investment Plan 2019/2029, Tees Valley Combined Authority/Tees Valley Mayor. https://teesvalley-ca.gov.uk/wp-content/uploads/2019/03/Investment-Plan-2019-20-Digital.pdf
- Tinson A, Ayrton C, Barker K, Barry Born T, Aldridge H and Kenway P (2016) *Monitoring* poverty and social exclusion 2016, Joseph Rowntree Foundation/New Policy Institute. https://www.npi.org.uk/files/7814/8110/4638/MPSE\_2016.pdf
- Treanor M (2018) 'Falling through the cracks: the cost of the school day for families living in in-work and out-of-work poverty', *Scottish Affairs*, 27(4): 486-511
- Treanor M (2017) Actions to prevent and mitigate child poverty in Community Planning Partnerships, What Works Scotland. <a href="http://whatworksscotland.ac.uk/wp-content/uploads/2017/08/WWSActionsToPreventAndMitigateChildPovertyAtLocalLevel.pdf">http://whatworksscotland.ac.uk/wp-content/uploads/2017/08/WWSActionsToPreventAndMitigateChildPovertyAtLocalLevel.pdf</a>
- Treanor M (2016) 'Social assets, low income and child social, emotional and behavioural wellbeing', Families, Relationships and Societies, 5(2): 209-228
- Treanor M (2014) 'Deprived or not deprived? Comparing the measured extent of material deprivation using the UK government's and the Poverty and Social Exclusion surveys' method of calculating material deprivation', *Quality and Quantity*, 48: 1337-1347
- UK Government (2020) 'Thousands of children to benefit from free meals and activities', news story, https://www.gov.uk/government/news/thousands-of-children-to-benefit-from-free-meals-and-activities
- Van Lancker W and Van Mechelen N (2015) 'Universalism under siege? Exploring the association between targeting, child benefits and child poverty across 26 countries', Social Science Research, 50: 60-75
- Voller V (2018), Evaluation plan: Women Venture childcare co-op curriculum pilot, KNCBR Report #1436, Center for Urban and Regional Affairs, University of Minnesota. https://conservancy.umn.edu/bitstream/handle/11299/197284/KNCBR%201436. pdf?sequence=1
- Wheaton B and Harding C (2017) International childcare comparisons, Familiy and Childcare Trust

- Whiteford P and Adema W (2007) What works best in reducing child poverty:

  A benefit or work strategy?, OECD Social, Employment and Migration Working
  Papers, No 51, Organisation for Economic Co-operation and Development.

  https://www.oecd-ilibrary.org/docserver/233310267230.pdf?expires=1591715515&
  id=id&accname=guest&checksum=913082AF4FB79B26221BB87280C6E883
- Whitham G (2020) 'Cash first': responding to the needs of low income residents through the provision of local welfare support, Greater Manchester Poverty Action. https://www.gmpovertyaction.org/wp-content/uploads/2020/08/GMPA-Briefing-%E2%80%98Cash-first-August-2020.pdf
- Wickham S, Anwar E, Barr B, Law C and Taylor-Robinson D (2016) 'Poverty and child health in the UK: using evidence for action', *Arch Dis Child*, 101: 759-766

#### **GOVERNMENT LEGISLATION**

- Canada Child Benefit. https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview.html
- Child Poverty (Scotland) Act 2017. https://www.legislation.gov.uk/asp/2017/6/ contents/enacted
- Child Poverty Reduction Act (New Zealand). http://www.legislation.govt.nz/act/public/2018/0057/18.0/LMS8294.html
- The Families Package. https://treasury.govt.nz/sites/default/files/2018-02/families-package-dec17.pdf
- Welfare Reform and Work Act 2016. https://www.legislation.gov.uk/ukpga/2016/7/crossheading/life-chances





# **GET IN TOUCH**

For more information about IPPR North, please go to www.ippr.org/north

You can also call us on +44 (0)161 694 9680, e-mail north@ippr.org or tweet us @ipprnorth

## Institute for Public Policy Research

Registered Charity no. 800065 (England & Wales), SC046557 (Scotland), Company no, 2292601 (England & Wales)

The progressive policy think tank