

To be inserted into the JSNA product for Children (2017). Recommendations section has been removed and progress highlighted. Data and Policy context updated. September 2021

## Low Income Families and Child Poverty

Although the greatest factor for childhood poverty is growing up in a workless family or a family with low income, there may also be further contributing factors including the local economy, low parental attainment, and other family level challenges. Children who grow up in poverty are often at risk of social exclusion and there are clear links between poverty and lower educational attainment, poorer health outcomes, and intergenerational disadvantage.

Children living in areas of high deprivation:

- Experience a higher risk of infant mortality
- Are at higher risk of acute illnesses requiring hospital admission
- May be more likely to experience emotional and behavioural problems
- Are less likely to maintain a healthy weight
- Are more likely to experience problems with oral health
- Are less likely to achieve higher levels of educational attainment

In addition, young people growing up in areas of high deprivation:

- Are more likely to conceive and become teenage parents
- Are more likely to enter the youth justice system
- Are more likely to smoke
- Are at higher risk of becoming NEET (not in employment, education, or training)
- May experience poorer qualifications and lower earnings in adulthood

There are some factors known to influence child poverty, which include family size and structure, ethnicity, the age and educational qualifications of parents, low earnings and lack of employment. Lone parent families are particularly vulnerable to poverty and teenage mothers are three times as likely to suffer poverty compared with older mothers. Disabled adults of working age are twice as likely as non-disabled adults to live in poor households and more than half of families with disabled children live on low incomes. In all parts of the country, people from ethnic minorities are, on average, more likely to live in low-income households than white British people.

The approach to child poverty in Thurrock is in line with the UK Government's 'Levelling Up' agenda for reducing inequalities, mitigating the impact of disadvantage to offer equality of opportunity and giving all children the best start in life. Local strategies that address the wide impacts of child poverty include:

- The Brighter Futures Strategy
- Health and Wellbeing Strategy
- Backing Thurrock Strategy for economic recovery, resilience and return to growth

## **Defining and measuring Child Poverty**

Previously, child poverty was defined by the national child poverty indicator (NI 116) as the percentage of children who live in families in receipt of out-of-work benefits *or* in working families with income less than 60% of the median national income (taking account of differences in household size and composition).

However, in 2016, the Welfare Reform and Work Act abolished the Child Poverty Act, including this indicator and targets to reduce child poverty to less than 10% by 2020. The Children's Poverty Unit was also abolished and replaced with the Social Mobility Commission.

The UK government abolished its target for assessing child poverty as a measure of material disadvantage that is based on family income and replaced it with a range of measures to track the life chances of disadvantaged children.

The DfE published its [Social Mobility Action Plan in December 2017- Unlocking Talent, Fulfilling Potential – a plan for improving social mobility through education](#). The plan has 4 ambitions, these are called the levelling up opportunities.

1. Close the word gap in the early years
2. Close the attainment gap in school while continuing to raise standards
3. High Quality Post 16 education choices for all young people
4. Everyone achieving their potential in rewarding careers

#### What do we know?

Nationally previous targets to reduce child poverty, set by the Child Poverty Act, were not met and have now been abolished. These have not been replaced in kind and there is not currently a child poverty strategy for England; instead this issue has been absorbed into the wider Levelling Up agenda.

In July 2021, the Social Mobility Commission produced a report titled [State of the Nation: social mobility and the pandemic](#). This report found that as of March 2020, 500,000 more children were living in poverty in England than in 2012. Child poverty has an important influence on social mobility, as children living in poverty can often have worse health, worse education outcomes and start school developmentally behind their more advantaged peers.

Since the child poverty indicator was abolished, there has been no single agreed measure to replace it, however, absolute low-income families\* is a common proxy for children living in poverty. The number of children living in low income families has increased slightly nationwide however, in the East of England region and Thurrock it has reduced from 2014/15 levels. While Thurrock has had higher levels of child poverty than the EoE region since 2014, the level of children living in poverty has remained significantly better than the England average.

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\* Absolute low income is defined as a family in low income Before Housing Costs (BHC) in the reference year in comparison with incomes in 2010/11. Absolute low income takes the 60 per cent of median income threshold from 2010/11 and then fixes this in real terms (i.e. the line moves with inflation). This is designed to assess how low incomes are faring with reference to inflation. It measures the number and proportion of individuals who have incomes below this threshold.

**Table 1: Children living in absolute low income families, 2014-2020**

	Thurrock		East of England	England
	Number	Percentage	Percentage	Percentage
<b>2014/15</b>	5,568	15.4%	13.1%	15.3%
<b>2015/16</b>	5,516	14.9%	12.9%	15.2%
<b>2016/17</b>	5,123	13.5%	11.8%	14.8%
<b>2017/18</b>	5,170	13.3%	11.7%	15.0%
<b>2018/19</b>	5,317	13.3%	11.9%	15.2%
<b>2019/20</b>	5,341	13.1%	11.8%	15.6%

Source: HMRC

While the proportion of children experiencing *absolute* low income has been reducing, families earning a *relative* low income has been increasing in Thurrock (14.8 in 2014/15 vs. 16.9% in 2019/20).<sup>†</sup> Relative low income relates to families earning less than 60% of the UK average income (this changes every year); the rising number of families with relatively low incomes indicates a widening inequalities gap where lower incomes are rising at a slower rate than higher incomes. Therefore, while the reduction of children in *absolute* low income families in Thurrock is positive, this does mask growing income inequality between the lowest and highest earners.

The number of children living in low income households is strongly related to employment levels. The below data shows a 76.3% employment rate in Thurrock with 57% of children living in working households. This is slightly lower than the regional and national averages.

**Table 2: Employment Profile, 2019/2020**

	Thurrock	East of England	England
Children in Workless Households (2019)	10.4%	7%	9.3%
Children in Working Households (2019)	57%	64%	59.7%
Overall employment rate (Dec 2020)	76.3%	77.2%	75.4%
Average weekly earnings of employees (2020)	£631.70	£604.80	£587.10

Source: ONS

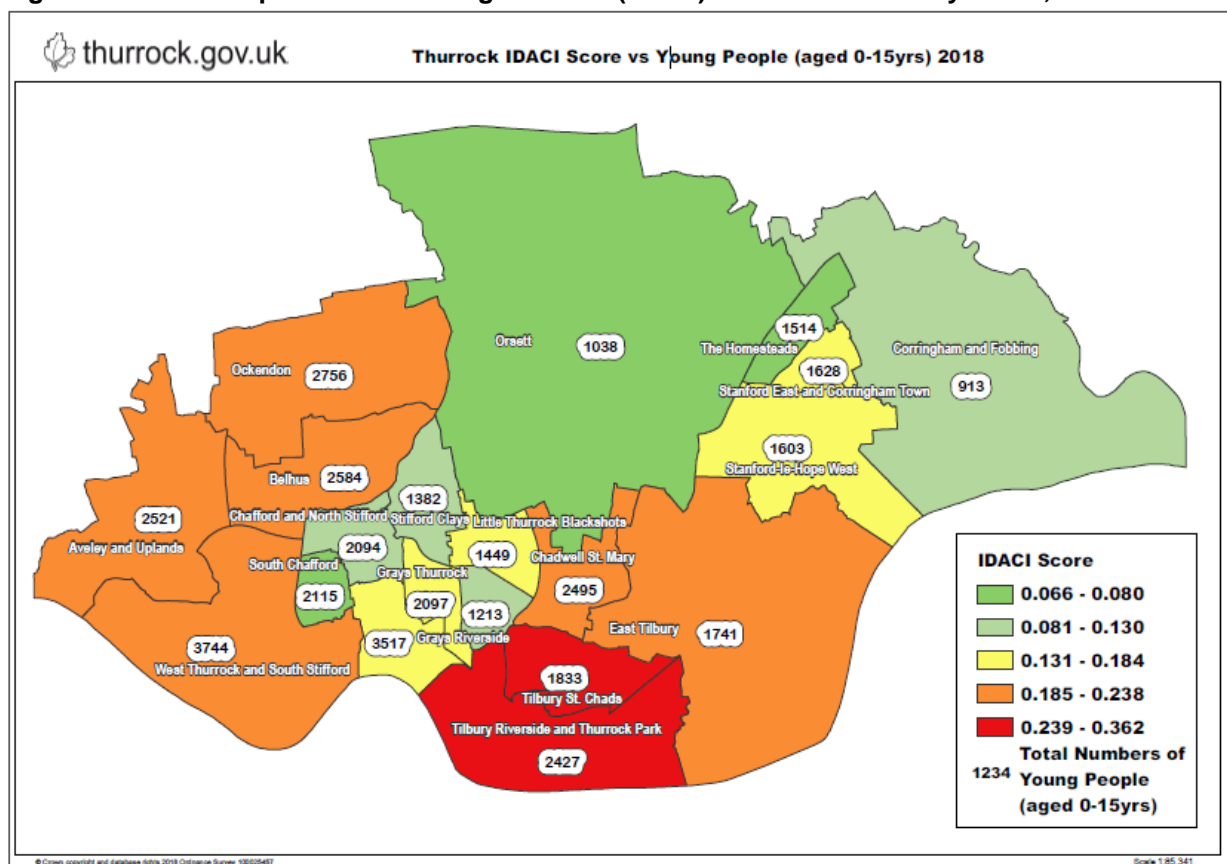
Deprivation levels in Thurrock vary widely between wards, and this is also the case for children living in income deprived households. The below map shows levels of child income deprivation in Thurrock, with the red and orange colours indicating the most deprived areas of Tilbury Riverside, Tilbury St Chads, Ockenedon, Belhus, Aveley and Uplands, and East Thurrock

<sup>†</sup> [PHE Fingertips – Child and maternal health profile.](#)

and South Stifford. This map uses the Income Deprivation Affecting Children Index (**IDACI**) measuring the proportion of all children aged 0 to 15 living in income deprived families. It measures the proportion of the under 16 population in an area experiencing a variety of deprivation indicators related to low income. The number in each ward is the total number of children aged 0-15 in that ward, this gives us a perspective as to the number of children living in low income families. For example, between 23.9%-36.2% of the 736 children in Tilbury Riverside & Thurrock Park are living in income-deprived families.

Child poverty exists everywhere in Thurrock but is most concentrated in the most deprived parts of the borough, with wide variation from 6.6% to 36.2% of children living in deprivation depending on where they live. The data also show that those wards with a higher IDACI rating tend to have higher numbers of children living there.

**Figure 1: Income Deprivation Affecting Children (IDACI) across Thurrock by LSOA, 2018**



Source: Department for Communities and Local Government, Indices of Deprivation 2018

In Thurrock, the areas that have the highest levels of child poverty in most cases have:

- the lowest educational attainment,
- more people in poor health, or with disabilities, that prevent them from working,
- higher proportions of workless families,
- more families who lack bank accounts or home insurance,
- fewer car owners and
- higher proportions of adults who have poor basic skills or who lack qualifications.

In terms of improved outcomes for children living in poverty in Thurrock, there has been an improvement within early years with a reduction in the inequality that exists, notably in the '*good level of development*' indicator for Reception pupils receiving free school meals (FSM), (used as a measure of deprivation) improving at a faster rate than those who do not receive FSM. In 2012/13, the gap between these two groups achieving a '*good level of development*' at the end of Reception was 11.3%, that gap reduced to 6.7% in 2018/19.

However, it should be noted that the most recent available data presented here indicating the current state of children living in poverty is primarily prior to 2020. Therefore the impact of the COVID – 19 pandemic is not yet visible through this data and it is very likely that the pandemic will have negatively impacted particularly the poorest children and deepened disadvantage.

#### *The COVID 19 Pandemic – deepened disadvantage*

The COVID-19 pandemic led to the closure of education settings in spring and summer 2020. This led to large losses in schooling time, and disruption to the delivery of some in-kind benefits. Alternatives to free school meals had to be provided to those eligible over the last 18 months in the form of vouchers and holiday activity programmes. Local Authority School transportation was also challenged and required careful planning in line with government guidance. Private, voluntary, and independent providers of early years' education and childcare also faced large financial challenges due to a reduction in private income.‡

A Rapid Evidence Report on the Health, Societal and Community impacts of COVID-19 was completed within Thurrock Public Health, which identified the areas most affected by the pandemic measures. As a result of lockdowns and self-isolation, many families have had to facilitate home learning. Poorer families have found this more difficult to successfully implement than more affluent families. Research conducted by the Sutton Trust reports that at the start of April 2020, 34% of pupils had taken part in live or recorded online lessons, and that pupils from middle class homes were much more likely to have taken part (30% doing so at least once a day compared to 16% of working class pupils). At private schools, 51% of primary and 57% of secondary students accessed online lessons every day, more than twice as likely as their counterparts in state schools. 50% of teachers in private schools reported they were receiving more than three quarters of work back, compared with 27% in the most advantaged state schools, and just 8% in the least advantaged state schools.§ Children in low-income families are also less likely to have internet access at home, which presents a challenge for completing online lessons. Even with the necessary technologies, lower quality home environments (temperature, overcrowding, food poverty, domestic conflict, instability etc.) can have a detrimental effect on home school performance so it is extremely likely that school closures due to the COVID-19 pandemic have exacerbated the attainment gap between deprived and non-deprived pupils.

Considering the impact the Covid-19 pandemic measures have had on the economic wellbeing of children and young people in Thurrock is a priority to ensure the levelling up agenda is able to meaningfully address deepened disadvantage, this is particularly true for some of our more disadvantage children for example those with special educational needs.

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‡ Covid grants were distributed to cover most of their income during this period

§ Children's Commissioner, *Tackling the disadvantage gap during the Covid-19 crisis*. April 2020

The [Thurrock Council Child Poverty Plan 2015-2020](#) set the following strategic priorities:

- to develop neighbourhood-focused approaches
- to create pathways into employment
- to maximise income and raise living standards
- to support parents to upgrade their skills
- to continue to narrow the gap in achievement between children on low incomes and children from more affluent families.
- to support the health of children affected by poverty and reduce inequalities in health outcomes
- to provide suitable housing and prevent homelessness
- to remove transport barriers
- family well-being
- to work together to share information and maximise impact

Since the introduction of a child poverty strategy locally there has been:

- A reduction in the number of children living in workless households from 19% in 2010 to 10.4% in 2019.
- A reduction in the number of young people who are not in education, employment or training to 1.6% with a broader offer of training and employment opportunities linked to sector based skills linked to local regeneration.
- The development of joint working with Job Centre Plus as a part of Brighter Futures Early Help.
- An increased supply of early education and childcare places, particularly for two year olds from low income families, with 72% accessing funded early education.
- A narrowing of the gap in attainment between those children living in areas of deprivation and others.
- The introduction of multi-agency planning of services and co-location to improve access for families to support.
- The introduction of a service targeted at preventing homelessness in young people

The 4 core ambitions from the Social Mobility Action Plan (mentioned above) have been adopted by the School Effectiveness Team and shared with schools. The below lays out how Thurrock is performing and actions being taken in line with these ambitions.

#### *Closing the word gap in the early years.*

In Thurrock, 97% of all Early Years providers have received ratings of 'good' or better by Ofsted. In addition, the Early Years Team have had a specific focus on speech and language CPD for all settings. The last time data were collected for Early Years there was a 4% gap between disadvantaged and non-disadvantaged children in Thurrock compared to a 19% gap in England.\*\*

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\*\* Provided by Thurrock School Effectiveness Team

### *Closing the attainment gap in school while continuing to raise standards*

Standards in Thurrock have continued to rise at KS1, 2 & 4 and the attainment gap between disadvantaged and non-disadvantaged pupils is reducing quicker than the national gap (in Thurrock, there is an 18 percentage point difference while nationally, the difference is 21 percentage points).<sup>††</sup>

### *High Quality Post 16 education choices for all young people*

In 2018, the SEC merged with Palmers College and this has resulted in better post 16 attainment and choices. Of the students at USP College (the new name of the institution following the merger) who took A-levels this year, 99% passed at least one.<sup>‡‡</sup>

### *Everyone achieving their potential in rewarding careers*

The Inspire Youth Hub provide skills and education support for young people in Thurrock and are passionate about levelling up and social mobility. Thurrock has very low levels of NEET (1.6% compared to 2.7% for England)<sup>§§</sup> and our SEND NEET (16-25) figure is even more positive at 13% compared to 43% nationally.<sup>\*\*\*</sup>

Thurrock's Children's Centres also play an integral role in supporting parents and children within low income families, and offer a range of supportive services to do this. Five of the 28 outcomes in the Children's Centres Outcomes Framework specifically relate to improving parent aspirations and focus on supporting parents to improve their basic literacy and numeracy skills, to ensure they have sufficient skills to access work, to help parents in managing their financial situation, helping parents enrol onto further training, and giving volunteers more confidence in progressing onto training or work.

Recent development of the Brighter Futures Strategy 2021-2016 will guide Thurrock Council's approach to supporting wellbeing and creating opportunity for young people in the borough. Following this strategic approach, the Brighter Futures Children's Partnership will continue working on the levelling up agenda to reduce the impact of disadvantage on Children and Young people.

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<sup>††</sup> Provided by Thurrock School Effectiveness Team

<sup>‡‡</sup> Provided by Thurrock School Effectiveness Team

<sup>§§</sup> Local Authority Interactive Tool (LAIT)

<sup>\*\*\*</sup> Data provided by Inspire Youth Hub