

Children's Services Scrutiny Committee – 15 September 2011

Report of the Acting Director of Children's Services

Child Poverty

Purpose of Report

1. To brief the Scrutiny Committee on progress relating to Child Poverty, the Child Poverty Act 2010 and specifically the child poverty needs assessment and joint child poverty strategy for the area. This is the second report in a series that will be presented to the committee; subsequent reports will give details of progress as we implement the strategy.

Background

2. The legislation came into place in March 2010 and has cross party support for its implications. It imposes a legal responsibility on the Local Authority to carry out a child poverty needs assessment and a joint child poverty strategy with the capability of reducing child poverty and mitigating the effects of child poverty. The local strategy will link into the national strategy with the aim of eradicating child poverty by 2020.

Key Points from the Child Poverty Act 2010 guidance

- The Act gives partners the power to pool budgets and other resources.
- Coordinated, comprehensive and prolonged action needs to be demonstrated. No agency or provider should work alone. Child poverty is multifaceted and requires integration of services driven by close partnership working.
- Local Authorities should identify many other organisations beyond those mentioned within the legislation that can contribute to delivering upon reducing child poverty and take action to involve such partners in the delivery of activity to reduce child poverty instances.

Key Performance Measure

3. Relative Poverty: children living in households with equivalised net income for the financial year less than 60% of the median equivalised net household income. The relative low income target is that by April 2020 less than 10% of children nationally live in households so defined. Dudley Council currently has around 22% of children (approximately 15,000) living in relative poverty.

Actions

4. The child poverty needs assessment has been prepared and was published on the Dudley Community Partnership website in March 2011 (under strategic needs assessments). <http://www.dudleypsp.org/search/?q=child+poverty> . It demonstrates a clear understanding of the drivers of child poverty in the local area and the characteristics of those living in poverty. Page 5 of the needs assessment documents poverty rates on a ward by ward basis. The page extract is attached to this paper as Appendix 1. The child poverty needs assessment, with the local economic assessment, provides the evidence base for an informed strategic approach to child poverty.
5. Working across council and with a range of partners including the private sector, charity and voluntary services a year one strategy is being considered with the following key areas of focus:

Wealth and jobs creation

- Linking energy projects with regeneration and economic growth opportunities
- Consideration to a borough wide energy study as an evidence base for policies and strategy that exploits sustainable energy opportunities and regeneration
- Supporting and attracting business involved in sustainable energy and technologies – solar, wind, hydro, aerobic digestion, bio mass, alternative fuels, remediation of contaminated land, environmental consultancy, housing refit and building technologies
- Working on “invest to save opportunities” via Social Impact Bonds and start up funds from (for example) Triodos Bank and the Green Investment Bank
- Supporting the Dudley Local Investment plan 2011-2014

Families back to work

- European Social Fund. Part of the working families everywhere campaign. Local Authorities to identify families that may benefit from engaging with Department for Work and Pensions contractors delivering employment focussed support. Contracts will be awarded in the autumn. Provision to start late 2011, early 2012
- Lead by St. Thomas’s network, a Big Lottery (Improving Futures) expression of interest has been submitted dedicated to supporting families with children in poverty from the wards of St Thomas, Castle and Priory

Holiday “free school meals” provision

- Working with the Black Country Food Bank and commercial food suppliers to provide 65 days of holiday free school meals equivalent for the most needy of families with children in poverty

Small loan provision

- From anecdotal evidence of community workers, the Citizens Advice Bureau and Castle and Crystal Credit Union we know that families in poverty are taking loans from fringe credit providers at rates of interest that are often at least seven times greater than rates of main stream providers. Work is underway to establish a

solution to find accessible alternatives to the fringe loan provision that often locks families in poverty into a continues negative spiral of extortionately expensive debt.

Finance

6. There are no direct financial implications arising from this report.

Law

7. The Child Poverty Act 2010 imposes a legal responsibility on the Local Authority to carry out a child poverty needs assessment for the area, a requirement to produce a joint child poverty strategy and importantly includes a requirement for areas to report on the progress of activity to mitigate and reduce the effects of child poverty.

Equality Impact

8. Poverty is a major contributory factor to poor educational achievement, serious health inequality and limited life chances in general. In seeking to reduce child poverty our strategy aims to promote greater equality amongst all groups in society by removing the barriers to economic and social well being.

Recommendation

9. It is recommended that the Scrutiny Committee considers and comments upon the work that is taking place to help to develop the child poverty needs assessment and the child poverty strategy. This strategy aims to reduce and alleviate child poverty, and to deliver the legislative requirements of the Child Poverty Act.



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Appendix 1 – Percentage of Children in Poverty by Ward