Tackling Child Poverty and Improving Life Chances: Consulting on a New Approach – a response by the Social Security Advisory Committee

1. Introduction

1.1 The Social Security Advisory Committee (SSAC) welcomes the opportunity to submit a response to the 'Tackling Child Poverty and Improving Life Chances' consultation paper.

1.2 SSAC is an Independent Statutory Body funded by the Department for Work and Pensions (DWP). It is the main UK advisory body on social security and related matters. The Committee provides advice to the Secretary of State for Work and Pensions (and to the Department for Social Development in Northern Ireland) and performs a mandatory scrutiny of most proposals for secondary legislation that is the responsibility of DWP. The Committee responds to most of the Department’s public consultation exercises and is also consulted separately by Ministers seeking views on specific issues. The Committee may, of its own volition, select issues to research and report upon, and it publishes the resulting ‘Occasional Papers’ on its website.¹

1.3 The Committee is independent of both Government and sectional interests. Members come from a variety of backgrounds, but collectively they have a considerable depth of knowledge of, and expertise in, both the specifics of policy and law and the wider social policy agenda.

1.4 In our response we offer a general perspective before going on to address some of the questions in detail, focusing on those areas of expertise of the Committee.

2. SSAC’s perspective on child poverty and improving life chances

2.1 The Committee welcomes the focus on a broader and more integrated approach to tackling child poverty and life chances that goes beyond a narrow focus on income. Such an approach needs to look widely at the multiple causes of poverty and exclusion, and develop policies across the spectrum of government responsibilities – joining up health and well being, education, work, taxation and criminal justice more effectively. In addition, while welcoming a broader approach to tackling child poverty we believe that progress towards the abolition of child poverty is best measured by the targets specified in the Child Poverty Act.

2.2 However, and as the Frank Field review recognises, it is important to ensure that income is considered as part of any approach that focuses on the multi-dimensional causes of poverty and social exclusion. We also consider that it is important for the Government’s approach to recognise that while work can be a route out of poverty for many families, low income causes child poverty amongst both working and non-working households. For some

¹ www.ssac.org.uk
households work will not be possible. For example, parents who are severely disabled or lone parents with very young children may be unable to work (16 per cent of children living in poverty live in households with one or more disabled adults and 29 per cent of children in poverty live with lone parents who are not employed).\textsuperscript{2} Parents who cannot find work in areas of high unemployment will also struggle to move into jobs. For children in these families the only way that household income will be increased is through more generous social security expenditure.

2.3 In addition, the most recent annual report on the state of poverty and social exclusion in the United Kingdom (from the Joseph Rowntree Foundation and the New Policy Institute) shows that while the number of children in poverty in workless families fell in 2008/09, to 1.6m, those in working families rose slightly to 2.1m (58 per cent of children in poverty).\textsuperscript{3} It is therefore essential that both in and out of work poverty are the focus of concern. The report considers that with “‘in-work poverty’ at an all-time high, it is no longer possible to rest a serious anti-poverty policy on the idea that work alone is the route out of poverty”. It is therefore important that any child poverty strategy recognises the key role that financial support from the state plays in raising household incomes, which in turn can enhance child outcomes.\textsuperscript{4} Reducing child poverty amongst working families will require additional support for working parents to help them increase their hours and progress into better paid jobs. For families where this is not feasible, the only possible route out of poverty is through financial support, which might have to be increased to achieve this goal.

A wider perspective

2.4 The Frank Field review takes a view of child poverty that focuses very much on the individual child/family. However, an integrated approach to addressing child poverty and life chances also needs to recognise that poverty is not just experienced by individual children and families, but is experienced by and has impacts upon communities and society more widely. The community in which a child lives can have either a mitigating or an additional impact on child poverty. It is therefore essential that a wider perspective is taken into consideration.

Social mobility

2.5 The field of social mobility recognises the importance of access to adequate resources (financial and otherwise) in enabling individuals to realise their aspirations. Action to address child poverty and improve life chances needs to consider both the economic and social differences in society, as the greater the inequality within a society, the more difficult it is to increase social mobility. This approach is given due consideration in Wales, where

participation (in both family and community life) is considered as part of the poverty agenda.

Supporting families

2.6 A more integrated approach to tackling child poverty will promote a better understanding of the links between low income and the quality of parenting, children’s aspirations, and family functioning. Evidence shows that money worries and parents struggling to make ends meet can have extremely detrimental impacts on family relationships, particularly between parents, to the extent that couple relationships come under huge strain and may break down. This kind of scenario reduces the life-chances of children and makes it even harder for families to move out of poverty, contributing to the inter-generational transfer of poverty. Over 50 per cent of respondents to a survey about couple relationships had experienced problems brought on by financial constraints and dwindling resources, particularly during periods of unemployment and, for some of them, these stresses eventually led to the family breaking up. In turn, this led to increased financial pressures experienced by lone parent households and reduced opportunities for parents to enhance their children’s life-chances. This also places an additional burden of support on the State, both directly, for example through benefit payments, and indirectly, for example through additional health and educational support needs. Estimates suggest that child poverty currently costs society £25 billion each year.

2.7 Frank Field’s report recognises the factors which contribute to child poverty and he focuses his attention on increasing the support given to parents in the early years of a child’s development (the Foundation Years – pregnancy to age 5). Research indicates that children thrive best in families characterised by predictable and consistent care, and that such care is closely associated with stable and harmonious relationships between parents/adult carers, whether they are biologically or otherwise related to the children they are raising. A significant body of research now documents benefits in psychological and physical health that are evident across the life span for people living in stable, supportive relationships. Children in intact families tend to enjoy the best health and family stability, and good relationships between parents result in more positive outcomes. Supporting parental relationships, therefore, is considered to be important in reducing risk

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6 http://www.endchildpoverty.org.uk/why-end-child-poverty
factors for children and strengthening families.\textsuperscript{12} It is therefore essential that support provided to families aims to tackle the causes of poverty, rather than just the symptoms, in order to both address child poverty and improve outcomes for children more widely.

**Mental health**

2.8 Mental health is another key factor that needs to be addressed in any strategy that aims to enhance children’s life chances. Research shows a clear link between parental mental health and child outcomes, and social inequalities are also evident in mental health outcomes.\textsuperscript{13}

**The impact of the current financial climate**

2.9 Although we strongly support the long-term agenda proposed, we are concerned about the impact of the current financial climate on the ability to effect change. Direct cuts to public services are being exacerbated by reductions in funding for the voluntary and charity sectors, which challenges the ability of these sectors to engage with the Big Society agenda. For example, Birmingham City Council has axed grants to voluntary bodies in the city which means that all five of its walk-in CABs will close this month, and nationally Citizens Advice have warned that around 45 per cent of their funding may be lost.\textsuperscript{14} Recent research by 4Children and the Daycare Trust has highlighted the scale of the potential closures and cuts to Sure Start Children Centres, with approximately 250 at risk of closing within a year and a further 2,000 cutting back the services they offer to families.\textsuperscript{15} There is strong concern that cutting back on the support offered through Children's Centres risks removing crucial support for families, and at a time when both the Field and Allen reviews highlight the importance of support in the early years in order to tackle intergenerational disadvantage.

2.10 We welcome the recent announcement that the Government has reversed an earlier decision to remove funding for the Financial Inclusion Fund - a project that has financed the training and running of 500 specialist debt advisers. Debt can have a corrosive effect on family life and we therefore welcome the continuation of support for the provision of debt advice to families.

2.11 We are concerned about localisation and the removal of ring-fencing in the current economic climate. Whilst we agree in principle with localisation - it allows the use of resources to best meet the needs and priorities of local people – we are concerned that this is very difficult to achieve in a period of


\textsuperscript{14} http://www.bbc.co.uk/news/uk-12352193

\textsuperscript{15} http://www.daycaretrust.org.uk/pages/250-sure-start-childrens-centres-face-closure-within-a-year.html
spending cuts. In addition, some of the negative aspects of localisation would be particularly unwelcome in a period of fiscal restraint, including duplication, re-invention of the wheel, and parochialism. There is an inherent difficulty in implementing a localised agenda at a time when flexibility of approach is hampered by the financial constraints affected by Local Authorities. Increased localisation in the current economic climate risks, in the eyes of the public, being inextricably linked with public expenditure constraints which would undermine its purpose and value. Removing ring-fencing means that Local Authorities and Councils are no longer obliged to preserve specific services. The Daycare Trust report mentioned above highlights the disadvantages to such as approach; whilst the Sure Start budget was protected in cash terms in the CSR, ring-fencing of the money was removed. We support the recommendation in the report that Local Authorities should do more to prioritise funding for Sure Start Children's Centres.

2.12 SSAC acknowledges that difficult funding decisions have had to be taken by Government. However, we are concerned about the Budget and CSR cuts that will impact specifically on families with children, particularly now that these cuts have to be considered within the context of the recent announcements by local councils about cuts that will be made to a raft of front-line services. The IFS Green Budget demonstrates that couples with children will be much harder hit by the tax changes than those without children – across all income groups. A recent report by Family Action calculated that the poorest families with young children could lose up to £1735 over pregnancy and the up to age 1, with higher income working families with new children losing much more. The forthcoming reduction in childcare support through the Tax Credit system is also expected to have a negative impact on families, particularly as significant rises in childcare costs for all forms of childcare have recently been reported by the Daycare Trust.

2.13 Given the importance of raising incomes as a means to reduce child poverty, and the role that state-provided financial support plays in raising the incomes of workless and working families, we believe that it will be important for the child poverty strategy to set out a more generous longer-term approach to social security expenditure on children and families.

Early intervention

2.14 In light of the Government’s current fiscal approach, services are faced with an urgent need to prioritise spending so that they can deliver the best possible support as effectively as possible. A wealth of evidence suggests that early intervention is one of the most effective approaches – both for individuals and in ensuring value for money. We recommend support is targeted in this way, to save the higher costs needed in the longer term to address the consequences of social problems, for example youth offending.

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Investing in early intervention services for children and families also helps to break intergenerational cycles of deprivation. It is important to recognise that early intervention does not just mean early on in a child’s life. Early intervention should be broader than this, as children face problems at different stages of their lives. Early intervention should be focused on meeting a need as soon as it emerges, regardless of the age of the child.  

3. The devolved administrations

3.1 We welcome the pan-UK strategy sitting alongside devolved administrations responsibilities for transferred policy areas as this recognises the role that both UK-wide policies and those of the devolved administrations play in practice.

Northern Ireland

3.2 We are aware of particular deficiencies around childcare provision in Northern Ireland and its impact on a range of issues affecting children’s life chances. The lack of a published childcare strategy, any statutory duty to provide childcare and a lead department to co-ordinate policy and provision leaves Northern Ireland trailing behind developments elsewhere in the United Kingdom.

3.3 Northern Ireland has signalled its intention through the Office of the First and Deputy First Minister to pilot an earnings disregard pilot to improve the financial incentives for lone parents on specific means-tested benefits to take up ‘mini jobs’. In light of the long term developments in social security, we welcome such a pilot and will be interested to follow its progress. In addition, Northern Ireland has set a target for reducing ‘severe child poverty’ and we welcome this additional benchmark.

Wales

3.4 The Welsh Assembly Government (WAG) launched its New Child Poverty Strategy on 3rd February 2011, following a consultation in 2010. The three key strategic objectives are to:

- Recognise the crucial importance of work for parents as the most sustainable route out of poverty
- Improve the skills of young people and parents, also vital to ensuring access to well paid employment
- Improve the health, education and economic outcomes of families living in poverty, and reduce the gap between the poorest children and their more affluent peers.

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21 See e.g. Horgan, G. and Monteith, M (2009) What can we do to tackle child poverty in Northern Ireland? JRF Viewpoint
3.5 Whist we strongly support the second and third objectives, evidence suggests that work may not be the most sustainable route out of poverty for all parents. We would therefore recommend a wider focus on sustainable routes out of poverty.

3.6 However, we welcome the fact that tackling child poverty is integral to a large part of WAG policy, including improving health, regeneration and economic development. Wales was the first UK government to introduce a statutory responsibility on public bodies to address child poverty and all WAG policy has to go through a Gateway process tool, which includes understanding the impact of the policy on child poverty. The Welsh Assembly Government recognises that the ‘causes and the effects of child poverty are complex, multifaceted and cut across a number of policy areas’. A range of strategies currently operate in Wales aimed at tackling child poverty using an integrated approach. These include ‘Flying Start’ (targeted additional support for 0-3 year olds), a new Foundation Phase in Early Years education (supported by additional resources for classroom assistants) and ‘Families First’ (a pilot project of targeted support for families with high need with children of all ages). We will review the evidence on the delivery and outcomes from these programmes as it become available.

3.7 The Assembly acknowledge that the latest child poverty figures show a stalling of progress made in previous years. We welcome the fact that the Welsh Assembly Government has placed the challenge of eradicating child poverty at the very top of their policy agenda.

Scotland

3.8 The Scottish Government published a consultation paper on tackling Child Poverty in Scotland in November 2010; the responses are currently being analysed. The written exercise was accompanied by a wide range of stakeholder consultation activities, including a working group with parents experiencing poverty and a roundtable discussion with a cross section of professionals dealing with different aspects of child poverty (both hosted by the Poverty Alliance).

3.9 The consultation document reports that the Scottish Government are already working hard to tackle child poverty in Scotland. The Scottish strategy will build on existing policy and set out the areas that need an increased focus. The development of the Scottish strategy presents the Scottish Government with an opportunity to take stock of existing policies, particularly in the light of the changing and difficult economic context. We look forward to reviewing the strategy shortly.

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22 http://www.assemblywales.org/cyp_3_-_15-10__p1__-_child_poverty_-_eradication_through_education_-_submission_from_welsh_government.pdf
23 The ‘Flying Start’ initiative targets £5,000 of resources (over three years) on each and every child in the ‘Flying Start’ areas (chosen with reference to the Welsh Index of Multiple deprivation and the child poverty index). The resources provide: an enhanced Health Visiting service, access to Parenting programmes, access to language and play sessions and free quality part-time childcare for 2-3 year olds.
3.10 We share the concerns of the Scottish Government that while much can be achieved within devolved powers - particularly in addressing the long-term drivers of poverty - policies reserved to the UK Government have significant influence over child poverty in Scotland. This can therefore limit the impact of devolved policies.
Specific Questions

Q1. What do you think are the key points from the Frank Field Review which the Government needs to incorporate into the child poverty strategy?

In general, the Committee are supportive of many of the recommendations in the Review. However, we find it difficult to see how they might be implemented in the current economic climate and would welcome further discussion on this.

In particular, we recommend that the following are incorporated into the strategy:

The Foundation Years

- Increased support for parents and children in the Foundation Years
- Increased funding should be targeted at factors such as high quality and consistent support for parents during pregnancy and support for parenting in the early years, and high quality childcare
- Government should start now to develop a long-term strategy.

There is now a wealth of evidence that indicates that the transition to parenthood is one of the key stressors in family life.\(^\text{24}\) A number of studies have documented the impact on couples when they become parents.\(^\text{25}\) The support that is offered at the moment is often targeted at mothers (rather than mothers and fathers) and tends to focus on the physical health of the mother and her child. Rarely does it take note of the accompanying financial, emotional and social changes that parenthood brings. The birth of a baby and any subsequent postnatal stress and depression can be the trigger for relationships to fall apart and families to face even bigger challenges.

An in-depth qualitative study of relationships, commissioned by DCSF, found that parents regularly stressed the need for more support during the transition to parenthood and during the arrival of subsequent babies, and argued for early recognition of the stresses and strains parents face and a greater understanding of the support needs of fathers as well as mothers.\(^\text{26}\)

Health visitors, GPs, schools and other professionals all have a role to play in providing more targeted support to help families cope with parenthood and the demands of parenting. However, it is essential that this support is joined up

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\(^{24}\) Lexmond, J., Bazalgette, L. and Margo, J. (2011) “It is time to be honest about what good parenting involves...” The Home Front. DEMOS


\(^{26}\) Walker et al., op. cit.
more effectively than at present in order to address the multiple causes of poverty and disadvantage.

Many of the Foundation Years recommendations in the Field Review would be expensive to implement, for example the provision of high quality, graduate-led childcare. Whilst we strongly support such recommendations, it is essential that the Strategy considers practical ways to achieve them in the current economic climate, particularly in light of the cuts to the amount of childcare support that will be available for working families through Tax Credits. We particularly welcome the recommendation to develop a long-term strategy and see this as essential to sustained improvements in child poverty and life chances. However, we are concerned that the Government’s current fiscal priorities might prevent the implementation of a long-term strategy – which will be expensive in the short-term, but ultimately be more cost-effective in the longer-term.

- Extend the life chances approach to later stages in childhood.

As discussed in section 2.13 (p.5) it is essential that a life course approach is taken to early intervention.

**Foundation Years service delivery**

- Refocusing Sure Start Children’s Centres to ensure targeted support for the most disadvantaged families and opening them up to service providers from all sectors. Moreover, Field recommends that Children’s Centres should become the hub of local communities providing some universal services, as well as targeted support, in order to make them non-stigmatising and socially inclusive. This could include the provision of parenting education.

There is an important role for Children’s Centres in relation to the transition to parenthood also, and fathers living in very vulnerable, poor families have expressed their appreciation of the support offered by local Children’s Centres. There is mention in the Field Review of the important role fathers play in children’s education etc and yet it has been very difficult to get dads involved in parenting support programmes. Graeme Allen also mentions the important role Children’s Centres can play in meeting the needs of vulnerable children and families. A range of local services from the statutory and voluntary sectors should be encouraged to work within Children’s Centres to provide a locality-based set of support services – to include DWP. This approach would avoid the replication of services and allow more effective signposting.

A more joined-up approach would be particularly effective in the current economic climate, where a range of services are experiencing funding cuts. Typically, cuts in funding can lead to organisations focussing inwards, as each

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Coalition on Men and Boys;
aims to protect their own services. The Strategy therefore needs to find ways
to encourage organisations to work together more closely to share limited
resources. Such an approach has already been adopted in Wales – a
Children and Young People Partnership operates in each Local Authority with
one agreed Children’s Plan.

- All the services provided should have a strong evidence base and new
  services should be robustly evaluated.

We strongly support the requirement to carry out robust evaluation of
services. This is essential to ensure that policies and service delivery are
effective – both in terms of what works and that they provide value for money.

New measures of poverty and life chances

- The Government adopts a new set of Life Chance Indicators.

We recommend that the Life-Chance Indicators should also include the quality
of family relationships and family stability. These could include information
about family structures and family change. This would underline the
importance of promoting a more holistic family approach in both the design
and delivery of services and the measurement of child poverty. We also
believe that it is vital that the Government retains the existing child poverty
measures, as set out in the Child Poverty Act, which recognise that raising
household incomes is central to child poverty reduction.

We have concerns about the recommendation that:

- Local Authorities (LAs) should develop a database of children most in
  need in their areas and ensure that these families are targeted and tracked
  (via data sharing amongst key agencies).

We acknowledge that there will be situations where access to a database of
reliably gathered and up-to-date information would be of benefit to Local
Authorities. However, we have concerns about the design and implementation
of such a database in light of the problems experienced in piloting the
ContactPoint database. The obstacles to successful implementation –
including data security, the cost of the project and the reliability of the data –
suggest that such an approach is not feasible in the current fiscal climate.

Although we strongly support a more joined-up approach to service delivery
we do not believe this would be best served through the implementation of a
Local Authority database. There is evidence that information-sharing of this
nature is problematic because of professionals’ concerns to protect
confidentiality. SSAC have raised concerns on a number of previous
occasions with DWP relating to the personal information that is passed on to
other providers and the safeguards and monitoring procedures that need to
be put in place to ensure that information-sharing is limited to the information
that is absolutely necessary and that people are aware of what is being shared.

Q2. What are your thoughts on the best way to incorporate early intervention into the child poverty strategy?

As discussed in section 2.13 (p.5), it is crucially important that ‘early intervention’ does not just apply to early years – early intervention, in terms of nipping problems in the bud, is applicable at all stages of a child’s life and refers to the need to target support as quickly as possible once issues/concerns have been identified. In this sense, the Field recommendations need to go further and embrace a much wider age-range (as noted in the Allen report). The Strategy needs to ensure that early intervention services are joined up and that data sharing is streamlined, whilst providing adequate protection to families and children.

Q3. Do you agree with our working definition of socio-economic disadvantage?

The definition of socio-economic disadvantage seems clear and applicable in a practical sense, although the concept of ‘parental resources’ requires elaboration. It presumably includes financial and material resources, but it is not clear whether it would also embrace emotional and educational or human capital resources. We recommend that ‘family instability’ and ‘lack of predictable and consistent care’ are included as indicators of socio-economic disadvantage.

Q4. Are these the right areas for the child poverty strategy to cover?

We support the broader approach being proposed that considers which children face the highest risks of socio-economic disadvantage and how key policies affect them. As discussed earlier in the paper, it is very important that the Child Poverty Strategy covers children of all ages and that early intervention is not just restricted to the Foundation Years. It is essential to recognise that parents face challenges throughout childhood and into early adulthood, especially at transition periods (into primary school, into secondary school, into adolescence and as children move into adulthood).

We also recommend that ‘Employment and Skills’ focuses explicitly on both the barriers to moving into work and barriers in work, for example barriers to remaining in work and barriers to progression – in order to address both in and out of work poverty.

Q5. Do you agree that the role and remit of the Child Poverty Commission should be broadened to reflect the new approach?

SSAC supports the implementation of a Child Poverty Commission in order to ensure that an external, independent view is taken as to whether the approach adopted across government is working, and to ensure that a UK-
wide view is taken of the success, or otherwise, of approaches and interventions to meet the goal of ending child poverty by 2020.

If the Government decides to establish a Child Poverty Commission then it must also have a broad remit to look at all aspects of child poverty. In order to avoid overlap with other bodies, its central focus should always be that of eliminating child poverty, however. This would avoid duplicating work being carried out in other areas, but it is essential that strong links are developed between a Commission and other related areas (such as Social Mobility and the Social Justice Committee).

If an alternative approach were to be considered, international evidence supports the view that well informed institutional champions can provide a strong stimulus to achieving policy goals over a sustained period and reinforce accountability.  

Q6. What do you think makes the most difference to the life chances of children?

All of the drivers mentioned in the consultation paper are important, especially the quality of family relationships and the availability and ability of parents to care for and nurture their children. They all make a difference to the life chances of children and it’s important that all the drivers are taken account of, rather than focussing on particular elements in isolation. Understanding the risk and protective factors in children’s lives enables organisations to develop policies which build resilience in children from an early age, allowing organisations to take action to minimise risk and optimise protective factors, and to take mitigating factors into account, especially for the most vulnerable. If a new Child Poverty Strategy addresses the drivers listed in the consultation document then it should indeed be comprehensive and robust.

Q7. Are there additional measures, compatible with our fiscal approach, which could help us to combat poverty and improve life chances?

As discussed in section 2 of the paper we would strongly support a more joined-up, multi-agency approach to tackling child poverty and improving life chances. More effective working across organisations and across Government should also allow for the implementation of more cost-effective services and a longer-term approach to interventions.

There is an overarching need to support families by strengthening relationships at all levels, but specifically the relationships between parents, and between parents and their children. It is also crucial to ensure that emotional literacy education is available in schools and for children as young as 5 who can benefit from learning life skills from an early age.

Support for couple and family relationships should be universally available in a non-stigmatising way, helping parents to balance work and family commitments, and providing information at all stages of couple and family formation about how to cope with challenges and the availability of a range of services that can be accessed (including those providing relationship support). As with much of the support that we have recommended here, early intervention is key.

The evidence suggests that the Child Poverty Strategy should:

- provide better information about and publicise services more widely
- ensure that professionals across a range of professions are trained to identify and support vulnerable families (including Jobcentre Plus staff, for example)
- develop more joined-up services so that vulnerable families are supported holistically
- do more to make existing services more accessible within communities (via Children’s Centres, for example)
- promote cultural change to eradicate the stigma associated with poverty, vulnerability and accessing support, and to encourage help-seeking behaviour and the take-up of support services before problems become entrenched and poverty is regarded as inevitable
- review policies which promote flexible working, parental leave, parental responsibility to ensure family-friendly opportunities and promote family stability.

We also recommend that all child poverty impact statements prepared by the Government include an assessment of the impact on child poverty from a much broader perspective than currently. This would ensure that the impact assessments are much more relevant and meaningful, and provide evidence over and above purely financial impacts. The Life-Chance Indicators recommended in the Field Review might provide a basic framework for this.