

A Framework for Tackling Family Poverty

DRAFT

December 2011



Contents

- Introduction
- What do we mean by Family Poverty
- About Stockton Borough Council
- Partnership Aims
- The case for change
 - National context
 - Wider Policy context
 - Local context
- Our approach
- How we have developed this framework
- Monitoring and Review

Foreword

Child poverty is not a new concept and unfortunately is one that has been around for decades but the current economic climate provides increasing challenges for all public, private, voluntary and community sector services that are working hard to tackle it.

The concept of child poverty is complex and is not only linked to income but embraces a range of other aspects including education, housing and health and the consequences of children and families growing up in poverty are shown to have far reaching and long-term consequences both economically and socially.

Of course children don't live in isolation but in family units of varying descriptions, whether that be with their birth parent (s) or in care and there are examples of families living in poverty where there are no children.

It is for these reasons that Stockton Renaissance has agreed to develop a framework for tackling family poverty that seeks to recognise the issues, the potential and current impact and the actions required to tackle, at a local level, what is a nationally recognised issue.

The Government's aim to eradicate child poverty by 2020 is challenging within the current and projected economic context but that does not mean that collectively we should not be actively working to do what we can to support those families out of poverty.

This framework sets out our approach for doing that.

Introduction

Growing up in poverty can affect every area of a child's development and their future life chances. Evidence suggests that children from low income households are less likely to achieve in many aspects of their lives including reaching their academic potential and therefore securing employment as adults. They are more likely to suffer from poor health, live in poor quality housing and unsafe environments, often affecting their whole life cycle.

In March 1999 the government of the time pledged to eradicate child poverty by 2020. They issued a statement saying:

"Poverty should not be a birth right. Being poor should not be a life sentence. We need to sow the seeds of ambition in the young. Our historic aim will be for ours to be the first generation to end child poverty and it will take a generation. It is a 20 year mission but I believe it can be done"

The Child Poverty bill, which provided a statutory basis for the commitment to eradicate child poverty was first announced in September 2008 and introduced to parliament in July 2009. The Child Poverty Act achieved Royal Assent on 25th March 2010. The act covers national targets, strategies and reports and covers the duties of local authorities and other bodies. It requires that "responsible local authorities and their partner authorities co-operate to reduce and mitigate the effects of child poverty in our local areas".

The coalition government, in power following the May 2011 elections, decided not to publish statutory guidance on local authority duties relating to the act and instead provide a short, non statutory guide, signposting to a package of sector led support. There was therefore no statutory requirement to carry out and publish an assessment of need of children living in poverty in our local area or prepare a joint Child Poverty Strategy.

Stockton for some time has looked to narrow the inequalities gap. The Sustainable Community Strategy for the borough of Stockton on Tees sets out our vision and improvement priorities for the area. The strategy aims to ensure a better quality of life for everyone in the borough of Stockton on Tees, now and for future generations. This includes both children and their wider families.

The origin of this document "A Framework for Tackling Family Poverty" is based on the requirements of the Child Poverty Act 2010 and our continued commitment through our Sustainable Community Strategy to promote achievement and tackle disadvantage for all residents, young and old.

What do we mean by “Family Poverty”?

Poverty is complex. A lack of money can have a direct impact on someone ability to socialise, engage in activities, access employment opportunities and the resources people need to live. However we feel poverty is more than just about money. It is interconnected with a much wider range of issues such as a safe environment, adequate housing, heating and lighting (fuel poverty), poor health, educational attainment and the ability to work. It often impacts on relationships, happiness and individual’s development and future prospects.

Tackling Child Poverty is important; however we feel that a wider approach to tackle Family Poverty will have a greater, longer term impact on the lives and opportunities of our residents.

In the context of this framework document a family is considered to be “where a child is living in a household with both parents, a lone parent, in kinship, or care of other adults.”

A “child” would include children up to the age of 19 or with a disability up to the age of 24. It would also include young people who have left care up to the age of 21 years (and up to 25 in certain circumstances); and young people with a learning disability up to the age of 25; and their families. This definition will also capture young people who are not in education, employment or training (NEETs).

People living alone up to the age of 19 or in supported living up to the age of 24 would also be included by this framework.

We recognise that other groups and individuals within the community may be disadvantaged and live in poverty however we consider these groups and individuals in associated plans and strategies for example; older people’s needs will be addressed through strategies such as our Older Peoples Strategy which is currently being reviewed. This Family Poverty Framework will instead focus on poverty relating to children and young people and their families.

About Stockton

Stockton on Tees is a borough of wide contrasts, a mixture of busy town centres, urban residential areas and picturesque villages.

Stockton-on-Tees Borough area is 204 square kilometres in size with a population of 192,400 (Mid Year 2010 Population Estimate)¹ There are 79,100 households across the Borough. The borough’s population has increased by almost 10% between the 1991 Census and mid 2010. The

¹ Office for National Statistics, Mid 2008 Population Estimates

majority of our residents live within the five main settlements of the borough, namely:

- Stockton Town Centre (with a population of 82,130 and 34,590 households);
- Billingham (with a population of 35,740 and 14,715 households);
- Thornaby (with a population of 21,335 and 9,545 households);
- Norton (with a population of 21,205 and 8,885 households); and,
- Ingleby Barwick (with a population of 20,740 and 6,995 households).

A quarter of the borough's population are aged under 19² and between 2008 and 2033 it is forecast that there will be an almost 2% increase in under 4's and over 4% increase in the numbers of 10 – 14 year olds in borough. Our elderly population over the age of 65 is also due to increase by 75% by 2033.

The borough itself has a unique social and economic mix with areas of affluence existing alongside more disadvantaged communities. This makes areas of Stockton Borough some of the most affluent in the country and therefore it is not uncommon to find significant variances in lifestyle and opportunities between neighbouring communities across the Borough.

Narrowing this gap has been a key priority for the Council and its partners and we have already achieved some success in some areas in terms of raising households out of deprivation, improving our environment, reducing crime, and improving our education attainment levels, however, further work remains to be done.

Partnership Aims

Growing up in poverty can affect every area of a child's development and their future life chances. Evidence suggests that children from low income households are less likely to achieve in many aspects of their lives including reaching their academic potential and therefore securing employment as adults. They are more likely to suffer from poor health, live in poor quality housing and unsafe environments.

Unfortunately, poverty has affected the lives of individuals, families and entire communities for generations and is an issue that has remained at the heart of our Strategic Planning and Partnership working in Stockton for well over a decade.

Failure to provide a child with nurture and support during their critical early weeks and years can lead to a pattern of failure and poor outcomes in later life. Stockton Council and our Local Strategic Partnership want to use our collective knowledge, experience and resources to tackle poverty and support individuals and families to realise their full potential.

The aim of our Sustainable Community Strategy is:

² Office for National Statistics May 2010

“Promoting achievement and tackling disadvantage”

Although this is not an easy goal to achieve we and our partners clearly have a commitment through our Sustainable Community Strategy and our vision for the borough, to reduce inequalities, minimise poverty and promote opportunity, so all families can achieve their full potential.

Our vision for the Borough is:

- To drive Economic Renaissance at the Heart of a vibrant Tees Valley City Region
- An enhanced quality of place including renewed town centres and improved neighbourhoods
- Enhanced wellbeing and achievement for local people.

This vision is enacted through the Sustainable Community Strategy and many actions within numerous Council and Partnership Plans, many of which are still evolving. It is not therefore our intention to create a separate strategy but rather use this framework document to identify the key relevant actions from within existing and emerging strategies and plans and bring them together in one place. The key actions from these plans relating to tackling Family Poverty are detailed later in this document.

The case for change

National Context

In 1999, there were 3.4 million children living in poverty in the UK which prompted the government of the day to make a commitment to eradicate child poverty by 2020. By 2007 the number of children living in poverty had increased by 600,000 which led to a raft of further policy measures to be put in place, culminating in the 2010 Child Poverty Act.

The current administration has retained the commitment to tackling child and family poverty and its eradication by 2020. Whilst the proposals to create a Child Poverty Commission are under review and the new policy direction is likely to be more in line with the Coalitions overall drive to tackle poverty by increasing life chances and social mobility, the ultimate aim is much the same as the previous Government.

The coalition government has also instigated a number of reviews which have reported recently whose findings have influenced both the national child poverty strategy and this framework. These are listed below. Key amongst these is the Independent Review of Poverty and Life Chances chaired by Frank Field. Field proposes a new multi-dimensional approach to tackling child and family poverty with his key recommendations including:

- Greater prominence being given to early years provision, from pregnancy to five years
- Consideration should be given to how best to target resources to support bringing children out of poverty
- Sure Start should reach out only to the most disadvantaged, with Children's Centres developing as community hubs
- A new suite of measures should be introduced to monitor progress in tackling child poverty

Field also suggests a structure for the national strategy with key aims for tackling family poverty. The Council has considered these key development areas and this framework highlights how we, along with our partners, will target our activities to tackle family poverty along these lines.

These overarching aims will focus all our activities in tackling family poverty.

Related Review documentation:

- The Foundation Years: Preventing Poor Children Becoming Poor Adults December 2010, Frank Field
- Early Intervention: The Next Steps January 2011, Graham Allen
- Health and Social Care Bill (2011)
- The National Child Poverty Strategy - A New Approach to Child Poverty - Tackling the Causes of Disadvantage and Transforming Families' Lives
- Review of the Early Years Foundation Stage March 2011, Dame Clare Tickell
- Fair Society, Healthy Lives (February 2010, Sir Michael Marmot)

Wider policy context

The National Child Poverty Strategy is also set against the backdrop of a challenging Spending Review. The Government has made it clear that its central priority is to reduce the financial deficit and has launched a programme of tax increases, welfare reforms and public spending reductions. In total, £81 billion has been cut from public sector spending over four years. For Local Authorities nationally, this means a 28% reduction in funding. Many local authorities, including Stockton, are working hard to minimise the impact of budget cuts on the most vulnerable but there is a risk that services that are delivered to children and families will be affected. Nationally this is expected to have a disproportionate impact on areas with higher levels of deprivation. The localisation of Business Rates will disproportionately affect lower tax base authorities and their ability to grow their tax base to fund services furthermore, over the years the links between funding and relative needs will become more disparate. Authorities will need to decide their local criteria to make the 10% cuts or absorb the benefit reduction within current resources. According to Government reports the Spending Review will have no measurable impact on progress towards meeting its child poverty targets over the next two years. However analysis by

the Institute of Fiscal Studies (IFS), suggests that families with children will be hit hardest by the reforms.

In addition to these cuts the Government has an ambitious programme of welfare reform across a number of major areas. The centrepiece of this is the introduction of Universal Credit which seeks to streamline a range of different welfare benefits into one overall payment. This is due to be introduced in October 2013 and is designed to ensure that choosing to work always pays. There remain significant challenges in implementing this reform, not least of which being, to fully understand the impact it will have on the support provided to families: this detail is inevitably still being worked through.

Within this tightening fiscal environment, a collective approach through our Renaissance Partnership can help partners to maximise the impact of limited resources by aligning efforts under common goals and sharing knowledge and effective practice.

Local Context

Over 22.3% of children in Stockton are living in poverty. This is based on the latest available data (2009 ONS) from the National Poverty Indicator which measures “The proportion of children living in families in receipt of out of work benefits or tax credits where their reported income is less than 60% median income”.

The latest projections suggest that there will be a significant increase in relative and absolute poverty through to 2020 which will probably mean the Government will not achieve the target of eradicating child poverty by then. This will not be helped by the current economic climate both nationally and locally which will potentially not have fully impacted on the 2009 data quoted above. The current position for Stockton therefore could potentially be a lot worse.

The Council has other information and intelligence at its disposal to monitor the spread and impact of family poverty in its communities. Most powerful amongst these is the Income Deprivation Affecting Children Index or IDACI which comprised the percentage of children under 16 living on various means tested benefits. This included children aged under 15 in households claiming Income Support, Income based job seekers allowance or where working benefits are being claimed yet the families income is still less than 60% of the national average. This Index is an incredibly powerful tool and using it highlights those areas in our borough which are most at risk from family poverty.

The data identifies Lower Super Output Areas, which are small geographical areas of approximately 1500 households. Within the country there are 32,482 of these Lower Super Output Areas; data collected can be ranked so comparison with other Lower Super Output areas can be benchmarked. This indices shows within Stockton Borough there are 14 such areas which fall within the top 10% most deprived in the UK.

| LSOA code | Ward | IDACI rank |
|------------------|--|-------------------|
| E01012252 | Newtown | 133 |
| E01012266 | Stockton Town Centre | 293 |
| E01012195 | Norton North/Norton South | 355 |
| E01012286 | Mandale & Victoria | 1123 |
| E01012198 | Billingham East/ Bilingham South | 1222 |
| E01012221 | Hardwick | 1518 |
| E01012287 | Mandale & Victoria | 1649 |
| E01012220 | Hardwick | 1791 |
| E01012254 | Newtown | 1801 |
| E01012239 | Mandale & Victoria | 2247 |
| E01012284 | Stainsby Hill | 2258 |
| E01012262 | Parkfield & Oxbridge/ Stockton Town Centre | 2679 |
| E01012215 | Billingham East | 2884 |
| E01012265 | Stockton Town Centre/ Parkfield & Oxbridge | 3208 |

This data indicates that those LSOA areas with the highest levels of poverty are spread across ten wards in the borough and three of our Renaissance partnership areas. This shows that poverty is an issue facing resident's right across Stockton Borough.

The Council and its partners make use of Experian Mosaic data which is specifically designed to help the public sector focus its services on the needs of its citizens. It provides a detailed and accurate understanding of each citizen's location, their demographics, lifestyles and behaviours. It uses more than 440 data elements; it classifies all UK citizens into 69 types and 15 groups providing an accurate and up to date view of citizens and their needs. Using this data alongside other intelligence we can identify the most vulnerable groups living within our most deprived communities and can therefore target our resources accordingly.

These statistics identify the need for this framework and support the fact that both families in poverty and those at risk of being in poverty, should be at the centre of our future plans. It also demonstrates that existing measures of child poverty are mainly based on, or linked to, income. As stated earlier in this document, poverty is about more than just income and therefore a wider suite of relevant measures needs to be developed.

Our Approach.

Aims and Actions

Poverty is about more than money and its impacts go much deeper than just income and material goods. Tackling these issues will not be easy; many of the problems that we see today have also affected the lives of previous generations. As detailed above the current economic instability has intensified the scale of the challenge. There is a serious risk that the substantial cuts to public sector spending combined with a difficult labour market, higher living costs, and welfare reductions will further exacerbate child and family poverty in some of our most vulnerable areas.

As well as there being a moral imperative for reducing poverty and its impacts, there is also a strong economic case for ensuring that children in poverty today do not become the parents of poor children in the future. An in-depth study by the Joseph Rowntree Foundation cautiously estimates that child poverty costs the public sector between £12 billion and £22 billion a year. These estimates relate to government spending that deals with the immediate fallout of child poverty, including expenditure by social services, school education, police and the criminal justice system.

However, child poverty also has long-term economic costs to society. Children who grow up in poverty are less likely to work as adults and often receive relatively low earnings if they do. The annual cost of below-average employment rates and earnings levels amongst adults who grew up in poverty is about £13 billion, of which £5 billion represents extra benefit payments and lower tax revenues; the remaining £8 billion is lost earnings to individuals, affecting gross domestic product. Whilst calculations of this nature cannot be exact, the estimates serve to highlight the growing urgency to address child and family poverty collectively and particularly given the increasing pressures on public finances. There are benefits to applying early intervention models, considering alternative sources of investment and a different performance regime. These interventions and approaches all have their place and it remains important to ensure that the right approaches are adopted in the right service areas.

To break the cycle of poverty our efforts must give importance to two key aspects:

- Ensuring that children receive the best start in life
- Maximising family income

| | |
|---|--|
| Aim 1. Ensure that children receive the best start in life to improve their life chances | Aim 2. Maximise Family income |
| Action 1 | Action 1 |
| Action 2 | Action 2 |
| Action 3 | Action 3 |
| Action 4 | Action 4 |
| Action 5 | Action 5 |
| Action 6 | Action 6 |

These key actions are drawn from plans and strategies across the council and its partners. As such this framework will change and develop over time as plans and strategies shift to reflect changing needs. Detailed activity and timescales can be found within individual plans.

Tackling the multiple factors that drive poverty and limit life chances will not happen overnight. An effective approach will require a long term and sustained commitment from all partner agencies. This framework will run until 2020 and be refreshed annually as appropriate. This timescale coincides with the duty placed on government by the child Poverty Act 2010 to eradicate child poverty by 2020.

How have we developed this framework?

The Council and its partners have a longstanding commitment to tackling child and family poverty and through the work of Stockton Renaissance have made some progress in some areas in narrowing the gap between both our most disadvantaged and more affluent communities but also the borough and UK as a whole. However in order to focus and concentrate our activities to tackle family poverty we decided to develop this family poverty framework to help us better target our existing activity and bring together in one place the activity supporting our commitment to tackling family poverty.

Community involvement is at the heart of everything we do and last autumn we held a large consultation event with all Members of the Renaissance family to begin considering our new approach. A draft document was produced for consideration and delegates at the event received presentations from key speakers, hearing of some of the excellent work already taking place in our borough and were given the opportunity to consider the draft document.

A significant amount of discussion was generated at the event with a desire to be as focussed and as practical as possible, concentrating on the most needy

communities, responsive to the current financial climate and maximising the opportunities community led action can have in tackling family poverty, particularly around advice and guidance, credit unions and promoting sound financial management and practices.

This feedback has been taken on board when developing this framework document. It is based not only on the advice and guidance of our partners and community but also comprehensive analysis of all the data we hold. This has allowed us to identify our target communities as well as the key actions we can put in place to support them.

Monitoring and review

Measures

There is some debate on the most appropriate measure of child and family poverty and what this means for different services areas. There are a number of measures available that consider the different dimensions of child and family poverty and its severity. An agreed set of indicators and measures to monitor our progress of this framework will be developed and monitored on a regular basis as part of our Performance Management Framework arrangements. This will include where possible monitoring at different geographies and of those specific groups who are most vulnerable. The IMD Index, which includes the IDACI indices and the overall National Poverty Measures, will be used to track progress and changes over time.

Leadership

Stockton Council and its Local Strategic Partnership, Renaissance will oversee the successful implementation of this Framework. Progress will be reported periodically to Stockton Council's Cabinet members and the local Strategic Partnership Board and information made available to the public.

Delivery Planning and Implementation

The success of this strategy depends on individuals, groups and organisations to deliver change on the ground. A large number of little changes will make a significant impact on the lives of children and families across Stockton. Most key supporting actions will already be in local partner delivery plans, but some will need to be revisited. The delivery planning process is underway and will be further supported by planned consultation with residents and LSP members over the coming months. Each plan will identify a strategic owner inputs, timescales and outcomes. This framework will bring together these revised and new actions from our partner organisations following completion of Service Planning arrangements for the financial year 2012/13.

Arrangements for review

This strategy will run until the national 2020 deadline to eradicate child poverty. We will however refresh the strategy annually as required in line with our service planning arrangements and to ensure that we remain focused on present needs.

DRAFT