

## Child Poverty briefing

17 October 17

This briefing paper draws together the statistical evidence of the extent and impact of child poverty in Northern Ireland, the policy context, survey findings in relation to public awareness of child poverty and actions that government must take to end child poverty in Northern Ireland.

### 1. Child Poverty: the facts

#### **It affects a large number of children in NI**

According to government statistics, in 2015-16 just under a quarter of children (23%) were in relative poverty, After Housing Costs (AHC). This equates to 103,400 children.<sup>1</sup>

The Child Poverty Act 2010 specified four measures of child poverty (relative, absolute, material deprivation, persistent), each measuring slightly different aspects of child poverty. While all four together provide the most complete picture of the incidence of child poverty, relative poverty AHC is considered the most robust single measure, allowing comparisons across the UK.

#### **The child poverty rate dropped by five percentage points from 2014-15 to 2015-16**

The relative child poverty rate dropped from 28% in 2014-15 to 23% in 2015-16. This drop is also reflected in Absolute and Material child poverty figures.

If this decrease were to be sustained, it would be very welcome. However, as figure 1 below shows, while there have been annual fluctuations in child poverty since the data was first collected in 2002/3, there has not been a sustained decrease.

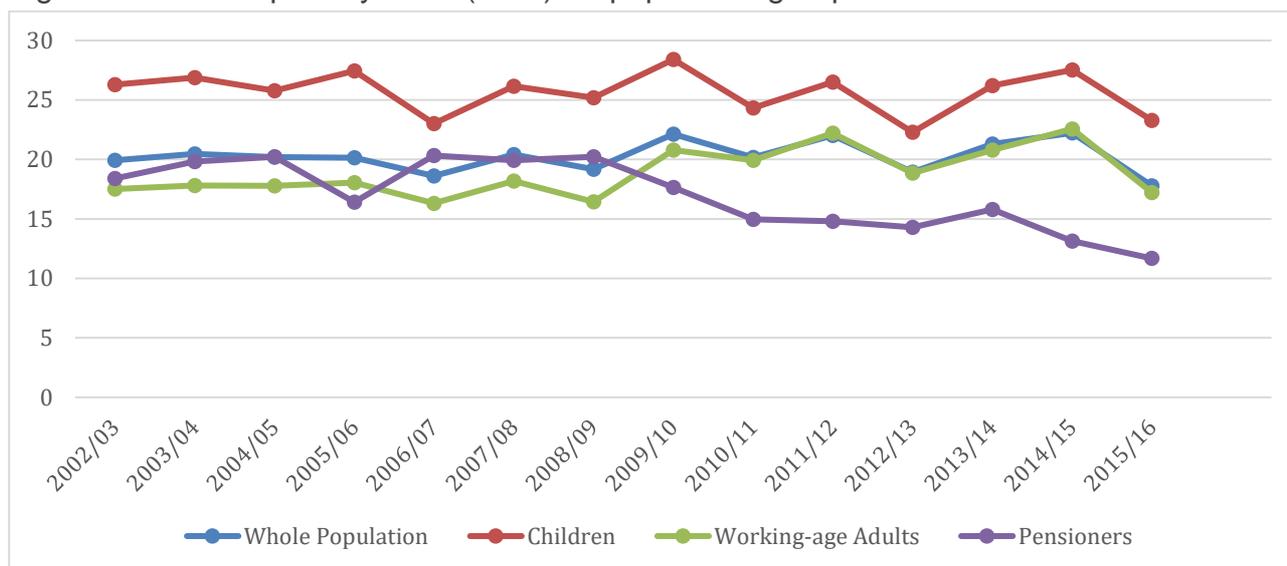
It is difficult to be conclusive about the reason for changes in poverty rates. However, it is likely that this reflects the difference in median incomes in Northern Ireland and the UK: median incomes increased more in Northern Ireland than the UK over that period. This may in part, be due to changes to the social security system, including Universal Credit, which are being implemented more slowly than in GB. The time-limited mitigation package

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<sup>1</sup> DfC (June 2016), [Poverty Bulletin 2014-15](#).

provided by the Northern Ireland Executive in relation to earlier ‘welfare reforms’ is also likely to have helped maintain family incomes.

Figure 1: Relative poverty rates (AHC) for population groups in Northern Ireland.



Source FRS data 2002/3 to 2015/16 - Relative poverty AHC.

**Poverty disproportionately affects children, compared to other age groups**

As can be seen in figure 1 above, children have consistently been the age group at most risk of being in poverty in Northern Ireland. Currently the poverty rate for working age adults is 17%, six percentage points less than the child poverty rates. The gap is even larger between children and pensioners: pensioner poverty is currently 12%, almost half the poverty rate for children

It is important to recognise the success of government policy in reducing pensioner poverty, and it is vital that there is also a concerted effort to reduce child poverty in Northern Ireland.

**It disproportionately affects some groups of children**

The Department for Communities ‘Households Below Average Income 2015-16’ data tables show that some groups of children are more likely to experience poverty than others:

- Children in lone parent families (40%) compared to those in couple families(18%);
- Children in ‘workless’ households (65%) compared to households where all adults

- work (11%);
- Children living in families where someone is disabled (30%) compared to those where no one is (20%); and
  - Children living in families with 3+ children (27%) compared to families with one child (22%).<sup>2</sup>

### **The majority of children in poverty live in households where parents are working**

While a child is significantly more likely to be in poverty if they live in 'workless' households, the majority of children in poverty actually live in households where at least one parent/carer works.

- 30% of poor children live in households where all adults work (31,000).
- 31% live in households where at least one adult is working, but not all (32,000).
- 39% live in 'workless' households. (40,000).

While children may be in poverty due to their parents being out of work, parents finding work is no guarantee of being able to lift their family out of poverty.

### **It has a severe impact on children's lives**

Poverty impacts on children's and young people's lives and life outcomes including those in education, health and housing.

Young people entitled to free school meals are almost twice as likely to leave school without five good GCSEs (55.2%) compared with young people who are not (24.2%).<sup>3</sup>

Poverty affects children's health throughout their childhood and throughout their lives:

- Infant mortality is 16% higher in the most deprived areas than in the least;
- Suicide rates are 3 times higher in the most deprived areas than in the least;
- The self-harm admission rate is 4 times higher in the most deprived areas than the least;
- Mental ill-health is twice the rate in most deprived areas than least;
- Children in poverty statistically live shorter lives (women -4.4years, men -7.0 years);
- Children in poverty statistically have fewer years of good health (women -14.6

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<sup>2</sup> DfC (2015), [Households Below Average Income 2015-16](#).

<sup>3</sup> DE (2017), [Statistical Bulletin 6/2017, Qualifications and Destinations of Northern Ireland School Leavers 2015-16](#).

years, men -12.2 years).<sup>4</sup>

Homes:

- The number of families presenting as homeless in 2015-6 was 5,645. Records are not kept of the number of children in these families.
- The number of families in temporary accommodation in 2015-6 was 1,693. Again, records are not kept of the number of children in these families.<sup>5</sup>

## 2. The Policy Context: Welfare Reform Cuts

While eradicating child poverty was stated as a UK government commitment 10 years ago, it is clear that currently there is less of a focus on reducing child poverty. Evidence from across the UK indicates that welfare reform changes have disproportionately targeted families with children,<sup>6</sup> the most blatant example of this being the recently introduced two child limit on Child Tax Credits and Universal Credit.<sup>7</sup>

Figure 2: Impact of two child limit on families in Northern Ireland

Policy	2016-17	2017-18	2018-19	2019-20
Limiting child element to 2 children for new births in tax credits (£m)	0	5	14	21
Limiting child element to 2 children for new claims in UC (£m)	0	2	8	12
Total 'savings' (£m)	0	7	21	33
Estimated number of children for whom per child element will be withdrawn.	0	2,518	7,554	11,870

Figures for 'savings' from [NISRA Summer Budget paper](#), estimated number of children calculated for this briefing.

<sup>4</sup> DoH (2016), [Health inequalities regional report 2016](#).

<sup>5</sup> NISRA Statistical Bulletin 8/2016, (Nov 2016), [Children and Young People's Strategic Indicators](#).

<sup>6</sup> H Reed and D Elson (2014), *An adequate standard of living* (CCE: London);

<http://wales.gov.uk/topics/people-and-communities/welfare-reform-in-wales/analysing-reforms/?lang=en>

<sup>7</sup> If parents claiming CTC already have 2 or more children, and then have another baby, they will not receive the £2,780 per annum CTC for that, or subsequent children. Also, where a new UC claim begins, this payment will only be provided for a maximum of two children. Where a family with an existing CTC claim moves across to UC, or where there has been less than a 6 month gap between ceasing CTC and the UC claim starting, the current level of payment will remain in place

As the figure above shows, NISRA has estimated that 2,500 families will be affected by this cut in 2017-18, which equates to at least 7,500 children, as there will be at least three children in each family affected. This rises to 11,870 families and at least 35,610 children affected in 2019-20. This will undoubtedly have the effect of many of these children living in poverty.

It is important to note that, while this is the most obvious cut targeting children, several other policy changes aiming to reduce social security payments will also impact on families reliant on social security benefits, some of which have been included in the table below. Many of these cuts are impacting on the same families, and many of these cuts will be experienced by working families, as well as those in 'workless' households.

Figure 3: Costs/savings due to summer budget 15 policy changes (£m)<sup>8</sup>

Policy	2016-17	2017-18	2018-19	2019-20
<b>Total for all 'summer budget 2015' policy changes</b>	<b>23</b>	<b>79</b>	<b>199</b>	<b>305</b>
Limiting child element to 2 children for new births in tax credits and new claims in UC	0	7	21	33
Remove family element in tax credits and UC, and the new family premium in Housing Benefit, for new claims	2	8	15	20
Uprating: freeze working-age benefits, tax credits and Local Housing Allowances for 4 years from 2016-17	4	29	65	105
Reduce work allowances in UC	0	10	49	92

Sanctions are also being imposed on parents in receipt of social security, although figures are not available for how many children are affected, as these records are not collated.<sup>9</sup> The absence of a Northern Ireland Executive has resulted in this suite of 'welfare reform' changes originating from the Welfare and Work Act 2016, many of which particularly target families and which are being implemented without any mitigations being put in place.

<sup>8</sup> Reports from NISRA/DfC: [Summer budget statement 2015](#); [Autumn Statement addendum 2015](#)

<sup>9</sup> NICCY has requested that DfC collate number of children affected by sanctions, and that the sanctions decisions follow due process and take account of the best interests of children.

### 3. The UN Convention on the Rights of the Child

Article 27 of the United Nations Convention on the Rights of the Child confers on all children the right to an adequate standard of living:

1. *States Parties recognize the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development.*
2. *The parent(s) or others responsible for the child have the primary responsibility to secure, within their abilities and financial capacities, the conditions of living necessary for the child's development.*
3. *States Parties, in accordance with national conditions and within their means, shall take appropriate measures to assist parents and others responsible for the child to implement this right and shall in case of need provide material assistance and support programmes, particularly with regard to nutrition, clothing and housing.*

The UN Committee on the Rights of the Child recently examined the UK and devolved governments' progress in implementing the UN Convention on the Rights of the Child. One area of particular concern was the impact of welfare 'reforms' on children and young people, and this was reflected in two of their recommendations (June 2016):

71. *The Committee draws the attention of the State party to target 1.2 of the Sustainable Development Goals, on poverty reduction, and urges the State party to:*
  - (a) *Set up clear accountability mechanisms for the eradication of child poverty, including by re-establishing concrete targets with a set time frame and measurable indicators, and continue regular monitoring and reporting on child poverty reduction in all parts of the State party;*
  - (b) *Ensure clear focus on the child in the State party's poverty reduction strategies and action plans, including in the new "Life Chances Strategy", and support the production and implementation of child poverty reduction strategies in the devolved administrations;*
  - (c) *Conduct a comprehensive assessment of the cumulative impact of the full range of social security and tax credit reforms introduced between 2010 and 2016 on children, including children with disabilities and children belonging to ethnic minority groups;*
  - (d) *Where necessary, revise the mentioned reforms in order to fully respect the*

*right of the child to have his or her best interests taken as a primary consideration, taking into account the different impacts of the reform on different groups of children, particularly those in vulnerable situations;*

*(e) Strictly implement the legal prohibition of prolonged placement of children in temporary accommodation by public authorities in England, Wales and Scotland, and enact similar legislation in Northern Ireland;*

*(f) Take necessary measures to reduce homelessness and to progressively guarantee all children stable access to adequate housing that provides physical safety, adequate space, protection against the threats to health and structural hazards, including cold, damp, heat and pollution, and accessibility for children with disabilities;<sup>10</sup>*

#### **4. Public Awareness and Attitudes to Child Poverty**

To explore public awareness and attitudes to child poverty in Northern Ireland, NICCY commissioned Kantar Millward Brown to survey a representative sample of 1001 adults across Northern Ireland.<sup>11</sup>

When asked how much poverty there was in Northern Ireland, around 45% felt that there was 'a lot', with 37% saying that they thought there was 'some', and only 10% stating that there was 'not very much'.

When they were told the actual figure for child poverty, around half said that this was more than they had thought (46%) with only one in ten (10%) saying that this was less than they had thought.

We then wanted to know what people thought the key cause of child poverty was, asking respondents to indicate whether it was either parents not doing enough to lift their families out of poverty, or circumstances beyond the control of parents causing families to be poor. A resounding 69% of people thought that child poverty was largely due to circumstances beyond the control of parents, with only 20% placing the responsibility on parents.

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<sup>10</sup> UN Committee on the Rights of the Child (2016), 'Concluding observations on the fifth periodic report of the United Kingdom of Great Britain and Northern Ireland', (Geneva, OHCHR), paragraph 71.

<sup>11</sup> The fieldwork was carried out in October - December 2016 with a representative sample of 1001 adults across Northern Ireland. The technical report for the survey can be found [here](#).

We then explored in more detail the perceived causes of child poverty. As can be seen in figure 4, when offered a list of possible causes, adapted from the British Social Attitudes survey 2011-12, the most commonly chosen, focussed on challenges of managing money and debt, of finding decently paid work, as well as blaming poverty on parental addictions and choosing to live on benefits.

Only a minority identified challenging circumstances such as long term illness or disability in the family, family breakdown or bereavement.

Figure 4: Perceived causes for child poverty<sup>12</sup>

Debt / poor money management	51%
Too many part time or low wage jobs	47%
Parents drug / alcohol abuse	46%
There aren't enough jobs	41%
Too many single parent families	30%
People too comfortable on benefits	30%
Costs of childcare	27%
Family breakdown or loss of a family member	26%
Poor educational attainment	21%
Poor people lacking motivation or aspiration	20%
Long term illness or disability in family	16%
Social security benefits are not high enough to meet basic needs	14%
Due to inequalities in society	13%
Too many immigrants	6%

The survey then asked respondents about how important it was that action be taken to reduce child poverty in Northern Ireland. As can be seen in figure 5 below, only one percent thought that it was 'not very' important, with 97% believing it to be 'very' or 'quite' important.

<sup>12</sup> Respondents could indicate more than one 'key cause'

Figure 5: Importance that action be taken to reduce child poverty

Very important	83%
Quite important	14%
Not very important	1%
Not at all important	0
Don't know	2%

When asked who should be taking action, four in five (81%) stated that this was the responsibility of the NI Executive, and less than half this number believed it fell to the UK Government to tackle child poverty in Northern Ireland.

A significant number (44%) stated that people in poverty themselves had to act to lift their children out of poverty, and 15% indicated that friends and relatives of people in poverty had a duty to help. A smaller number believed that this was the responsibility of charities or churches (13%).

Figure 6: Responsibility to act to reduce child poverty<sup>13</sup>

The NI Executive	81%
People in poverty themselves	44%
UK government in London	38%
Friends / relatives of people in poverty	15%
Charities and churches	13%

We were keen to know what it was that people felt government should be doing to lift children out of poverty and so asked respondents whether they supported a range of actions.

The most popular actions were to:

- create more decently paid jobs (95%);
  - address poor educational outcomes for children in poverty (94%);
  - providing support services for families affected by bereavement, family breakdown, disability, illness or alcohol or substance abuse (93%);
  - providing training or information for parents on money management skills (93%);
- and

<sup>13</sup> Respondents could agree with more than one response.

- expanding affordable or free child care provision (91%).

Indeed nine in ten people supported all of these actions.

The least strongly supported actions were:

- spending more on social housing (79%);
- increasing tax credits or cash assistance for families on low incomes (75%); and
- encouraging more food banks (74%).

However, it is important to note, that while these were the least strongly supported actions, they were nonetheless supported by around 3 out of 4 people.

Figure 7: Levels of support for specific actions to reduce child poverty

Create more decently paid jobs	95%
Address poor educational outcomes for children in poverty	94%
Provide support services for families affected by bereavement, family breakdown, disability, illness or alcohol or substance abuse	93%
Provide training or information for parents on money management skills	93%
Expand affordable or free childcare provision	91%
Increase the minimum wage	89%
Tackle fuel poverty	88%
Take action on zero hours contracts	85%
Reduce the hidden costs of education – eg costs of school uniforms	85%
Don't take benefits away from families without considering the basic needs of children	84%
Spend more on social housing	79%
Increase tax credits or cash assistance for families on low incomes	75%
Encourage more food banks	74%

People surveyed were then asked whether they felt things had got more difficult for people on low incomes. Around two in three (63%) stated that it was harder now for a person to start out poor and get out of poverty through hard work, compared to ten years ago. Only 14% said that they felt it was easier now than ten years ago.

Finally, we wanted to explore people's personal experiences of poverty and their perceptions of their vulnerability to fall into poverty in the future.

When asked, more than half (56%) said that they knew people who were struggling to make ends meet and 17% said that they themselves were in this situation. Only one in three (32%) did not have current personal experience of poverty. Parents were significantly more likely to say that they knew someone struggling to make ends meet (65%) than non-parents (52%) and to say that they themselves were struggling (23%) compared to non-parents (14%). Two in three respondents (65%) said that they worried about becoming poor in the future and again, parents were more likely to agree with this (75%) than non-parents (59%).

## 5. Tackling Child Poverty: A Call to Action

It is clear from the survey that there is extremely strong support for action to tackle child poverty; 97% of the people surveyed agreed. It was also clear that the public believe that the main responsibility for this falls to the Northern Ireland Executive.

If/when an Executive is formed, the new Programme for Government will offer an opportunity to prioritise the eradication of child poverty. Moreover, the Children's Services Co-operation Act 2015, the draft Children and Young People's Strategy and the requirement for an Anti-Poverty Strategy following a legal challenge provides a new impetus for concerted, co-ordinated Executive action on child poverty. It is important that a concerted strategic approach is taken to eradicating child poverty and its life changing experience on our children.

Reflecting the recommendations from the UN Committee on the Rights of the Child and the results of NICCY's public opinion survey, we are calling on the NI Executive to prioritise the tackling of child poverty, including taking the following actions:

1. Meet the material needs of children, through increasing family incomes. This should include making sure that there are sufficient, decently paid jobs for parents and young school leavers;
2. Ensure that the social security system is a safety net as intended which prevents families falling into poverty. Resources must be allocated to mitigate against recent welfare reform changes including the two-child limit; and
3. Produce and implement a comprehensive Action Plan to tackle the devastating impacts of child poverty and the barriers to escaping it including introducing affordable childcare, tackling educational inequalities, promoting social inclusion and addressing homelessness.