Independent Review on Poverty and Life Chances

Introduction

1. The Children’s Society welcomes the opportunity to contribute to this Independent Review on Poverty and Life Chances led by Frank Field. The Children’s Society is a leading children's charity committed to making childhood better for all children in England. Our national networks of projects deliver specialist services for children who face danger or disadvantage in their daily lives. We support children in trouble with the law, young runaways at risk on the street, disabled children who face exclusion and young refugees rebuilding their lives in the UK. We work with children who are often forgotten or whose needs are ignored: young carers, Gypsy, Roma and Traveller children or children whose parents are affected by alcohol or drug use. Each year we help thousands of children who are unable to find the support they need anywhere else.

More information

2. For more information on this response or the Children’s Society work, please contact Policy Adviser, Ilona Pinter on ilona.pinter@childrenssociety.org.uk or 020 7841 4509.

Early years and life chances

Which aspects of children’s early years are the most important determinants of positive outcomes and good life chances? What single aspect of early childhood has the greatest influence?
How can early years support, from parents, children’s services and the community best deliver positive outcomes for the most disadvantaged children and their families?

3. Poverty and the way in which it interacts with other forms of disadvantage and inequality determines the impact on children’s life experiences and opportunities.
Poverty literally shortens lives. A girl in Manchester can expect to live 6 years less than a girl in Kensington Chelsea and Westminster. Evidence suggests that experience of poverty in the early years can have a long-term impact on children’s cognitive development and educational attainment. A child’s cognitive development at 22 months is a strong predictor of future attainment but the effect of poverty outweighs ability so greatly that by the age 6 low-achieving children from more advantaged homes will start to outperform high-achieving children from less advantaged homes. By the end of compulsory education, the divergence is stark: only 33% of those eligible for free school meals achieve five good GCSEs compared to 61% of their peers.

4. In a recent publication called *The Spirit Level: why more equal societies almost always do better* comparative evidence gathered from rich countries is presented on each of eleven different health and social problems: physical health, mental health, drug abuse, education, imprisonment, obesity, social mobility, trust and community life, violence, teenage births, and child well-being. For all eleven of these health and social problems, outcomes are very substantially worse in more unequal societies.

5. Relationships within families, friendships and communities provide the support networks that children need to develop and learn safely and effectively. However, income inequality shapes the reality of a family’s day-to-day experiences, including access to services, resources and ability to affect change. The interdependence of these two factors means that families living with low income find it more difficult to provide their children with the developmental assets they need in order to achieve the best possible outcomes. Although there are of course exceptions, this affects intergenerational mobility and generally determines children’s outcomes.

6. Children’s centres are a key measure to tackle this problematic by providing employment and training advice to parents as well as childcare and parenting support. Our 26 centres around England reach out to the most disadvantaged families where financial insecurity can be a real block to parents accessing services.

7. Children’s positive outcomes are greatly enhanced through non-stigmatising support available early on before problems escalate. The case for investing in early intervention has been illustrated by the Audit Commission, among others. We believe that targeted services delivered via universally accessible programmes providing Tier 2 support can reduce the need for specialist services later on thereby making considerable savings.
8. Ensuring that children get the most out of their education also depends on whether they are well-nourished, rested and able to concentrate while learning. Therefore access to free school meals, breakfast clubs and extended services is crucial for children from disadvantaged families. In addition, schools will need to do more to be inclusive of all children, particularly those with behavioral issues. School exclusion is strongly associated with involvement in the criminal justice system so as other resources are cut, schools will need to pick up the responsibilities through education.

**Family environment**

*In what ways do family and the home environment affect children’s life chances? What role can the government play in supporting parents to ensure children grow up in a home environment which allows them to get the most out of their schooling? What role do family earnings and income play in children’s outcomes and life chances?*

9. Linked to low income is lower job quality such as lack of control, security, chances of progression, of training and other job related benefits. These factors put additional pressure on parents and in turn relationships at home where families who are struggling to make ends meet may work longer hours and have multiple jobs, with the inevitable impact on their time to parent.

10. Other equality factors add levels of complexity. For example, Black Caribbean pupils are three times as likely to be permanently excluded from school as pupils from other ethnic groups, and Black young adults are four times as likely as white young adults to be in prison. Gypsy and Traveller children are also less likely to achieve in school due to factors that impact on the family such as housing problems and experiences of bullying and discrimination. These systemic problems need to be addressed urgently to ensure that children from all backgrounds really have equal life chances to succeed.

11. There is also a strong relationship between low income, social exclusion and disability. Families with disabled children are more likely to be in debt and less likely to be able to afford new clothes or school outings for their children. Parents struggle with the extra costs of raising disabled children, that are three times higher than for other children, and they face barriers to working. Additional expenditure on heating, housing, clothing and equipment adds to the challenge. Many are unable to work because of care responsibilities and the lack of, or the cost of, appropriate childcare. Our projects, for example, support disabled children and their families by facilitating access to inclusive childcare and providing families with advice about their rights and entitlements.
12. Variations between countries in the proportion of children growing up in lone-parent families do not explain national poverty rates. Sweden, for example, has a higher proportion of its children living in lone parent families than the US or UK but a much lower child poverty rate than either. Similarly, research by the Institute for Fiscal Studies, on the impact of marital status on child outcomes, shows that differences in cognitive abilities and social and emotional development are largely explained by the fact that, compared to married parents, cohabiting parents have lower education, lower occupational status, lower income, and are more likely to live in social housing. Instead, policies that improve educational attainment amongst poor children are likely to have long-term pay-offs by increasing life chances amongst this generation and the next, as well as policies that increase parental income and education.

13. The recent TUC and IFS research reports argue that the impact of budget reforms and cuts to public services will affect low-income families with children the most. Cutting vital resources to the most vulnerable groups will inevitably put greater stress on family relationships, particularly single parents, which we know will impact on children’s well-being and achievement. The Government has argued that its welfare reforms will create greater incentives to work. However we know that the majority of children in poverty (52%) have at least one working parent and therefore additional incentives won’t work.

14. UNICEF research shows that variation in government policy appears to account for most of the variation in child poverty levels between OECD countries. There appears to be little relationship between levels of employment and levels of child poverty. In international terms, the UK maintains both a generally high employment rate and a high child poverty rate - we have the sixth highest employment rate in the EU, but stand joint 21st on child poverty. Rather it is the distribution of employment among different kinds of households, the proportion of those in work who are on low-pay, and the level of state benefits for the unemployed and the low-paid that contribute most to differences in child poverty rates between countries. The Government can do a lot to tackle this by addressing issues around income inequality and low pay as well as improving the quality of employment to ensure that family relationships are protected, through for example reforming parental and maternity leave.

Poverty and life chances and how they are measured
What constitutes child poverty in modern Britain?
How can our measures of child poverty be reformed to better focus policy development and investment on delivering positive outcomes and improved life chances for children?
What are the strong predictors of children’s life chances which might be included in any new measure of child poverty?

15. One of the most striking things about the evidence that The Good Childhood Inquiry received from children was how frequently they mentioned their basic needs. Their comments on the subject were mostly about the importance of having a home, a bed, clothes, warmth, food and water. Interestingly far more children talked about material ‘needs’ such as these than mentioned material ‘wants’ such as money and possessions. Another strong theme running through the evidence was children’s concern for other children less advantaged than themselves. In response to the question: What things do you think stop children having a good life? One 11-year-old girl responded: ‘I think poverty is one of the main reasons because it affects many children around the world, even in England where children and young people need our help.’

16. We would take poverty to mean relative poverty defined as having "resources that are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities." So children living in poverty would be those in families where household income is less than 60% of the median national income. This is important because it relates also to social exclusion and inequality, and ultimately to the social cohesion of a society because as the gap between experiences of the poor and rich increase, the poor become more excluded from opportunities that the rest of society benefits from within normalised living patterns. This means a less cohesive, empathic and interdependent society with a widely divergent sense of reality.

17. On this central measure 23% of children or 2.9 million children are living in poverty. As founding members of the End Child Poverty coalition we believe that the end point should be defined as the lowest point achieved elsewhere in Europe, which shows what can be achieved. This suggests the end point should be no higher than 5% of children living in poverty.

18. According to UNICEF research, higher government spending in OECD countries on family and social benefits is associated with lower child poverty rates. No OECD country devoting 10% or more of GDP to social transfers has a child poverty rate higher than 10%. No country devoting less than 5% of GDP to
social transfers has a child poverty rate of less than 15%.

19. The Children’s Society works with some of the most disadvantaged children and young people in the country who experience disadvantaged in multiple ways where income is one very significant factor but not the only one. Children and families seeking asylum are invariably very poor and live below the minimum levels other households would receive. Families claiming asylum are given asylum support at 70% of income support levels and aren’t allowed to work. If a family is refused asylum the Government has the power to stop all money and accommodation when they believe a family are not taking ‘reasonable’ steps to leave the UK. In a recent survey carried out by the Children’s Society on destitution amongst asylum seeking and refugee children we uncovered stories of children growing up in households without food, heating or toys, while some mothers are forced to prostitute themselves to survive. This puts added strain on families who are already suffering as a result of experiences of persecution and abuse from their countries of origin. In addition, we are seeing more and more unaccompanied asylum seekers cut off from any support when they turn 18 and becoming homeless.

20. Even when recognised as refugees, children can spend years in temporary accommodation, or in unaffordable and insecure private rented accommodation, usually the poorest quality available. When granted asylum families have 28 days to leave their accommodation and find somewhere else to live. This can be a vulnerable time for families and can lead to temporary destitution.

21. The Children's Society’s Young Refugee Project in Birmingham works in conjunction with local churches and voluntary organisations to provide support services for destitute families, including advice on how to get help and legal casework. Our aim is to distribute direct crisis grants or interim payments to refugees, share best practice amongst organisations and churches working with refugee families and to lobby for positive change to the problem of destitution. However, with further budget cuts including changes to the asylum support budgets currently under review by the Home Office, we are likely to see such problems escalate.

22. Therefore we call on the review team to ensure a joined up approach across Government to raise awareness and monitor the impact of spending changes.

The Children's Society’s well-being research
23. Earlier this year, The Children's Society launched the findings of a large-scale survey of children's subjective well-being - the first of its kind - which was carried out in 2008 with 7,000 children and young people aged 10 to 15 across England.

24. The Children’s Society’s well-being survey was initiated to fill a gap in the research regarding young people’s own views of their well-being, with a special focus on measuring well-being in the present rather than future ‘well-becoming’, and on using indicators that are positive in preference to those that are negative. The broad aims of the research programme are:

- To develop a better understanding of well-being as it relates to young people, taking full account of the perspectives of young people themselves.
- To identify the reasons for differences in well-being between different groups of young people.
- To monitor changes in well-being over time.

25. The next wave of The Children’s Society’s well-being survey is planned for the second half of the autumn term of 2010 and this time it will include 8 and 9-year-olds as well as 10 to 15-year-olds.

The links between poverty and well-being

26. The 2008 survey found a number of associations between measures of poverty and lower reported well-being. For example, living in a family where no adult is in paid employment was significantly associated with lower overall subjective well-being. In addition, both parental unemployment and receipt of free school meals were significantly associated with lower reported well-being in respect of material possessions, home, school and schoolwork. However, in each case the differences were small and overall, poverty measures accounted for only a small proportion of variations in well-being. This may be because the measures used (i.e. receipt of free school meals and the number of adults in paid work) do not adequately capture the range of experiences of poverty that children face.

27. For this reason, one strand of The Children's Society’s ongoing research programme is to explore children’s perspectives of their material well-being and develop more and better child-centred measures of poverty. In collaboration with the University of York, we are currently carrying out qualitative research with children of different ages to explore the things, activities and experiences that children feel that they need to have a normal kind of life. This will inform our development of a scale to measure children’s
material well-being and ‘socially perceived necessities’ from a child’s point of view.