Save the Children

Suggested Amendments to the Local Government Bill

November 2013
Save the Children would recommend the following amendments:

Amendment 1
Clause 69
An amendment should specify the voluntary and community sector and the Children and Young People's Strategic Partnership as partners in community planning.

Amendment 2
Clause 74
An amendment to specify an outcomes-based approach to monitoring.

Amendment 3
Clause 76
An amendment should specify the engagement and involvement of low income children, their parents and carers in community planning.

Rationale
Each Executive Minister has a statutory obligation to meet the targets set by the Child Poverty Act 2010, reiterated in the Programme for Government 2011-15. The Act uses four measures: relative, absolute, persistent poverty and combined low income and material deprivation. The targets are to reduce relative child poverty to less than 10% by 2020, to reduce absolute and combined child poverty to less than 5%, with a target for persistent low income to be prescribed by regulation made before 2015.

The Executive has the duty to produce a Northern Ireland child poverty strategy every three years with the next one due in March 2014. It is also obliged to provide an annual report that shows how each minister's decisions contribute to ending child poverty, improving outcomes for children and fulfilling their rights.

In addition to UK and NI legislative and policy commitments to eradicate child poverty, the NI Executive is bound by the UN Convention on the Rights of the Child (UNCRC) and the International Covenant on Economic, Social and Cultural Rights (ICESCR). Under the UNCRC, Ministers have an obligation to ensure that the best interests of the child is a primary consideration in all decision-making that will affect their lives. Moreover children and young people have the right to have their opinions taken into account and the UNCRC encourages the involvement of children and young people in decisions that affect them.

The Executive also has an obligation to contribute at EU level to the annual National Reform Programme (NRP) process. In 2013 the EC launched the Social Investment Package (SIP) to provide a new social policy element to Europe 2020, which is the overarching European strategy. The SIP includes the EC Recommendation on Investing in Children which adopts a child rights approach and implementation through 3 pillars - access to adequate livelihoods, access to services and children's rights/participation. It is to be implemented through the NRPs and monitored by the EC.

Monitoring

The importance of collecting accurate data is highlighted in the recent Ofmdfm document 'Best Practice in Addressing Child Poverty'.[1] The research cites innovative approaches to tackling poverty led by local authorities. One of the key recommendations about all interventions is the importance of detailed and specific data, including geographic provision, the number of children involved and any associated impacts in order to provide timely information about resource allocation and allow identification of unmet need.

With the on-going work of the Children and Young People's Strategic Partnership and development of the Delivering Social Change framework, including the child poverty outcomes model and the signature programmes such as family support hubs, it would make sense to ensure alignment with community planning.

The reality of child poverty

The latest government figures show that in 2011/12 there were almost 95 thousand children (22%) in relative poverty and 109 thousand children (25%) in absolute poverty before housing costs. The latter represents a 4 percentage point increase from the previous year.

A lot of attention is given to the importance of access to the labour market as the chief way to tackle poverty, but it must be stressed from the outset that more than half of all children in poverty live in families where an adult is working. Child poverty is becoming a problem of working families and a problem of low wages and insecure work.

The official figures bear this out - average (median) income levels in Northern Ireland have decreased in real terms for 3 consecutive years. In 2011/12 the average (median) income was £372 per week before housing costs and £336 after housing costs, both of which are the lowest level in real terms since the introduction of the Family Resources Survey to Northern Ireland, in 2002/03.[2]

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[1] http://www.ofmdfmni.gov.uk/best_practice_in_addressing_child_poverty_september_2013.pdf

[2] http://www.dsdni.gov.uk/ni_hbai_bulletin_2011-12__release_document_.pdf

In Northern Ireland, 21% of children live in persistent child poverty, which is more than double the GB rate and is due largely to the legacy of the conflict.[3] More than 12%, or approximately 50,000 children, live in severe poverty.[4]

But there is wide disparity in child poverty rates. According to the most recent HBAI figures, the Local Government District (LGD) with the highest proportion of children in low income households both Before and After Housing costs was Derry, 34% and 41% respectively. Castlereagh had the lowest proportion of children living in low income households both Before and After Housing Costs, 6% and 9% respectively.

When the figures are analysed at ward level they reveal that 43% of children in west Belfast are living in poverty, the second highest level in the UK.[5]
HMRC also provides further detail by recreating the relative child poverty measure as set out in the Child Poverty Act 2010 at Super Output Area as at 31 August each year.

The statistics provide detailed geographical estimates of the number of children in families where the reported family income is less than 60 per cent of median income. These families would either be in receipt of out-of-work (means-tested) benefits, or in receipt of tax credits. The child poverty figures for the 890 Super Output Areas (SOAs) across Northern Ireland range from the lowest at 0.7% in Bluefield 2 (part of Carrickfergus LGD) to the highest levels of child poverty in 4 SOAs in Belfast - **71.5% in Whiterock** 2; 66.7% in Falls2; 64% in Falls1; 63.7% in Ardoyne 3; and 62% Shankill 2. [6]

Predicted levels of child poverty by 2020
Rather than meeting the 2020 statutory targets, the Institute for Fiscal Studies (IFS) predicts that child poverty will increase by around a million children by 2020 across the UK, with the sharpest increase in income poverty among children in Northern Ireland.[7]

According to the IFS, relative child poverty is forecast to increase by 8.3 percentage points to 29.7% and absolute child poverty is predicted to increase to 32.9% in Northern Ireland by 2020. The 2020 statutory targets to end child poverty will be missed by a huge distance unless there is progressive intervention.

But even this dire forecast will need to be revised in light of new findings about the disproportionate impact of welfare cuts on Northern Ireland.

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[3] Monteith, M., Lloyd, K., McKee, P. (2008) 'Persistent Child Poverty in Northern Ireland', Save the Children, ARK and ESCR
[4] Save the Children (2012) 'Delivering Change for Children'
[5] *The child poverty map of the UK 2013*. Compilation and presentation of local data by Matt Padley and Donald Hirsch of the Centre for Research in Social Policy (CRSP), Loughborough University, for the Campaign to End Child Poverty
[6] http://www.hmrc.gov.uk/statistics/child-poverty-stats.htm#2
[7] Institute for Fiscal Studies, Child and Working-Age Poverty in Northern Ireland from 2010-2020 http://www.ofmdfmni.gov.uk/child-working-age-poverty-ni-2010-2020.pdf

In research commissioned by NICVA, it is estimated welfare changes will take £750m a year out of the Northern Ireland economy, equivalent to £650 a year for every adult of working age.[8] This compares to an average of £470 a year across GB. It also found that Belfast, with an expected loss of £840 per adult of working age, is hit harder than any major city in Britain. Derry and Strabane are also hit very hard.

Ofmdfm expects that an IFS update will see a further increase in child poverty levels as a result of the cumulative impact on family incomes of the welfare cuts, the recession, rising costs and other austerity measures. The scale of the challenge is huge and demands active interventions at all levels of government in partnership with low income families and communities including business and the voluntary sector.

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[8] The Impact of Welfare Reform on Northern Ireland, Sheffield Hallam University, September 2013