



Policy Brief

At greatest risk of child poverty

Introduction

The latest national child poverty figures show that over a fifth of children in the UK are poor using the government's preferred measure ('before housing costs' see Box 1). Using the definition preferred by Inclusion and CPAG ('after housing costs'), this figure is close to a third.

However, the reported numbers don't show the true extent of the problem as certain 'at risk' groups are hidden in the statistics and some are at risk of experiencing multiple disadvantages: including lone parent families, children or parents with disabilities, black and minority ethnic families, and larger families.

Moreover, other groups, such as care-leavers and children living in Gypsy and Traveller families or asylum seeking families, are simply invisible in the poverty statistics. Particular groups facing a high risk of being poor may be over-represented in some local authorities, the conditions of these groups are important in localising work to reduce child poverty.

Box 1: Measuring poverty – income before or after housing costs?

Official analysis on poverty usually defines children as poor if they live in households with incomes below 60% of the typical ('median') national income. Within this it presents two types of measures: before housing costs and after housing costs.

For the first, before housing costs measure, captures income without adjusting for housing costs (and includes any housing benefit received as income). The after housing cost measure is the same but deducts mortgage or rent payments.

The government target is now principally measured by income before housing costs so it can compare to other countries in Europe (on which only before housing cost data is available). CPAG and *Inclusion* believe it is important to continue to include housing costs in calculations because these affect both living standards and gains to work. Nevertheless most statistics quoted are before housing costs as this is the basis of the national target

For more detail see [Measuring the national child poverty target policy brief](#)

Children at greatest risk of poverty

- **Lone parents** - children of lone parents are at greater risk of living in poverty than children in couple families. Before housing costs over a third, 35%, (50% after housing costs) of children living in lone parent families are poor, compared with less than a fifth, 18%, of children in couple families.
- **Large families** - children in large families are at far greater risk of poverty than children from small families: two fifths, 40%, of children in families with four or more children are poor, compared with under a fifth, 19%, of children in one-child families.
- **Children with disabilities** - disabled children are more likely their non-disabled peers to live in poverty as a result of lower incomes (because parents need to look after disabled children and so cannot work) and the impact of disability-related additional costs (an impact which is not captured by official figures).
- **Children with disabled parents** - children with disabled parents face a significantly higher risk of living in poverty living in poverty than those of non-disabled parents. The main reason for this is that disabled parents are much less likely to be in paid work, and also suffer the impact of additional disability-related costs which sap family budgets.
- **Children growing up in social housing** - children living in households living in social housing (either local authority or housing associations) face a high risk of being poor. 49% of children in local authority accommodation are poor before housing costs (rising to 58% after housing costs). Poor children in social housing are also a large proportion of all poor children. Though the numbers in private rented accommodation are smaller, these children also face a high risk of poverty.
- **Black and minority ethnic children** - children living in households headed by someone from an ethnic minority are more likely to be living in a poor household. This is particularly the case for those households headed by someone of Pakistani or Bangladeshi origin, where well over half the children are living in poverty.
- **Asylum seekers** - there is no robust quantitative data on asylum seekers. However this parents in this group are prohibited from working and are only entitled to safety net support at a lower level than the usual income support/jobseekers allowance safety (which itself is paid below the poverty line).
- **Traveller and gypsy children** - there is a severe lack of robust quantitative data on Gypsy and Traveller families, including poverty. However, both practice knowledge and other studies show that some have few financial resources.
- **Children leaving care** - young people leaving care are likely to face multiple disadvantages including poverty. Those entering care are also much more likely to have experienced poverty. This is a consequence of their pre-care, in-care, leaving care and after-care 'life course' experiences.

Percentage of children in poverty in 2005/06

	Before housing costs	After housing costs
Children with lone parents	35	50
Children living with couples	18	23

Children of Pakistani/ Bangladeshi ethnicity	58	66
Children in households with all adults in work	8	12
Children without a parent in work	60	78
Children in large families (4 or more children)	40	47
Children in families with no disabled parent but one or more disabled child	20	26
Children in families with one or more disabled adult, but no disabled child	33	42
Children in families with both a disabled adult and child	24	36
Children in families with a youngest child aged under five	24	33
Children living in local authority housing	49	58
All children	22	30

Figures are from Department for Work and Pensions Households Below Average Incomes series figures for 2005/06

National government objectives

As part of government's strategy to meet the child poverty targets, the Government is focusing delivery on at-risk groups:

- **Lone parents** – national government has focused on increasing the employment rate of lone parents (national Public Service Agreement 8) and has used the New Deal, other employment programmes and the tax credits to yield significant increases in the lone parent employment rate and falls in the poverty rate.
- **Large families** – government has sought over time to increase the relative level of financial support for children in large families by raising the per child element of the Child Tax Credit in real terms (which will disproportionately help large families).
- **Black and minority ethnic families** - by focusing on reducing worklessness and on removing barriers to childcare, and seeking to continue to provide a sufficient supply of suitable and sustainable accommodation for Gypsy and Traveller communities.
- **Families with a disabled member** - by improving employment opportunities, breaking down barriers to childcare and ensuring parents are aware of and have access to the financial support available to the help with the extra costs of disability.

Progress

There has been significant progress in reducing overall child poverty since 1999, this has resulted in real falls in poverty rates for many at risk groups, but the risks remains significant.

- **Lone parents** - there has been a reduction in the risk of poverty for children in lone-parent families both before and after housing costs.

- **Black and minority ethnic families** - there was very little change in the percentage risk of poverty among ethnic groups. However, there were falls among Pakistani and Bangladeshi groups.
- **Large families** - child poverty in large families has been falling.
- **Children leaving care** - since the introduction of the Children (Leaving Care) Act 2000 there is evidence of progress in three areas: young people leaving care later; improved qualifications; and improved participation in further education.

Those identified as at greatest risk of poverty are also often those who suffer the most severe poverty - policy has been criticised for helping those who are easiest to help. Though there have been improvements for most groups, the differences remain stark.

Importance for local authorities

These groups of children at greatest risk of poverty will be in your local area and many will be engaging with services provided by the local authority. Localising the child poverty target to eradicate child poverty must mean improving the living conditions of these children.

Many of the indicators within the local government performance framework will affect those children at greatest risk of poverty:

- The central indicator to reduce the proportion of children in poverty (NI 116) is vital for improving the life chances of children facing the greatest risks of poverty.
- Poverty undermines chances at school so action to tackle poverty supports education measures including NI 117 (16-18 year olds not in education, training or employment) and the range of indicators under 'Enjoy and Achieve' for children and young people (school achievement levels and inequalities).
- The 'Staying Safe' objectives apply particularly to children in care as does indicator NI 148 (Care leavers in employment).
- Since the children at greatest risk of poverty also often experience discrimination (particularly for different ethnic groups), indicator NI 140, fair treatment by local services is important.

Policy makers should also ensure that provision helps all poor children, not just those close to the poverty line. Planning and service design need to engage with families to identify how they would like to receive services, and monitoring and evaluation should explore which groups benefit (and don't) from services.