

Report of the Portfolio Holder for Community Safety

CHILD POVERTY ACTION PLAN 2022 - 20241. Purpose of Report

To update Cabinet on the revised Child Poverty Action Plan and seek its approval.

2. Recommendation

Cabinet is asked to RESOLVE that The Child Poverty Action Plan 2022 - 2024 be approved.

3. Detail

A child is living in poverty if they live in a household whose income falls below a given threshold. In the UK, there are two definitions of that threshold:

- The threshold for *relative* poverty is set at 60% of the average (median) net household income in the year in the year in question. This threshold can fluctuate from one year to the next.
- The threshold for *absolute* poverty is set at 60% of the average (median) net household income in 2010/11. This threshold does not fluctuate over time.

These thresholds can be considered both before taking into account housing costs (BHC) and after housing costs (AHC). This therefore results in four different measures of child poverty each year.

As well as the four definitions, in the past, the picture has been further complicated by the fact that different datasets have been used to provide the figures.

- At a national and regional level, Department of Work and Pensions (DWP) [Households Below Average Income \(HBAI\)](#) statistics have traditionally been used and these provided the headline measures for children in low income households at a national and regional level.
- At local level, the statistics were provided using DWP's [Children in out-of-work benefit households](#) and HMRC's [Personal Tax Credits: Children in low income families local measure](#).

The limitations of the former releases have been addressed and the new statistics, which are still experimental, complement and are calibrated to DWP's [Households Below Average Income \(HBAI\)](#) statistics providing a more coherent picture of children in low income families for both relative and absolute measures BHC. Unfortunately, the change in datasets does not allow for a simple year on year comparison.

The life chances of children growing up in poverty are severely constrained by their circumstances. There is compelling evidence demonstrating the negative effect of poverty on child development.

According to figures from DWP Stat Xplore in 2020/21 there were 10,852,240 children resident in England, 1,641,170 of which (15.1%) are under the age of 16 and in Absolute Low Income Families which was a decrease of 3.7% on 2019/20. The most recent local data from 2019 shows the number of children living in poverty in Nottinghamshire is 17% and Broxtowe 13% in however in the more deprived areas this will be significantly higher.

The most recent national data available is from 2020/21 so the impact of the Covid-19 pandemic has yet to be reflected in figures however pandemic and lock down restrictions have resulted in several negative outcomes for children, young people and their families – especially for those in low income households. A number of research reports and papers have been published since the first national lock down in March 2020 which highlight the impact of COVID-19 on children, young people and families, in particular for those already experiencing poverty.

The Broxtowe Child Poverty Action Plan captures the actions Broxtowe Borough Council will be taking to tackle the drivers of child poverty. This was based on the Government's 2014 report *"An evidence review of the drivers of child poverty for families in poverty now and for poor children growing up to be poor adults"* which considers drivers for poverty other than just fiscal measures, which are:

- Worklessness (long-term) and Low Earnings
- Parental Qualifications
- Family Instability
- Family Size
- Parental Health and Disability
- Educational Attainment
- Housing
- Neighbourhood
- Debt
- Drug and Alcohol Dependency
- Child Health
- Non-Cognitive Development
- Home Learning Environment, Parenting Styles and Aspirations

The 2022 – 2024 Child Poverty Action Plan is attached at the appendix.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no additional financial implications for the Council at this stage with any costs being contained within existing budgets. Any significant budget implications in the future, over and above virement limits, would require approval by Cabinet.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications arising from this report

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

No Comments

7. Union Comments

The Union comments were as follows:

UNISON fully supports the proposed Child Poverty Action Plan.

8. Data Protection Compliance Implications

There are no Data Protection issues.

9. Equality Impact Assessment

This is not a change to policy so an equality impact assessment isn't required.

10. Background Papers

Nil.