# Wirral JSNA: Child Poverty

# Summary

- The published data (up to August 2012) suggests that 15,620 children in Wirral are living in Poverty which is a reduction from 16,665 in 2011. This is 22.4% of all children in Wirral, a reduction from 23.8% in 2011
- For England, the 2012 average is 18.6%, a reduction from 20.1% in 2011
- There are very high concentrations of people living in poverty within Bidston, Birkenhead and Tranmere and Rock Ferry. These areas correlate strongly with other known deprivation markers.
- Alternate calculations highlight potential impact of in-work poverty happening to Wirral families with the addition of housing costs
- There are a range of local interventions that could improve the levels of child poverty and these are best considered across organisations and communities

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## What do we know? Overview

It is recognised that poverty is damaging to children, families and entire communities and that actions should be addressed through a clear strategy and targeted intervention. Tackling child and family poverty is critical to wider efforts with partners to deliver long-term objectives for prosperity and a better quality of life for all in Wirral.

In order to address child and family poverty it is important to understand the extent and nature of needs in Wirral and also establish what resources are available to tackle poverty issues.

# **Measuring Child Poverty**

There is extensive debate about the way in which child poverty is, or should be, measured. However, the use of household income to measure poverty, as in the Children in Low-Income Families Local Measure, is the most universally accepted method and provides us with statistics about levels of child poverty in England, Liverpool City Region and Wirral.

#### **Children in Low-Income Families Local Measure**

This shows the proportion of children living in families in receipt of out-of-work (meanstested) benefits or in receipt of tax credits where their reported income is less than 60 per cent of UK median income. This information is compiled annually on the basis of a snapshot of data taken on August 31<sup>st</sup> each year. The data is always provided with a lag of 2 years. The data is provided by Her Majesty's Revenue and Customs (HMRC) and can be found here: (now at <u>https://www.gov.uk/government/publications/personal-taxcredits-children-in-low-income-families-local-measure)</u>

On 30 September 2014, HMRC released the 2012 data for the "Children in Low-Income Families Local Measure". This is the formal title of the revised Child Poverty measure which was previously National Indicator 116. The proportion of children in poverty is calculated as:

Number of children in families in receipt of either out of work benefits, or tax credits where their reported income is less than 60% median income

#### Total number of children in the area

For consistency, the figures cited within this briefing are for 'All Children' in the borough. HMRC also provides figures for the number and percentage of children under 16.

# Use of Indices of Multiple Deprivation (IMD) and Income Deprivation Affecting Children Index (IDACI) 2010

An alternative to the HMRC data is the use of the Income Deprivation Affecting Children Index (IDACI) which is provided as part of the Indices of Multiple Deprivation. IDACI and Child Poverty data correlate significantly. However, there are some notable differences between the two:

- Whilst both measures are based on parental income and the receipt of welfare benefits and tax credits, the IDACI measure only observes a 0-16 age range compared to 0-19 for the relative Child Poverty measure.
- Furthermore IDACI is published every 3 years in line with the IMD whilst the Child Poverty measure is produced annually. (Awaiting latest IDACI figures to be updated nationally)
- A map outlining the relative values of the last published IDACI (2010) can be found here

### Households Below Average Income (HBAI)

The latest <u>Households Below Average Income (HBAI) report</u> presents information on living standards in the United Kingdom. It provides annual estimates on the number and percentage of people living in low-income households. Figures are also provided for children, pensioners, working-age adults and individuals living in a family where someone is disabled.

Most of the figures in the report come from the Family Resources Survey (FRS), a representative survey of around 20,000 households in the United Kingdom. Surveys gather information from a sample rather than from the whole population. The sample is designed carefully to allow for this, and to be as accurate as possible given practical limitations such as time and cost constraints. Unless otherwise stated, the changes in low-income measures over time that are discussed in the text are statistically significant. The latest report (to July 2014 for data for 2012/13) is available here

#### **Comparative Analysis**

| Area       | % of All<br>Children (2011) | % of All<br>Children (2012) | Number of<br>Children (2011) | Number of<br>Children (2012) |
|------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| Liverpool  | 32.5%                       | 31.0%                       | 30,405                       | 29,015                       |
| Knowsley   | 31.2%                       | 29.8%                       | 11,140                       | 10,590                       |
| Halton     | 25.9%                       | 24.7%                       | 7,570                        | 7,105                        |
| St Helens  | 24.6%                       | 23.7%                       | 9,420                        | 9,020                        |
| Wirral     | 23.8%                       | 22.4%                       | 16,665                       | 15,620                       |
| Sefton     | 20.2%                       | 19.2%                       | 11,350                       | 10,705                       |
| North West | 22.1%                       | 20.7%                       | 341,860                      | 320,545                      |
| England    | 20.1%                       | 18.6%                       | 2,319,450                    | 2,153,985                    |

**Table 1:** Percentage (%) of children in low-income families (Local Measure) comparison to Merseyside Local Authorities (August 2012) (HMRC data)

Source: HMRC, 2014

In table 1 above, it shows that Wirral has the second lowest rate of child poverty in the Liverpool City Region. However, in terms of numbers, Wirral has more children living in poverty than any of the neighbouring authorities with the exception of Liverpool.

Wirral's child poverty rate remains 1.7% higher than the North West average and now 3.8% higher than the England rate (was 3.7% in 2011).

Child Poverty is usually discussed in terms of the 'rate' or 'percent' of children living in poverty. However, it should continue to be highlighted that an estimated total of 15,620 children in the borough are living in Poverty.

#### Trends since 2006

There is now comparative data available from HMRC starting from 2006 that enables us to identify trends over a longer period as seen in figure 1 below.

**Figure 1:** Child Poverty Trends (%) percentage of children in low-income families, Merseyside Local Authority values as at August 31 2012 9HMRC data)



Source: HMRC, 2014

# **Targets**

The previous Child Poverty Act (2010) was the Government's approach to eradicating child poverty by 2020. The provisions of the act placed a duty on the Secretary of State to ensure less than 10% of children nationally are considered to live in relative poverty by 2020, as per the 'Children in Low-Income Families' measure.

There were no intermediate targets or milestones. However, the Liverpool City Region Child Poverty and Life Chances Strategy outlined two strategic aims to addressing and alleviating Poverty in the sub region:

- Aim 1 Ensure the best possible start in life for children and young people to improve their life chances
- Aim 2 Maximise Family Income

The new <u>Child Poverty Strategy (2014 – 2017)</u> sets out the next ambitious targets through the Government commitment to the goal of ending child poverty in the UK by 2020. This Strategy meets our requirements under section 9 of the Child Poverty Act 2010.

This Strategy sets out the action we will take from 2014-17 to tackle child poverty through:

- Supporting families into work and increasing their earnings;
- Improving living standards; and
- Preventing poor children becoming poor adults through raising their educational attainment.

The 2014 – 2017 strategy can be viewed here

## Outcomes

#### Wirral

Wirral Council completed an initial Child Poverty Needs Analysis in 2011 and has contributed to a refreshed version compiled for the Liverpool City Region. Wirral participates in various working groups with colleagues from across the City Region to deliver the aims and objectives of the Child Poverty and Life Chances Strategy.

#### **Parliamentary Constituency**

There are significant variations in child poverty when considered by Wirral parliamentary constituency. In figure 2 below

**Figure 2:** Child Poverty as comparison of Wirral Parliamentary Constituencies, Wirral, North West & England for 2011 and 2012 (August, 2012)



Source: HMRC, 2014 and HMRC 2013

#### Alternate Parliamentary based figures

The <u>Campaign to End Child Poverty</u> has released (October 2014) a Child Poverty Map of the UK, it suggests that 1 in 4 households across the country now live on a weekly income of less than £204 per week after housing costs.

The figures, compiled by Loughborough University, are based on official benefit and HMRC tax credit data. The difference to official HMRC figures is that this approach attempts to take account of adjustments to reflect unemployment rates and the risks of child poverty for families both in and out of work. Child poverty levels for Wirral and other areas using their approach can be viewed here: <u>http://www.endchildpoverty.org.uk/why-end-child-poverty/poverty-in-your-area</u>.

Using this methodology (viewed <u>here</u>) highlights potential discrepancies to using just the Children in Low-Income Families Local Measure. The differences highlight an increased number of living in poverty with parent(s) in work.

In figure 3 and figure 4 below provides the alternate calculation for children living in poverty locally.





**Source:** End Child Poverty Data (2014) **Notes:** methodology can be viewed <u>here</u>

The figures when calculated with housing costs applied rise significantly. This is repeated when looking at ward based data in figure 4 below.

**Figure 4:** End Child Poverty estimates: Comparison of Wirral Wards for 2012 data (with and without housing costs applied)



**Source:** End Child Poverty Data (2014) **Notes:** methodology can be viewed <u>here</u>

## Ward Analysis using HMRC data

When considering the borough and region-wide averages, the Child Poverty rate differs marginally from the national rate. However when the data is examined at Ward-level and below, relative concentrations of poverty and deprivation become more apparent.

As figure 3 below shows there remains seven Wirral Wards with Child Poverty levels above the borough's average despite this average now being 22.4% in 2012, a reduction from 23.8% in 2011.

However there are significant higher concentrations of poverty within these seven Wards (*Bidston and St James, Birkenhead and Tranmere, Seacombe, Rock Ferry, Leasowe and Moreton East, Liscard and Upton*). These concentrations follow established patterns of deprivation, with higher levels of Poverty experienced in the Birkenhead and Wallasey MP Constituencies and less in the more affluent areas of Wirral South and Wirral West.

**Figure 5:** Percentage of Children in Low-Income Families Local Measure, Wirral Ward values (North West and England average) change 2011 and 2012 HMRC data



Source: <u>HMRC, 2014</u> and <u>HMRC 2013</u>

#### Lower Super Output Area Analysis

HMRC Child Poverty data is also provided for Wirral's 207 Lower Super Output Areas (LSOAs) [Click here for an explanation of Lower Super Output Areas]. Overall 74 of 207 LSOAs (35.7% of the total) have Child Poverty levels that are above the Wirral average of 22.4% of children in poverty.

Another illustration of how Child Poverty is concentrated into pockets of deprivation in Wirral is to consider where the highest levels of child poverty are apparent.

This are currently 14 LSOAs in which there are more than 50% of children are living in child poverty. This is a reduction as 3 LSOAs in 2011were above 60% and 17 above 50% with children in that area living in poverty.

Table 2 below provides a list of 20 of 207 Wirral LSOAs ranked highest for children living in poverty using 2012 figures

Table 2: Wirral Lower Super Output Areas (LSOAs) with comparison of 2011 and 2012 for Local and England rank and percentage change (as at 31<sup>st</sup> August 2014) using HMRC data

| LSOA New Name           | Wirral Ward              | 2011 Child<br>Poverty % | Local<br>2011<br>Rank | 2012 Child<br>Poverty % | Local<br>2012<br>Rank | Percentage<br>change 2011<br>to 2012 | England<br>2012<br>Rank |
|-------------------------|--------------------------|-------------------------|-----------------------|-------------------------|-----------------------|--------------------------------------|-------------------------|
| Birkenhead West         | Bidston and St James     | 61.2%                   | 3                     | 60.7%                   | 1                     | -0.8%                                | 20                      |
| Bidston St James East   | Bidston and St James     | 63.8%                   | 1                     | 59.0%                   | 2                     | -7.5%                                | 39                      |
| Birkenhead East Float   | Bidston and St James     | 57.6%                   | 9                     | 58.0%                   | 3                     | 0.7%                                 | 55                      |
| Egremont Central        | Liscard                  | 55.2%                   | 11                    | 57.8%                   | 4                     | 4.7%                                 | 61                      |
| Birkenhead West Float   | Bidston and St James     | 58.1%                   | 7                     | 56.9%                   | 5                     | -2.1%                                | 79                      |
| Leasowe Central         | Leasowe and Moreton East | 54.6%                   | 12                    | 55.6%                   | 6                     | 1.8%                                 | 103                     |
| Bidston St James West   | Bidston and St James     | 56.1%                   | 10                    | 54.5%                   | 7                     | -2.9%                                | 128                     |
| Lower Tranmere          | Rock Ferry               | 61.9%                   | 2                     | 53.0%                   | 8                     | -14.4%                               | 176                     |
| Bidston Moss            | Bidston and St James     | 58.7%                   | 6                     | 51.8%                   | 9                     | -11.8%                               | 228                     |
| Beechwood North         | Bidston and St James     | 57.8%                   | 8                     | 51.6%                   | 10                    | -10.7%                               | 238                     |
| Seacombe Ferry          | Seacombe                 | 59.9%                   | 4                     | 50.8%                   | 11                    | -15.2%                               | 282                     |
| Hamilton Square         | Birkenhead and Tranmere  | 49.7%                   | 18                    | 50.7%                   | 12                    | 2.0%                                 | 287                     |
| Tranmere Woodward       | Rock Ferry               | 59.0%                   | 5                     | 50.3%                   | 13                    | -14.7%                               | 322                     |
| Higher Tranmere         | Birkenhead and Tranmere  | 54.1%                   | 13                    | 50.2%                   | 14                    | -7.2%                                | 326                     |
| West Tranmere           | Birkenhead and Tranmere  | 51.3%                   | 16                    | 49.7%                   | 15                    | -3.1%                                | 361                     |
| Tranmere Esplanade      | Rock Ferry               | 49.0%                   | 19                    | 49.4%                   | 16                    | 0.8%                                 | 397                     |
| Woodchurch East         | Upton                    | 48.4%                   | 20                    | 48.8%                   | 17                    | 0.8%                                 | 453                     |
| Seacombe St Pauls       | Seacombe                 | 53.4%                   | 14                    | 47.8%                   | 18                    | -10.5%                               | 533                     |
| Birkenhead Central      | Birkenhead and Tranmere  | 46.6%                   | 23                    | 46.8%                   | 19                    | 0.4%                                 | 668                     |
| Birkenhead Park Station | Bidston and St James     | 52.4%                   | 15                    | 46.7%                   | 20                    | -10.9%                               | 680                     |

Source: <u>HMRC, 2014</u> and <u>HMRC 2013</u> Notes: Full list can be viewed <u>here</u>

Deprivation is often described in terms of 'quintiles' of deprivation when compared across England. In table 3 below highlights the number of LSOAs falling within each 20% range: similar to but not the same as IMD\*\*

| Table 3: Quintile analysis of Child Poverty by Wirral lower super output areas (LSOAs) |  |
|--|--|
| as at August 2012.   |  |

| Measurement in terms of the % of All Children living<br>Child Poverty |   | Expected number | Number of<br>Wirral LSOAs |
|---|---|-----------------|---------------------------|
| 0 - 20%   | [Most Children living Child Poverty in<br>England]] | 41 - 42*        | 57                        |
| 21 - 40%  |   | 41 - 42*        | 33                        |
| 41 – 60%  |   | 41 - 42*        | 34                        |
| 61 – 80%  |   | 41 - 42*        | 45                        |
| 81 – 100%   | [Least Children living Child Poverty in<br>England] | 41 - 42*        | 37                        |

Source: HMRC, 2014

\* rounding to a total of 207 LSOAs

\*\* Index of Multiple Deprivation (IMD) 2010: Wirral Summary (October 2012)

Table 4 below provides the relative number of LSOAs in the 20% most deprived. There are 23, or 11%, of Wirral LSOAs that fall within the 3% nationally of all children living in child poverty across England. Overall Wirral has 57 LSOAs within the 20% highest incidence of child poverty in England. This is higher in comparison to the expected 41/42 areas. Most startling is the number in the 3% LSOAs with highest incidence of child poverty. It would be expected that just 6 Wirral LSOAs should fall into this bracket however we have 23 small areas.

**Table 4:** Quintile analysis of highest incidence of Child Poverty by Wirral lower super output areas (LSOAs) as at August 2012.

| Measurement in terms of the % of All<br>Children living Child Poverty |  | Expected<br>No. of Wirral<br>LSOAs | Number of<br>Wirral LSOAs | Cumulative<br>[% in brackets] |
|---|--|------------------------------------|---------------------------|-------------------------------|
| 3%  | [Highest incidence of child<br>poverty in England] | 6*                                 | 23 [11%]***               | 23 [11%]                      |
| 5%  |  | 10*                                | 7 [3%]                    | 30 [14%]                      |
| 10%   |  | 21*                                | 13 [7%]                   | 43 [20%]                      |
| 20%   | [20% children living in<br>poverty in England]     | 41 – 42*                           | 14 [7%]                   | 57 [28%]                      |

Source: HMRC, 2014

\* rounding to a total of 207 LSOA: \*\*\* [% in brackets]

The three LSOAs with the highest level of Child Poverty can all be found in the Bidston & St James ward. These highest rates for children living in poverty are 60.7%, 59.0% and 58.0% respectively or 3 in every 5 children living in poverty. England is split into 32,482 LSOAs and these three areas in the Bidston St. James ward are ranked nationally in 2012 at 20th, 39th and 55<sup>th</sup> respectively. In 2011 the three Wirral LSOAs ranked highest in England were at 12th, 31st and 38th. This would suggest both in terms of overall percentage for Wirral, by wards and LSOAs, that child poverty is reducing as is our ranking compared to other parts of England. A full breakdown of the Wirral LSOAs, their England child poverty ranking for 2012 and comparisons between 2011 and 2012 results is available here and specifically for <u>2011 here</u>.

Map 1 below highlights the concentrations of Child Poverty and relative affluence in Wirral. The ranges correspond to each LSOA's 2012 position in the England ranking.





Source: <u>HMRC, 2014</u> Notes: <u>Click here for an explanation of Lower Super Output Areas</u>

Wirral JSNA Child Poverty (JH) (RM) (v4)

December 2014

# What is this telling us?

## **Overview**

In isolation, the data suggests that Child Poverty levels within the borough and nationally is falling. However, Poverty is complex. The use of household income to measure poverty is the most universally accepted method, however it is still only provides insight into one factor.

Whilst introducing a 2012 consultation on 'Measuring Child Poverty', Secretary of State for Work and Pensions stated that:

......"The most recent child poverty statistics [September 2010] revealed that 300,000 children were moved out of relative income poverty. However, this was largely due to a fall in the median income nationally which pushed the poverty line down. In fact, absolute poverty remained unchanged and the children who were moved out of poverty were no better off, nor saw any meaningful improvement in their lives".....

## Local views

To inform the development and implementation of Wirral's strategy and action plan, the local authority has established a local independent advisory group, the Wirral Child and Family Poverty Working Group. The Group has been tasked with providing narrative for this section on the range of positive developments that work towards decreasing the contributors of Child Poverty.

Liverpool City Region and Wirral will focus on four indicators:

- Life chances of children and young people
- In work poverty, including campaign for a living wage
- Lifestyle choices and the impact on income and life chances
- Prevention & early intervention approaches to reduce health inequalities

#### **Community Hubs**

In June 2013 Cabinet approved the Working Group's child poverty pilot project. The proposal was based on the evidence and research of the 2010 Marmot Review and the Wirral's Child and Family Poverty Working Group. The proposal invited those schools, where the majority (i.e. 51% or above) of pupils on roll live in an area where child poverty and deprivation levels are in the highest 20% of areas nationally, to express an interest in working with the Council to pilot a primary 'school community hub'. The Hub will act as a central place for people to work together and access resources available in the school and in the community and will offer a focused approach to children, young people and families to have their needs met as early as possible.

In January 2014, Holy Spirit Primary School, Leasowe and Fender Primary School, Woodchurch (herein referred to as the Community Hub) each received investment from the Council to develop and implement a 'School' Community Hub and develop innovative approaches to tackling child poverty. The objectives of the Hubs dovetail with the Council's Corporate Priorities; Local Decisions; Local Solutions; Driving Growth and Promoting Independence. Translating these priorities into tangible objectives for the Hubs, are as follows:

- Increase family and children's wellbeing;
- Increase capacity in the community to tackle poverty;
- Create greater awareness of support available to parents in the local area;
- Increase desire of parents to move into work, and with a clear understanding of how to pursue this goal;
- Increase engagement of parents with existing employment and enterprise;
- Improve aspirations of children due to rising parental aspirations.

Early findings evidence the impact and added value of working in this way to improve outcomes for children, families and their communities. Examples include programmes of activity to engage children educationally during school holidays, support for parents to get into work and further training, and how to engage the whole community in a positive way. The main impact has been enabling schools to reach families who have been harder to engage in an environment where they are comfortable. The Hubs provide the facility to build relationships across the estate and for staff to reach out in ways which would not otherwise have happened.

#### Life Expectancy Wirral (LEW)

This initiative has been developed by the Diocese of Chester and has been working in some of the most deprived areas of Wirral since 2009. The aim of LEW is to 'enable Christian communities to respond to the issues surrounding the unacceptable differentiation in life expectancy on the Wirral'. One aspect of LEW is pairing churches in wealthy areas with churches in deprived areas to work together to support local communities.

LEW also developed a 'Green Space Champions' project which was piloted in the Laird street area of Birkenhead. The aim was to increase the mental and physical wellbeing of those living in poverty by encouraging and enabling access to green space. 71 people including 30 children took part in activities in green spaces where families and friends spent time together having fun and learning new skills. One outcome of the pilot is that the work is being continued by staff based at Birkenhead Park.

Birkenhead Foundation Years (information requested and to follow in a later update)

Schools (information requested and to follow in a later update)

## National and local strategies

Wirral contributes to the development and delivery of the Liverpool City Region: www.liverpoollep.org/docs/Child-Poverty-and-Life-Chances-Strategy.pdf

There is also a national strategy

https://www.gov.uk/government/publications/a-new-approach-to-child-povertytackling-the-causes-of-disadvantage-and-transforming-families-lives Liverpool City Region Child Poverty and Life Chances Commission (LCR) LCR response to Child Poverty Strategy 2014-2017 Consultation can be accessed here

#### Wirral's Child and Family Poverty Group

Wirral's Child and Family Poverty Group take a leading role in developing local approaches and thinking to improve outcomes for children and families. The groups 2014/2015 Workplan can be accessed <u>here</u>

#### Contact

#### For further details please contact

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#### At what cost? Exposing the impact of poverty on school life

This report explains what school life is like for children living in poverty and sets out urgent changes that the Children's Commission on Poverty recommends so that no child is isolated, stigmatised or excluded from opportunities at school. <u>http://www.chimat.org.uk/resource/view.aspx?RID=218119&src=KU</u>