

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	<b>Meeting:</b>	<b>Self Regulation Select Commission</b>
2.	<b>Date:</b>	<b>22nd November 2012</b>
3.	<b>Title:</b>	<b>Child Poverty Performance Analysis</b>
4.	<b>Directorate:</b>	<b>Resources</b>

### 5. Summary:

The report provides an update on action taken to reduce and mitigate the impact of child poverty in Rotherham.

### 6. Recommendations:

That members note the report and consider, in particular, the following recommendations:

- Performance measures to be augmented to capture a wider range of indicators relating to the drivers of child poverty, as well as a comparison with child poverty levels in other areas
- An annual position statement to be produced, summarising performance and providing an update on key initiatives that aim to reduce or mitigate the impact of child and family poverty

## 7. Proposals and Details:

### *Performance*

The corporate outcome relating to child poverty - *fewer children are living in poverty* – has consistently been rated red (not meeting targets).

This is measured by relative low income, specifically: *the proportion of children living in families in receipt of out of work benefits or tax credits where income is less than 60% of median income.*

Using this measure, child poverty levels have increased locally showing an increase in 2009 to 23.3% (13,665 children) up from 22% in 2008. Child poverty levels remain above the national and regional averages of 21.3% and 21.9% respectively.

This measure does not seem wholly appropriate because:

- It doesn't measure poverty in the wider sense (i.e. assessing factors such as worklessness, parents' qualifications, children's attainment, teen pregnancy etc) to give a better indication of children's prospects for escaping poverty in the longer term; their "life chances".
- Using this measure, poverty can be seen to decrease due to proportionately higher income reductions for middle earners, which would be misleading
- Our ability to increase the income of struggling families is very limited, particularly when the economy is weak

This being the case we would recommend that performance measures are broadened to include a range of "life chances" indicators and that the headline income measure is used primarily to compare our progress with poverty levels nationally and in other areas (e.g. South Yorkshire, comparator authorities).

### *Key initiatives and programmes*

The council and our local partners have a strong strategic focus on tackling poverty.

A key priority of the new health and wellbeing strategy is to reduce poverty in disadvantaged areas.

Our early help strategy, with its focus on preventative work with children and families, aims to mitigate the effects of child poverty and support families to fulfil their potential.

These strategies are being implemented via a range of initiatives and projects, many of which will have an impact on child poverty. It should be emphasised though, that much activity is primarily concerned with mitigating the effects of poverty and intervening early to help children and families. Achieving significant reductions in poverty levels is, realistically, a longer term aim, particularly during an economic downturn.

The appended action plan was put in place after a child poverty performance clinic in February 2012. The latest updates give an indication of progress on some of the key initiatives that will impact on poverty levels.

It is recommended that a more comprehensive position statement on child poverty is produced on an annual basis. In particular, this would assess progress on the following broad areas of work, which could be seen – collectively – as forming the bulk of our response to the issue of child and family poverty:

- **Welfare reform** – this is likely to have a major impact on the poverty agenda in terms of putting additional pressure on families through cuts to benefits, including the overall benefit cap, which will be introduced from April 2013. A member led strategic group is overseeing the partnership response to welfare reform, with activity including: awareness raising through production and dissemination of information leaflets, money management advice and training, and direct support to families affected by the cap (linking with *families for change*).
- **Health & wellbeing strategy poverty priority** – this is primarily being delivered through the focused work in our eleven most disadvantaged areas. Although currently in the early stages of implementation, coordinators are now making links with various agencies, including Jobcentre Plus and local community groups, to identify activities that can engage, support and provide opportunities for local people, with a particular focus on skills and employment issues.
- **Early Help** – the strategy was launched in April 2012. There are five strategic objectives, including: “to mitigate the effects of child poverty (including health inequalities) by supporting families to fulfil their potential”. Operational plans are being put in place to ensure that families who are vulnerable are identified and supported across a continuum of needs that exceed universal provision, but avoid crisis intervention. Local implementation of the government’s troubled families agenda (*families for change*) will provide challenge and support to a targeted cohort of families to help them achieve sustainable outcomes. This work will help to forge multi-agency pathways that will inform wider Early Help delivery.

## **8. Finance:**

Our approach to child and family poverty should be based on the principles of prevention and early intervention, as set out in the early help strategy. This will require initial investment, as with the *families for change* programme, for example, but should realise savings in the longer term as the need for resource intensive “crisis” support is reduced.

## **9. Risks and Uncertainties:**

The struggling economy and some aspects of the government’s reform agenda (i.e. welfare reform) are putting increasing pressure on – particularly – low income families. There is a concern that even by taking effective, coordinated action, local partners can only have a marginal impact on poverty in the short term.

The council, working in partnership, needs to be able to demonstrate it has a plan to reduce child poverty in order to meet its statutory duty (2010 Child Poverty Act). The action being taken, as described in this report, and the recommendations set out above should help us to meet this requirement.

#### **10. Policy and Performance Agenda Implications:**

Alleviating poverty and reducing inequalities are principle aims of the council and Rotherham Partnership, as emphasised in both the corporate plan (priority: *making sure no community is left behind*; outcome: *fewer children are living in poverty*) and community strategy (priority: *ensuring the best start in life for children and families*).

These issues are also central to our health and wellbeing and early help strategies, as described in section 7 of this report.

#### **11. Background Papers and Consultation:**

Relevant officers across the council have been consulted in the preparation of this report and, in particular, in gathering updates for the action plan.

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