

**Select Committee on Children's Services – 16 September 2010**

**Report of the Director of Children's Services**

**Child Poverty**

**Purpose of Report**

1. To brief the Select Committee on the implications of the Child Poverty Act 2010 and specifically actions that need to be taken by March 2011.

**Background**

2. The Child Poverty Act 2010 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 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. The local strategy will link into the national strategy with the aim of eradicating child poverty by 2020.
3. The national strategy will include measures specified in legislation – many of which will require action and interpretation at local level. A strategic network is being developed for child poverty leads.
4. The Act imposes a duty of cooperation with the Local Authority for the partner authorities or bodies of the Police Authority, Chief Officer of Police, Transport Authority, Strategic Health Authority, Primary Care Trust, Youth Offending Team and Probation Service.

**Key Points from draft 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.

- A local Child Poverty Board sitting within existing structures needs to:
  - Develop a shared strategic vision
  - Develop integrated working
  - Develop joint commissioning
  - Integrate processes and integrate front line delivery across relevant partners
- The needs assessment is not about repeating what exists but should provide :
  - A deeper understanding of characteristics of families living in poverty
  - A critical understanding of key drivers of child poverty in the area and the link to efficacy of service provision
  - An understanding of current service provision; the suitability, culture and availability of resources
  - A mapping of the clear strengths, weaknesses, opportunities and threats to tackling child poverty in the area
  - A solid foundation for the development of a coordinated plan/strategy

### **Key Performance Measure**

5. Relative Poverty (relative low income): children living in households with equivalised net income for the financial year less than 60% of the median equivalised net household income.
6. The relative low income target is that by 1 April 2020 less than 10% of children nationally live in households so defined. Dudley MBC currently has around 22% of children (approximately 15,000) living in relative poverty.

### **Actions**

7. By March 2011: To prepare and publish a local child poverty needs assessment, demonstrating a clear understanding of the drivers of child poverty in the local area and the characteristics of those living in poverty. Also to prepare and publish a joint child poverty strategy setting out measures that the Local Authority and each named partner propose to take to reduce and mitigate the effects of child poverty in the local area.
8. In order to respond to the requirements of the legislation discussions have been held within the Children's Trust. In recognition of the workload implications arising, the Trust has agreed to use Local Public Service Agreement reward money to fund a part time post within Children's Services with the post holder taking operational responsibility to ensure that both the strategic needs assessment and resulting strategy are completed to requirements and timescale. The post holder has been selected from within the existing workforce with funding provided to Dudley's Children's Services to enable any 'back fill' requirement.
9. Additionally, in recognition of the partnership dimension to the requirements, the Children's Trust have agreed to oversee all work in relation to tackling child poverty, thus ensuring that the legislative requirements are met as part of main stream activity of partner organisations.

10. As an interim measure a 'time limited' multi-agency working group has been established to scope the work requirements, reporting back to the Children's Trust as appropriate. Ian McGuff, Assistant Director, Quality and Partnership, has been nominated as the child poverty lead with Peter Cox, Strategy Manager – Economic Well Being, having been selected as the operational lead for the work. Day to day support is being provided via Dudley Community Partnership Executive Staff.

### **Governance**

11. Child Poverty has already been identified as a priority within the Children's Plan and therefore work is already in hand to deliver improvement in this area. However, legislation will require a much broader focus than currently demonstrated; a requirement that will place increased emphasis on the need for broad partnership arrangements around delivery. Children's Trust have therefore accepted ownership of the work and will ensure that delivery, where appropriate, sits within the broader partnership arrangements of the Dudley Community Partnership.

### **Finance**

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

### **Law**

13. 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**

14. 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**

15. It is recommended that the Select Committee Corporate Board acknowledges work already in place to help deliver the legislative requirements of the Child Poverty Act.
16. The Select Committee may however wish to receive further update towards the end of 2010 to satisfy itself that the legal requirements that fall upon DMBC are being appropriately met.



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