

Britain's Poorest Children

Severe and persistent poverty and social exclusion

KEY FINDINGS

Britain's Poorest Children is the first study conducted in Britain on severe and persistent child poverty and social exclusion. Although there is a wealth of information about child poverty in Britain, very little is known about the extent of severe child poverty or about the children who are affected. This has important implications for the government's child poverty reduction policies; different policy measures may be required to lift children out of severe poverty. Commissioned by Save the Children and carried out by the Centre for Research in Social Policy, this new study investigates the **extent** of severe child poverty, its **persistence** and the **overlaps** between childhood poverty and social exclusion.

Box 1a

Measure of severe childhood poverty

Using the Poverty and Social Exclusion Survey of Britain (1999)

Child materially deprived AND Child's parents materially deprived AND Household income below 40% of median

Severely poor <i>Poor on all 3 measures</i>	8%
Non-severely poor <i>Poor on 1 or 2 measure</i>	37%
Not poor <i>Not poor on any measure</i>	55%

Box 1b

Measure of severe and persistent childhood income poverty (over various five-year periods)

Using the British Household Panel Survey (1991-1999)

Persistent and severe poverty <i>3 or more years in poverty, at least 1 year in severe poverty</i>	9%
Persistent poverty only <i>3 or more years in poverty, no years in severe poverty</i>	20%
Short-term and severe poverty <i>Less than 3 years in poverty, at least 1 year in severe poverty</i>	4%
Short-term poverty only <i>Less than 3 years in poverty, no years in severe poverty</i>	18%
No poverty <i>Not in poverty in any year</i>	50%

FINDINGS AND POLICY IMPLICATIONS: CHILD POVERTY

Extent

Relatively large proportions of British children experienced severe poverty (Boxes 1a and 1b).

Policies need to benefit children facing the most severe poverty and the elimination of severe child poverty should be incorporated in official targets and progress monitored.

Benefits

There was a clear association between receiving Income Support (IS), or Jobseeker's Allowance (JSA), and experiencing severe poverty. In 1999, 87% of children in severe poverty were in households receiving these benefits.

Benefits must be adequate to keep children out of poverty.

Work

Paid work provides the best protection from poverty. For example, in 1999 almost all non-poor children lived in households with at least one worker and approximately 70% had two or more workers. Over a five year period, around 20% of children in persistent poverty (with or without an experience of severe poverty) had lived in a household without workers in every year.

BUT work did not always protect from poverty, particularly in households where there was only one worker. For example, over a five year period, 81% of children in persistent and severe poverty had a worker in the household in at least one year.

Policy must recognise that work is not possible for all parents at all times and, therefore, that benefits must be adequate to protect children from poverty at times when work is not an option.

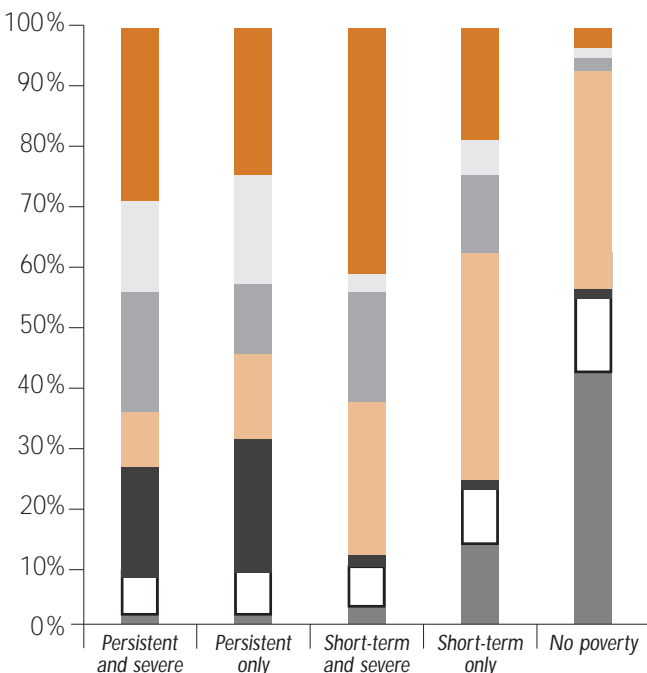
Work and benefit transitions

Transitions between having workers and no workers in the household, and between receiving and not receiving benefits were associated with children experiencing persistent and severe poverty. For example, over a five-year period, 57% of children in persistent and severe poverty and 42% of those in persistent poverty only had made at least one transition between receiving and not receiving IS or JSA, compared with only 21% of children who experienced no poverty. 65% of children in persistent and severe poverty had experienced at least one transition between having workers and no workers in the household, compared with 53% of children in persistent poverty only and 5% of children who experienced no poverty (Figure 1).

Protection needs to be increased for families during transition from benefits to work and from work to benefits. Policies must also support job retention.

Figure 1 Household work transitions experienced by children over 5 years

Source: British Household Panel Survey 1991-999. Authors' calculations.



Family transitions

Five years spent with a lone parent increased a child's chances of persistent poverty only. But experiencing change, from living in a couple family to a lone parent family for example, was particularly associated with persistent and severe childhood poverty. Over a five-year period, only 24% of children in persistent and severe poverty were in a lone parent family every year, compared to 42% of children in persistent poverty only.

Families need to be protected from poverty at times of change.

KEY FINDINGS AND POLICY IMPLICATIONS: CHILD SOCIAL EXCLUSION

The research explored three possible dimensions of social exclusion that might be expected to affect children's lives:

- children's own experiences of social exclusion;
- exclusion experiences that would affect the whole household;
- parents' experiences of exclusion.

Each of these dimensions included a number of measures which, in general, showed clear associations between poverty and social exclusion in childhood. A small number of examples are provided here.

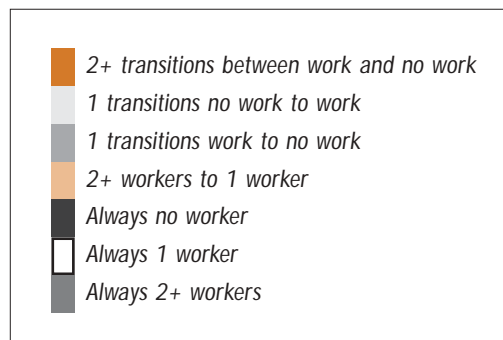
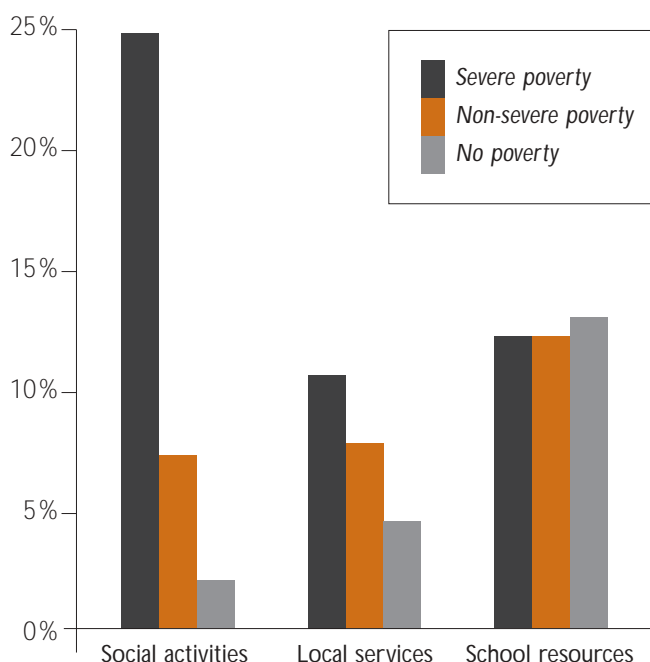


Figure 2 Exclusion from social activities, services and school resources

Source: Poverty and Social Exclusion Survey of Britain 1999. Authors' calculations.



Social activities, local services and school resources

Children in severe poverty were much more likely than other children to be excluded from social activities because their parents could not afford them. Children in severe poverty were also more likely to be excluded from local services because the service was not available or not suitable, or it could not be afforded. However, exclusion from leisure services (particularly those for which charges are made) was far more common than from free, publicly provided services – almost all children had access to education and health services. Similarly, a lack of school resources was not related to experiences of poverty (Figure 2).

Access to leisure and social activities is critical to a child's quality of life, and the disadvantages that poor children face, in particular those in severe poverty, need immediate attention.

Housing and local area

Problems with housing, such as shortage of space, damp walls or floors and lack of adequate heating, were much more likely to be experienced by children in poverty, severe or otherwise.

Improvements to housing quality should continue to be a high policy priority.

Problems with the local area, such as noisy neighbours and vandalism, were, however, much more likely to be experienced by severely poor children than children in non-severe poverty, who, in turn, were much more likely to experience problems than non-poor children.

Government is right to emphasise policies aimed at improving specific localities.

Money, savings and debt

Children in severe poverty were much more likely than other children, non-poor children in particular, to live in households: in which no adult had a bank or building society account; which, in the previous 12 months, had been seriously behind with utility and housing bills; and, which had borrowed money from sources other than a bank or building society.

Further policy attention is needed in terms of access to financial services and levels of debt among poorer households.

The **type** of debt that parents had varied: measured in one year, parents of persistently poor children were far more likely to have mail order and social fund debts than parents of non-poor children. However, whilst 13% of persistently poor children had parents with social fund debts, just 4% of children in persistent and severe poverty did so.

This relatively low take-up of Social Fund loans suggests the need for an urgent review of the Social Fund.

Over a five-year period, parents of children in persistent poverty were far more likely to have been unable to save in any year than parents of non-poor children. However, it is encouraging that even among children in persistent and severe poverty, 42% had parents who had saved in at least one of the five years.

There is a need for flexible savings plans that families can pay into in 'good' years and take payment holidays in 'bad' years without penalties.

IMPLICATIONS FOR MEASURING CHILD POVERTY

The analysis highlights a number of ways in which the measurement of child poverty can better meet policy makers requirements:

- **Deprivation-based measures of poverty** need to be included in longitudinal surveys in order to understand the circumstances under which income becomes inadequate to provide necessities and, in turn, when income becomes adequate to do so.
- **Child-based measures** of poverty (and social exclusion) are crucial for an understanding of children's circumstances.
- Childhood poverty and social exclusion are multi-dimensional and their manifestations need to be measured **in the same survey** in order to understand their inter-relationships.

The research was funded by Save the Children – UK and was undertaken by Laura Adelman, Sue Middleton and Karl Ashworth at the Centre for Research in Social Policy, Loughborough University.

How to order the report and get further information

This summary is also available on Save the Children's website: <http://www.savethechildren.org.uk/>

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The full report *Britain's Poorest Children: Severe & persistent poverty and social exclusion* by Laura Adelman, Sue Middleton and Karl Ashworth, is published by Save the Children (price £12.95 plus p&p). It will be important reading for governments across the UK, policy makers, professionals and academics working in this field.

The report can be downloaded from Save the Children's website and is also available from:

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