

ISLE OF WIGHT

**CHILD POVERTY
NEEDS ASSESSMENT**

EXECUTIVE SUMMARY

2011



*“Poverty is the single greatest threat to the well-being of children and families. **Growing up in poverty can affect every area of a child's development** - social, educational and personal. As adults they are more likely to suffer ill-health, be unemployed or homeless, and become involved in offending, drug and alcohol abuse, and abusive relationships.*

Living in a poor family can reduce children's expectations of their own lives and lead to a cycle where poverty is repeated from generation to generation. In tackling poverty it is crucial to break the cycle. Education is a key element of this, as are initiatives which involve people in developing their skills and finding their own solutions to the problems in their community.”

www.barnardos.org.uk

UN Convention on the Rights of the Child: Article 27 ‘Every child has a right to a standard of living adequate for the child’s physical, mental, spiritual, moral and social development’ (<http://www.unicef.org/crc/>).



“He won’t tell me if he’s struggling and things because he doesn’t want me to worry. He didn’t want me to have to go out and pay for another pair of shoes. Isn’t that sad, he’s only seven and a half and he’s worrying.”

(Parent from Pan)



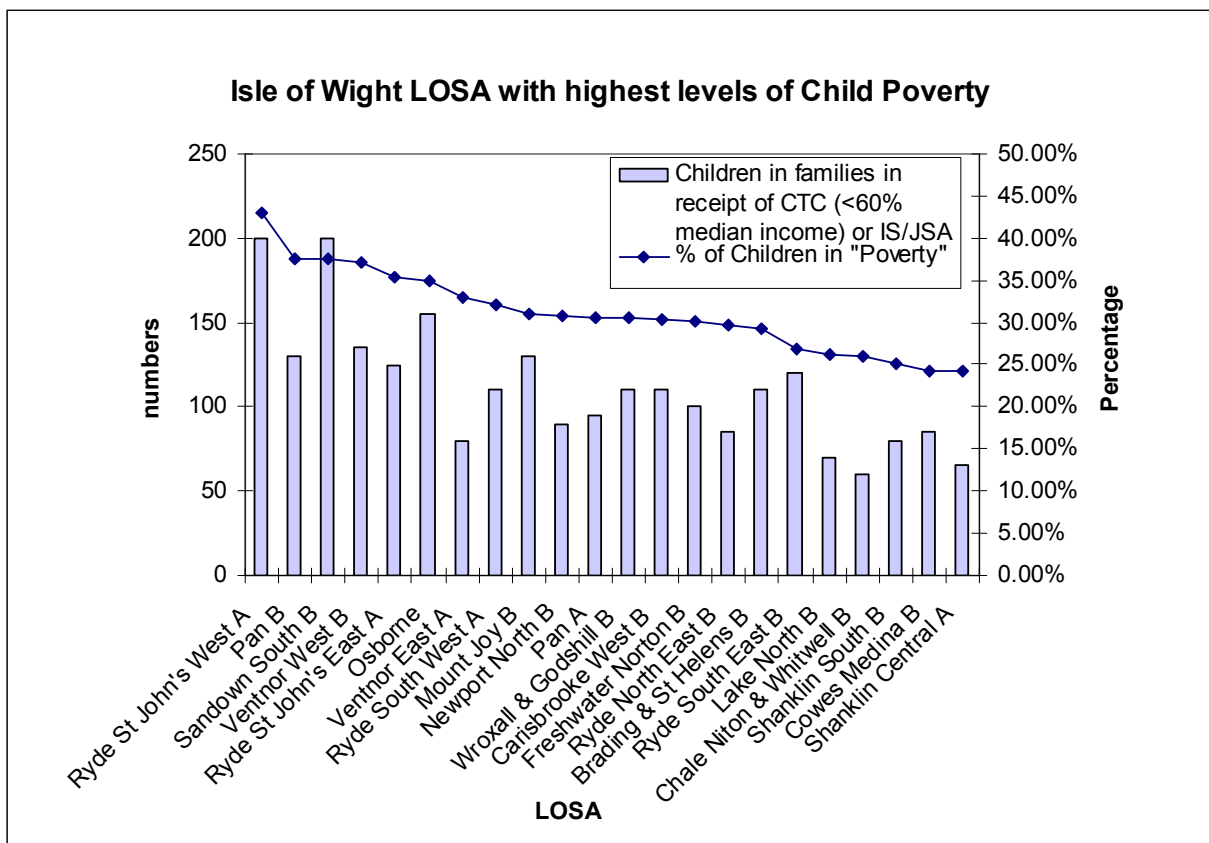
Island Families, our children, their voices...
From Qa Focus Group Research - Isle of Wight Feb. 2011

EXECUTIVE SUMMARY - Child Poverty ¹

The national measure for child poverty is National Indicator 116 (NI 116), the most recent data for this is from 2008. This data indicated that 1 in 5 children on the Isle of Wight live in poverty in line with the national average. The map opposite provides a picture of the national situation.

In 2008, 5,380 children lived in poverty on the Island, 4,690 under the age of 16. The total number of children equates to 20.2%, just below the national average of 21%. Tower Hamlets has the highest level at 57%. Over half, 68% of children living in poverty on the Isle of Wight come from lone parent households

The following 10 neighbourhoods had the highest levels of poverty in 2008; Ryde St John's West A, Pan B, Sandown South B, Ventnor West B, Ryde St John's East A, Osborne, Ventnor East A, Ryde South West A, Mount Joy B and Newport North B (see graph below for neighbourhoods in worst quartile)



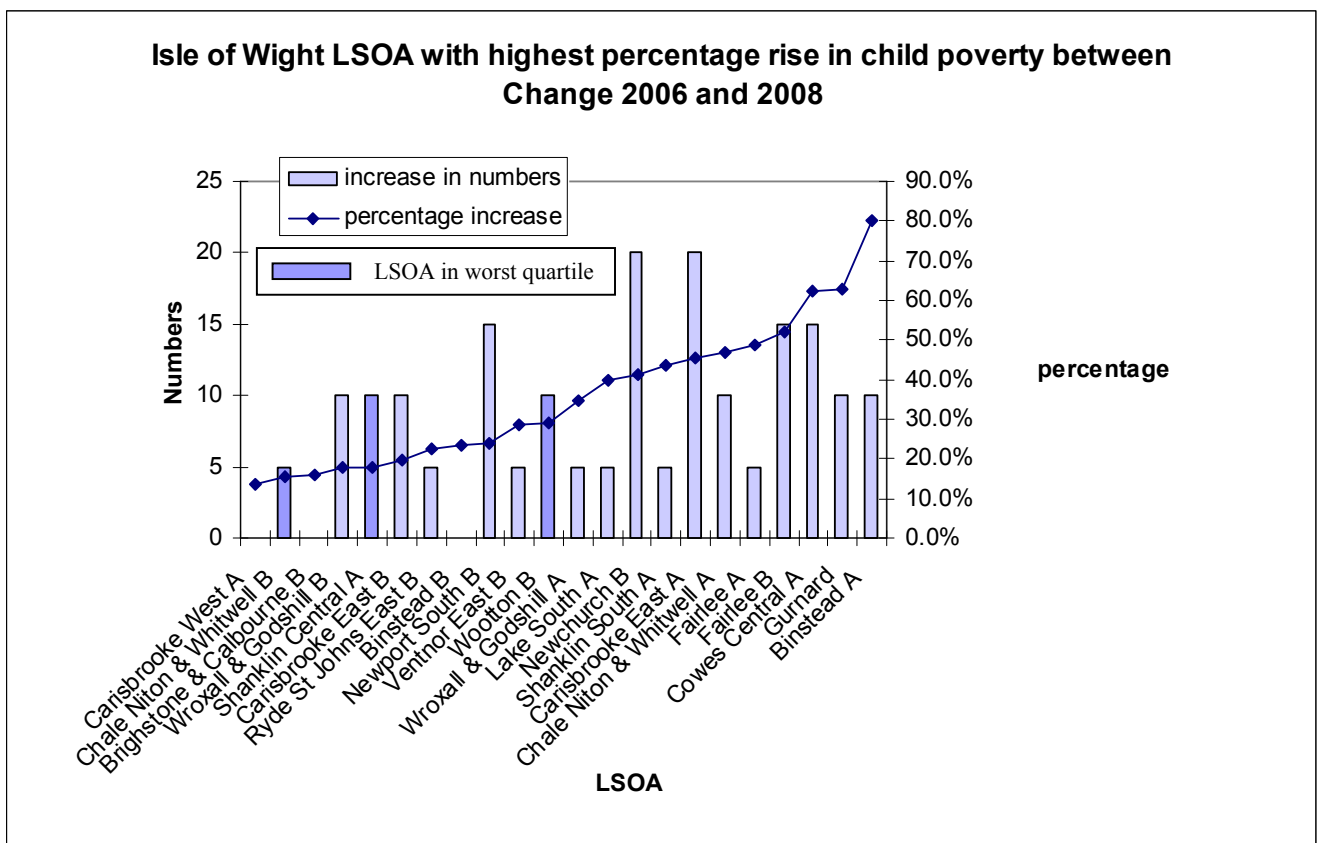
It is estimated that approximately half of children living in poverty come from working households and it is this group nationally that has been increasing

Child poverty on the Isle of Wight has reduced by 6.0 percentage points between 2006 and 2008; equating to approximately 335 children. By comparison over the same period

the South East figure has increased by 5,455 children and the national figure has also increased by 43,590.

The neighbourhoods which have the highest levels of child poverty are the traditionally most deprived areas on the Island. However, between 2006 and 2008 of those neighbourhoods which experienced the largest increase in poverty, bucking the overall Island trend, the majority were not those most deprived areas. This would suggest that whilst poverty is most concentrated in the deprived neighbourhoods, the growth of poverty is spreading into other, more affluent areas.

Binstead A saw the largest percentage rise of as much as an 80% increase (from 6.6% to 11.9%) a near doubling. Gurnard and Cowes Central A also saw large increases of 62.7% (10 children) and 62.2% (15 children). Although numbers remain small in these areas, it is a clear indication that the traditionally more affluent areas are showing signs of increasing poverty. Newchurch B and Carisbrooke East A saw the largest increase in pure numbers (20). Ryde South East B also saw a rise in numbers of 20 children but does not feature in the highest percentage increase as traditionally exhibits higher levels of child poverty. The top 10 neighbourhoods which experienced the greatest percentage rise in poverty were: Binstead A, Gurnard, Cowes Central A, Fairlee B, Fairlee A, Chale Niton and Whitwell A, Carisbrooke East A, Shanklin South A, Newchurch B, Lake South A. (See graph below)

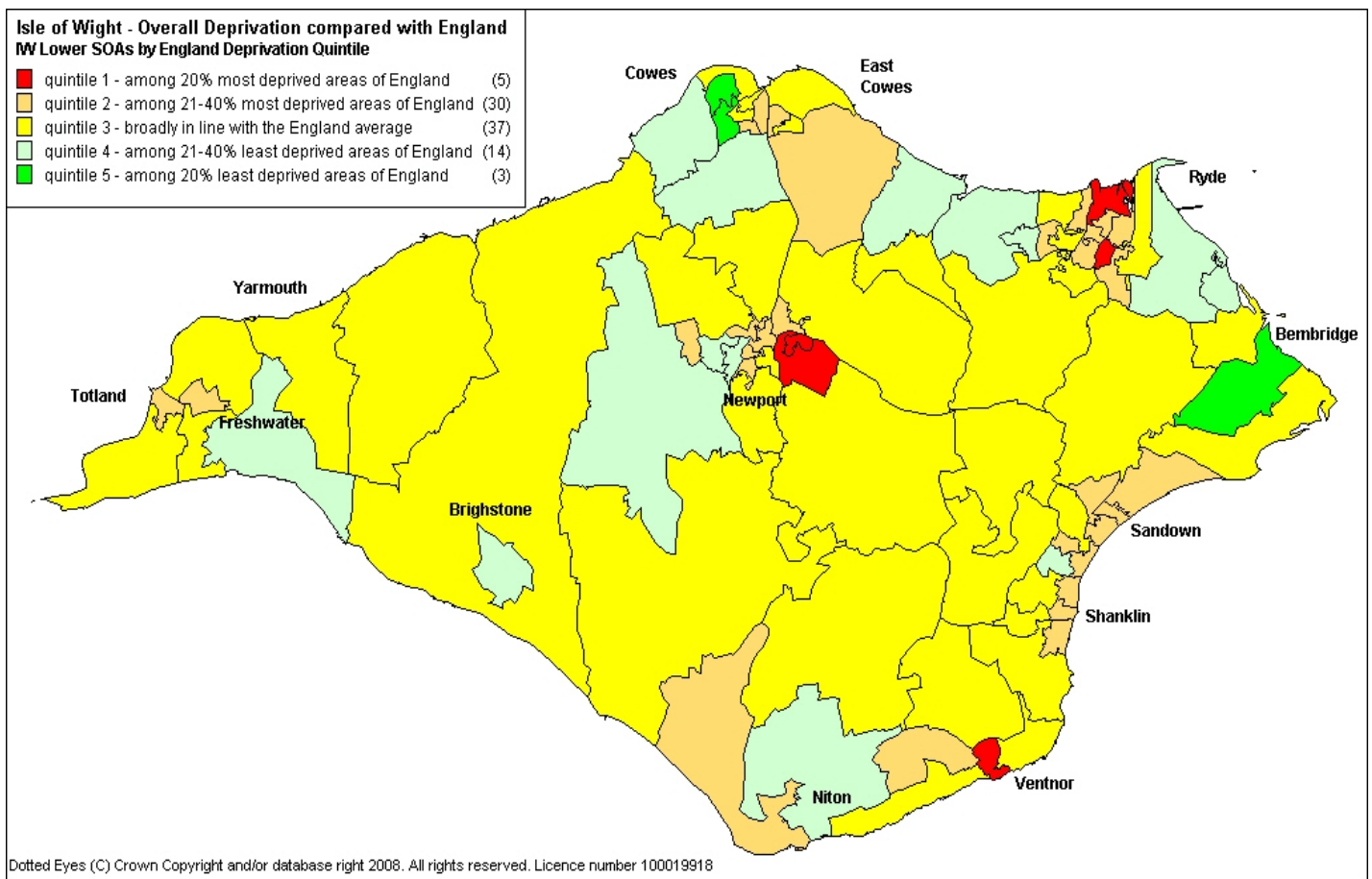


The Joseph Rowntree Foundation report 'Monitoring Poverty and Social Exclusion 2010' highlights the fact that *'despite the recession, the number of children in poverty in workless families fell in 2008/2009, to 1.6m, the lowest level since 1984, but those in working families rose slightly to 2.1m, the highest on record.'*(p.16)

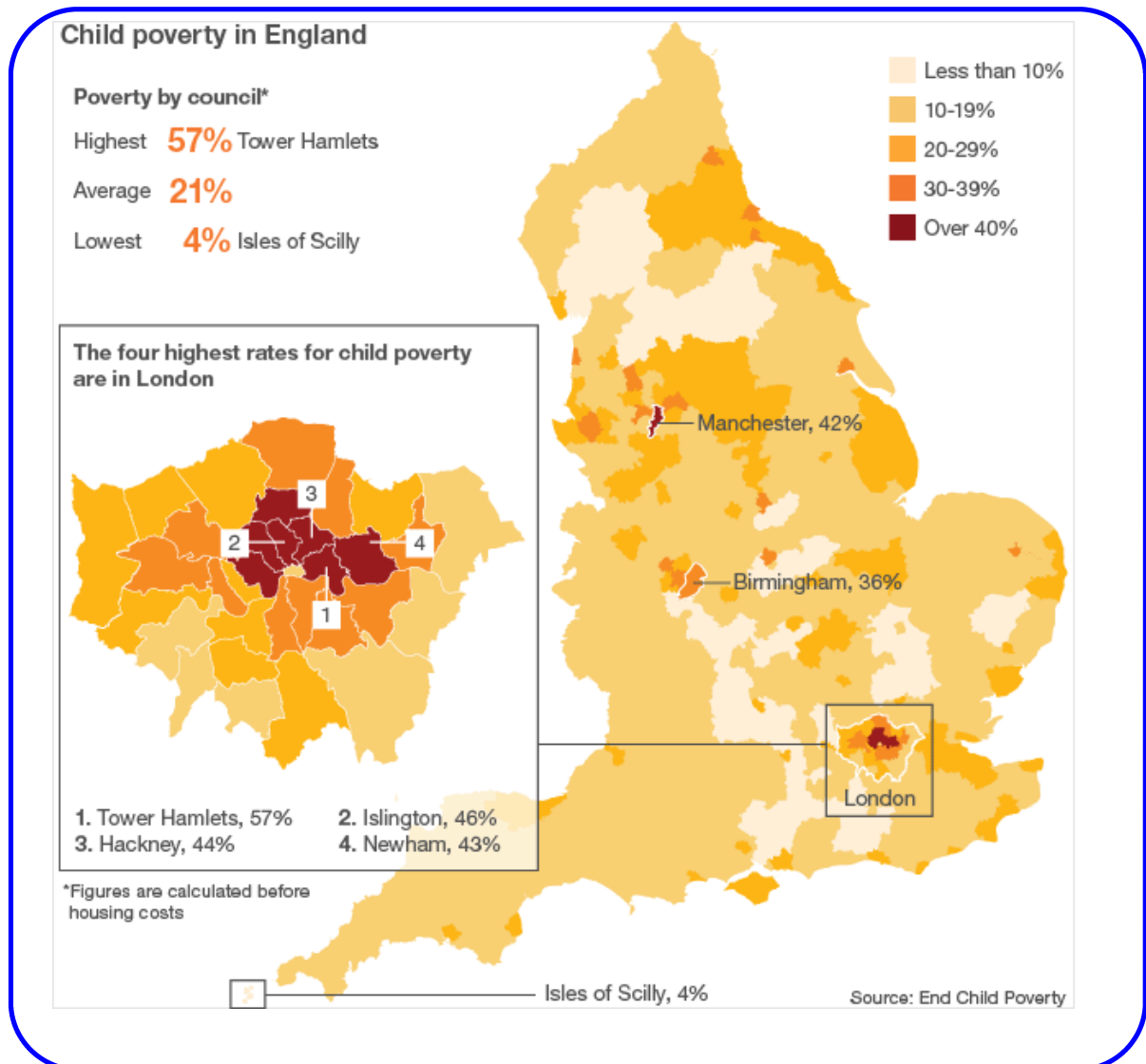
Since 2008 other data indicators would suggest that the number of children living in poverty is likely to have risen. For example there has been an increase of 500+ dependent children within the total benefit claimants between Aug 2008 and Aug 2011.

Other factors including welfare changes and recently announced redundancies, especially within the public sector (the main employing industry locally) will impact on this.

2010 – Index of Multiple Deprivation – National Ranking



EXECUTIVE SUMMARY - factors that directly influence families' resources and incomes today ²



Child Poverty on the Isle of Wight:

- 1 in 5 children on Isle of Wight live in poverty
- 68% of these children live in lone parent households
- Overall decrease in poverty between 2006-2008, however some growth in the more affluent areas of the Island indicate that the spread of poverty is widening
- Other indicators since 2008 would suggest that child poverty has and is increasing

Employment and earnings coupled with the cost of living make up the central elements which directly influence a family's financial circumstance and determine whether or not they are living in poverty.

The industrial and occupational make-up of the Isle of Wight's economy creates the structural framework which has one of the greatest, if not the greatest, impact and influence on poverty locally.

The industrial structure directly influences the occupational classifications on the Isle of Wight. These show that a greater proportion of people are employed in lower skilled and lower paid jobs compared to more prosperous parts of the country and the national average.

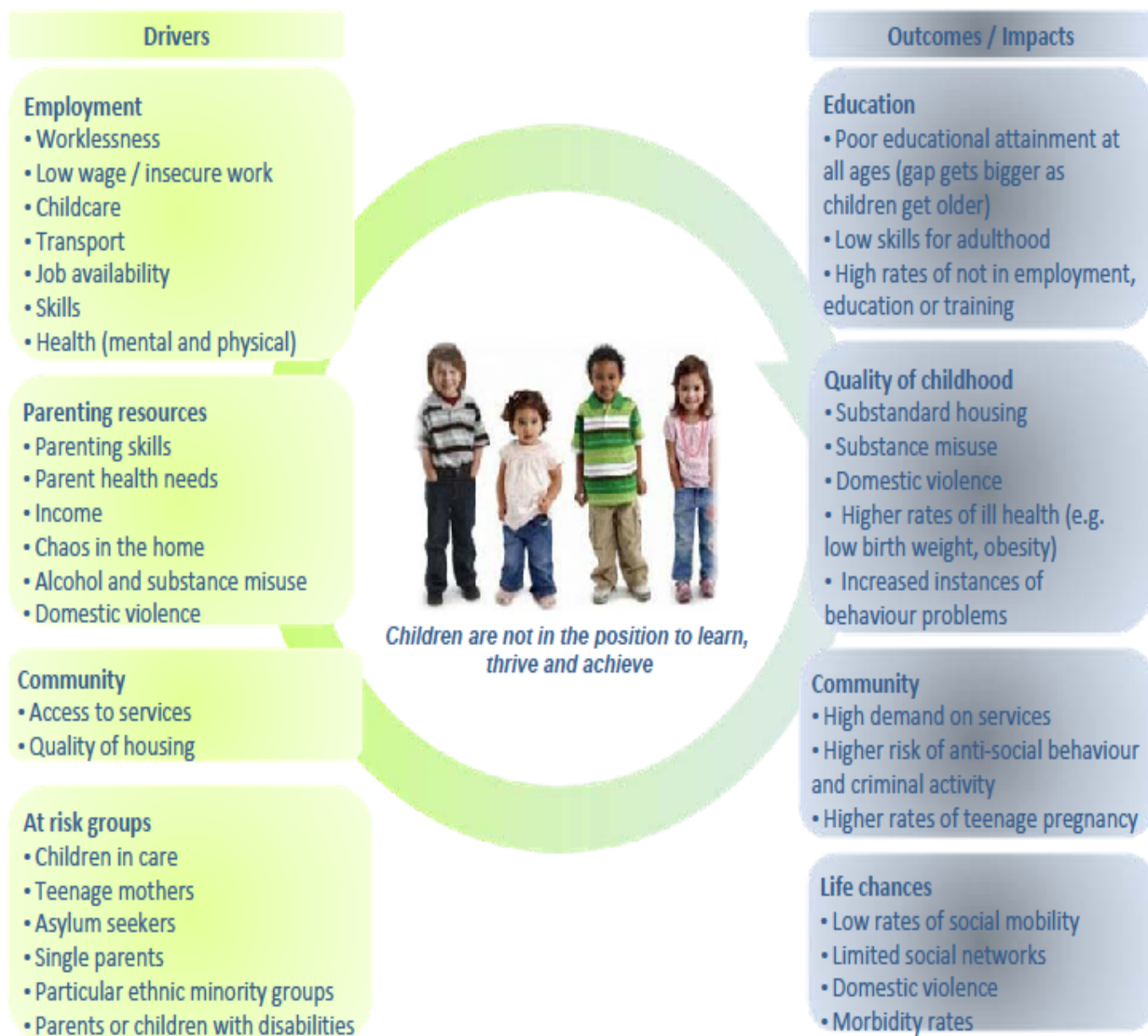
There is 20% less employment in the highest three occupational classifications and 17% more in the lowest four compared to the national average. When compared to the prosperous South East region employment in the top three occupational classifications is 30% less on the Island. Consequently this impacts on earning and wages locally.

The Island is a lower than average wage economy: 13.5% lower than the national average. This earning gap has increased by 4.8% over the last decade. Hourly pay for males is 24.1% lower on the Island than the South East average, for females it is 21% lower.

The pressure this places on all families in work and out of work, coupled with the low levels of earning, has generated 16,752 claims for Housing and Council Tax Benefit. This is the highest ever level and has increased by 17% since 2007.

With inflation currently running at 4% and the increasing cost of fuel, food and transportation, families across the country are feeling the impact. Locally the increase in fuel costs will impact more heavily on those in more rural areas whose daily travel is greater, and for those who cannot access mains gas the impact on oil prices is further compounding this.

Drivers and Outcomes of Child Poverty:



On the Isle of Wight: (NOMIS Labour Market Statistics July 2011)

- 20% less employment in highest occupational classification (Standard Occupational Classification groups 1-3 IW 37.3%, GB 44.6%)
- 13.5% lower earning to National average (Gross weekly earning IW £441 per week, GB £500.4)
- Increasing earnings gap to South East and National (Earning gap with SE increased by 5.4 percentage points and GB by 4.8)
- Increasing cost of living with inflation at 4%
- Highest level of Housing and Council Tax claims ever; 16,742 claims up 17% since 20

EXECUTIVE SUMMARY - factors that directly influence families' ability to enter and sustain well paid employment³

The make up of the Island's economy and its geography creates a range of historical and structural factors which impact on poverty in a number of ways. The structural issues create both the greatest challenges and opportunities in addressing poverty locally.

The industries which make up employment opportunities are weighted towards tourism (83% greater than the national average) and the public sector (19% greater than the national average). The low skilled and low paid make-up of occupations within tourism has greater impact here than on average. The seasonal nature of employment creates a strong seasonal swing in unemployment. The impact of reductions and job losses within the public sector are also likely to be more concentrated locally over the coming year.

Unemployment has steadily risen since 2008 and in February 2011 stood at 4.3% (SE 2.5%, GB 3.7%) with 3,570 people claiming Job Seekers Allowance. This is slightly reduced from the previous figure of 4.6% and 3,833 (January 2010). Unemployment remains at the highest level since 2001. There were 16.9 JSA claimants per unfilled job vacancy for January 2011 (SE 4.7, GB 6.4) reducing to 8.1 in February 2011 but remaining considerably higher than the averages for the South East at 3.8 and nationally at 5.7.

The total number claiming out of work benefits in February 2011 was 13,690 16.3% (SE 10.6%, GB 14.7%) a rise of 2.0% since 2008. There is a high level of benefits dependency on the Island, well above the national average and close to a number of very deprived inner-city areas and higher than Portsmouth, Southampton and Croydon.

The job density figure for the Isle of Wight is 12.8% lower than the national average meaning that there are fewer jobs here in relation to the working age population than on average.

Education is seen at the most critical element to moving children out of poverty. Outcomes and attainment in the Early Years Foundation Stage and Key Stage 1 are better than the national average on the Isle of Wight. As students progress to Key Stage 2 and 4 outcomes and attainment drop below the national average. Overall results at GCSE have consistently been below the national average although improvement has been made in recent years.

The disparity in education outcomes/attainment is usually measured by the difference between those on Free School Meals (FSM) and those non FSM. The difference or gap has been the focus for many Government policies and strategies in the last decade and is currently still the case with developments such as the Pupil Premium.

There has been a small growth in the numbers on FSM, since 2009 this number has increased by 7% to 2,895 pupils in January 2011. It is well know that not all those who could claim FSM actually do, so this number could well be higher, closer to the total number of children in poverty.

The gap in the attainment of those students who claim FSM and those that don't has been rising on the Island since 2007, now nearly 25 percentage points difference at Key Stage 4 (GCSE). At Key Stage 2 the gap is slightly less and stood at 21% in 2010. Overall those children coming from low income homes who claim FSM do less well than their counterparts.

The Island's workforce is less skilled compared with the national and regional averages. A lower proportion has a qualification equivalent to NVQ4 and above; however a higher proportion has no qualifications at all. The Joint Strategic Needs Assessment 2011 states that 12% of the Island's working age population have no qualifications, compared to a national average of 11.3% and considerably worse when compared with the South East Region (8.5%).

Within the context of the Island economy, with proportionally higher levels of lower skilled and lower paid occupations, those individuals with higher level skills tend to gravitate to more prosperous parts of the region and country. There are simply not enough jobs and well paid occupations to sustain, or even grow a highly skilled workforce.

In summary there are a number of obstacles associated with the geography and history of the Island which have contributed to economic limitations, perceived poverty of opportunity and low aspirations.

On the Isle of Wight: (NOMIS Labour Market Statistics July 2011)

- 12.8% lower job density compared to National average (ratio of the number of jobs to working population, IW 0.68, GB 0.78)
- 13.2% higher unemployment than national average
- 83% greater employment in tourism than national average (IW 15%, GB 8.2%)
- 7.7% lower attainment at GCSE than national average (IW 69.9%, GB 75.3%)
- 8.2% lower qualifications for adults at NVQ Level 3+ than national average (IW 46.8%, GB 51.0%)

EXECUTIVE SUMMARY - factors that indirectly influence families' ability to enter and sustain well paid employment and escape poverty

Generally speaking the range of drivers and indicators of poverty on the Island are lower (better) than the national averages. This might lead to the expectation that poverty levels should also be below average, however due to the structural issues within the local economy and island factors the level is about average.

Rates of teenage conception, low birth rates, infant mortality rates, breast feeding initiation rates and a range of other indicators are all better than average. However hospital admissions due to alcohol and injury to under 18 year olds are both above average.

The geographic nature and constraints of being an Island population impact in a number of ways which could be described as a form of hidden poverty of opportunity; in that access to opportunities, employment, and training are constrained by the need to cross the Solent. This low level of isolation impacts on motivations and aspirations and ultimately social mobility and poverty.

Benefits reforms as a whole are likely to impact on claimants quite significantly, with changes in housing benefit having an affect from April 2011. It is quite likely that these changes will lead to more families falling into poverty with benefit reductions across the welfare system.

On the Isle of Wight: (Child Health Profiles CHIMAT February 2011)

- 14.2% lower rate of teenage conceptions than national average
- 5.6% better low birth rate than national average
- 34.3% better infant mortality rate than national average
- 9% better breastfeeding initiation rate
- 17% worse rate of looked after children than national average
- 20% worse hospital admissions (rate) due to alcohol for under 18 year olds
- 10% worse hospital admissions (rate) due to injury for under 18 year olds
- 39% reoffending rate in young offenders but a decrease of 28% in cohort size

EXECUTIVE SUMMARY – Key Facts and Messages from the Isle of Wight Child Poverty Assessment

Key facts on Child poverty on the Isle of Wight:

- **Overall reduction:** Between 2006 and 2008 there has been an overall reduction in child poverty of 335 children, equating to 6.0 percent. The latest data (2008) indicates that 5,380 children live in poverty, 4,690 (87%) under the age of 16; However:
- **Out of work families form largest group:** The majority of children (72.6%) come from families claiming Income Support (IS) or Job Seekers Allowance (JSA) the reduction in child poverty is lowest amongst these families (6.2%) and highest, 19.3% within those families claiming working and child tax credits;
- **Lone parent families most at risk of poverty:** Of those in poverty 68.1% are lone parent families;
- **Traditional Areas of Deprivation are Neighbourhoods with highest proportion of poverty:** Ryde St John's West A, Pan B, Sandown South B, Ventnor West B, Ryde St John's East A, Osborne, Ventnor East A, Ryde South West A, Mountjoy B and Newport North B, reflecting traditional areas of deprivation;
- **Areas with greatest percentage rise in poverty are not traditional areas of deprivation, indicating new pockets of poverty in more affluent areas possibly illustrating rise in in-work poverty:** Binstead A, Gurnard, Cowes Central A, Fairlee B, Fairlee A, Chale Niton & Whitwell A, Carisbrooke East A, Shanklin South A, Newchurch B, Lake South A;
- **Deprivation:** Indices of Multiple Deprivation 2010 sees the Isle of Wight within the 40% most deprived LAs in England, ranked 126th /326. Deprivation on the Island is particularly noted in: Income (116th) Employment (114th), Education and Skills, Barriers to Housing and Services, and the Living Environment

Key Messages from the Child Poverty Needs Assessment:

Early Intervention: As with recent reviews and government strategies – we believe the way to tackle child poverty is to address issues early both in the life cycle of the problem and in the early years of a child's life – making both moral and economic sense;

Holistic Package of support: Child poverty can be the cause and result of many factors therefore it is essential that a holistic package of support is delivered to the family as a whole: child centred with a multi-agency approach;

Positive parenting / home learning environment: To raise aspirations and end a cycle of disadvantage positive parenting is essential and a home environment that encourages learning and is supportive towards education, training and work;

Traditional areas of poverty and deprivation as well as new pockets in more affluent areas – growth of in-work poverty: When addressing the drivers of poverty – important to consider growth of in-work poverty and new areas of growing deprivation aside from the traditional areas of disadvantage;

Economic downturn – job losses, cost of living, benefit cuts: In the Action Plan that follows the strategy – important to be mindful of the current climate of global economic downturn, job losses, benefit cuts and rises in living costs that will inevitably exacerbate child poverty

Recommendations and High Level Outcomes for Inclusion in the Strategy and Action Plan:

As a result of the Needs Assessment, recommendations and high level outcomes have been established to ensure that the strategy and action plan provides a coherent approach to issues raised.

These are:

1. **Tackling Worklessness:** Parents and Carers of children and young people 0-19 have clear pathways into work. They can access appropriate training and guidance and have access to all relevant benefits to enable them to stay in sustained work.
2. **Tackling Debt:** Parents and Carers of children and young people 0-19 are able to access support to tackle debt issues, develop skills in budgeting and saving and know how to obtain financial support. Financial exclusion is minimised.
3. **Strengthening Families:** Parents and Carers of Children and Young People aged 0-19 have increased resilience, helping to prevent risky behaviour and encourage educational attainment and aspiration.
4. **Tackling Educational Attainment:** Parents and Carers of children and young people aged 0-19 are able to support and encourage educational attainment and aspiration, resulting in decreased gap between disadvantaged children and their peers.
5. **Tackling Risky Behaviour and poor health:** Parents and Carers, their children and young people, are able to make choices that support their positive well being. This in turn supports them in achieving their potential.

It is also recognised that a sustained reduction in child poverty will only be achieved when services who deliver to children, young people and their families, have a clear understanding of the impact of poverty. Therefore, an additional recommendation has been identified.

6. **Services for Children, Young People and their Families:** All services provided for children, young people and their families, have a shared understanding of the impact of child poverty and plan their delivery accordingly.

The priority actions under each recommendation and high level outcome are currently being developed by a multi agency Task and Finish Group that includes Statutory Partners of Police, transport authorities, the Primary Care Trust and Job Centre Plus. This is due for completion, with the strategy, by July 2012

Glossary of Terms:

CHIMAT	Child and Maternal Health
CPU	Child Poverty Unit
CTC	Child Tax Credit
CWI	Child Wellbeing Index
CYP	Children, young people/person
DfE	Department of Education
DWP	Department of Work and Pensions
FSM	Free School Meals
GB	Great Britain
GCSE	General Certificate of Secondary Education
IDACI	Income Deprivation Affecting Children Index
IMD	Index of Multiple Deprivations
IS	Income Support
IW / IOW	Isle of Wight
JCP	Job Centre Plus
JSA	Job Seekers Allowance
JSNA	Joint Strategic Needs Assessment
KS 1/2/3/4	Key Stages 1,2,3,4
LA	Local Authority
LSOA	Lower Super Output Area
NEET	Not in Education, Employment or Training
NI 116	National Indicator 116 - number of children 0-15 who live in families in receipt of out-of-work benefits or in working families with income less than 60% of the median
NOMIS	Official Labour Market Statistics
NVQ	National Vocational Qualification
SE	South East
SOC	Standard Occupational Classification
WTC	Working Tax Credit

References:

Executive Summary:

1. <http://www.hmrc.gov.uk/stats/personal-tax-credits/lsoa-south-east08.xls> - Child Poverty data re LSOA
2. <https://www.nomisweb.co.uk/reports/lmp/la/2038431803/report.aspx> - Information on Labour Market and Supply
3. <https://www.nomisweb.co.uk/reports/lmp/la/2038431803/report.aspx> - Information on unemployment and benefits